

NEPR

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To: Edison Aviles Deliz, Chairman, PREB

From: Victor L Gonzalez

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REFERENCE: NEPR-AP-2023-0003 July 31, 2025 Resolution and Order ("ORDER")

Section X. Corrections to and Clarifications of this Resolution and Order ask parties to "look for errors and inform us".

I, Victor Luis Gonzalez, am a party. I hereby inform you what in my opinion are errors.

The order claims to arrive at a decision that is ***"expected to be rational and take into account relevant considerations and the information before the Energy Bureau, it is not based on an evidentiary record or evidentiary hearing,"***...

Yet, when discussing Section 43 Pension Cost the ORDER seems to adjudicate that the ***"pension rider should charge each customer a fixed amount"*** and they are not using it because of ***"constrains associated with PREPA's billing infrastructure"***. The ORDER further emphasizes that the PREB have determined that the volumetric approach to the pension rider ***"does not ensure fairness, because customers who can reduce their kWh consumption but still benefit from the electric system, such as net-metering customers, will not pay their fair share."***

PREB claims that the September 1 limitations prevents ***"PREB from ensuring that responsibility for pension costs is borne fairly."***

And, orders ***"LUMA to convert the charge into a per-customer charge at the earliest possible date,..."***

In his dissenting OPINION Chairman Edison Aviles Deliz claims that when the Puerto Rico Legislature enacted the Net Metering Law, Act 114-2007, it did not contemplate that this group of customers would be exempt from contributing to pension obligations or PREPA's debt. His statement is confusing. Net-metered customers have always contributed to pension and debt obligations. Net-Metering customers have always paid those charges and continue paying them based on their net consumption. The purpose of the Net-Metering Law was to incentive renewable energy, by mandating that net-metering customers only be charged for their net energy consumption; and that any change to the existing tariff structure do not hinder renewable energy adoption. Furthermore Act-17-2019 Puerto Rico's Energy Law required PREB to make sure that any charges or modifications to net metering not discourage solar adoption. Yet, this ORDER is a backdoor attempt at discouraging net metering, Puerto Rico's leading renewable energy initiative.

In 2024, Act 10 extended the existing retail net-metering regime through at least 2031. It also blocks changes as the ones described in this ORDER until a mandated study determines what grid fees reform should be adopted.

Therefore, I request that the comments questioning the fairness of net-metering and the order to change the existing fee structure for net-metering not be carried out.

Net metered customers can only be charged based on their net consumption and any change in the existing rate structure can't be done by fiat through a backdoor.

Finally, when discussing P., Luma's proposed provisional rate design, the order states:

***"What the Commission did in 2017 has no bearing on what we do in 2025. ...There is no room for debate that in terms of minimizing differences with the status quo, an equal percentage increase in all rate components is the better approach."***

I find troubling these two statements - what we "did in 2017 has no bearing on what we do in 2025" and - "no room for debate" -.

Sincerely,

Victor L. Gonzalez