

GOVERNMENT OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU

IN RE: PUERTO RICO ELECTRIC POWER
AUTHORITY RATE REVIEW

CASE NO.: NEPR-AP-2023-0003

SUBJECT: Completeness Determination of the
LUMA Petition for Rate Review.

RESOLUTION AND ORDER

I. Introduction and Procedural Background

On February 12, 2025, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") established the initial rate review application filing requirements for LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, "LUMA"). The Energy Bureau designated these requirements as Schedules A through H.¹ The Energy Bureau refined these requirements in a Resolution and Order dated February 27, 2025, which added two requirements: Schedule I (a proposal for a revenue decoupling mechanism) and Schedule J (a proposal for a major-storm costs rider).² By Resolution and Order dated May 29, 2025, the Energy Bureau added requirements for Schedules K (cost allocation and cost of service study), L (revenue allocation), M (rate and bill effects of proposed rate design), N (billing determinants for rate design and bill impacts analysis), O (summary of proposed tariffs), and P (additional policy questions).³

LUMA submitted its formal rate review application on July 3, 2025.⁴ After LUMA submitted the Application, the Energy Bureau's consultants, along with various parties, engaged in a discovery process in efforts to clarify, verify, and supplement the information. This process involved the Energy Bureau's consultants issuing multiple, comprehensive Requests for Information ("ROIs") to LUMA, Genera PR LLC ("Genera"), and PREPA⁵ (the "three utilities"). In response, LUMA, Genera, and PREPA filed numerous motions and supplemental materials, including additional testimony, workpapers, and data.

II. Completeness Determination

Section 6.25(c) of Act 57-2014 requires the Energy Bureau to determine "by resolution that the rate review request is complete". The Energy Bureau has examined LUMA's Application filed on July 3, 2025, and the extensive supplemental information, documents, and data that the three utilities provided in response to multiple ROIs from the Energy Bureau and other parties. Based on this examination, the Energy Bureau determines that the Application, as supplemented, is **COMPLETE**.

This finding of completeness means only that the application complies with the filing requirements. This finding is not a determination that:

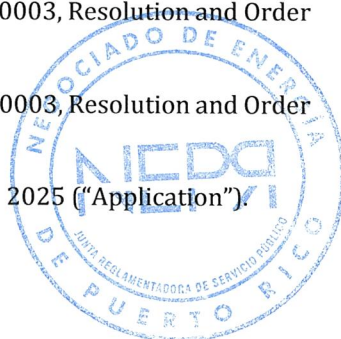
¹ *In Re* Puerto Rico Electric Power Authority Rate Review, Case No. NEPR-AP-2023-0003, Order Establishing Scope and Procedures for Rate Case, February 12, 2025 ("February 12 Order").

² *In Re* Puerto Rico Electric Power Authority Rate Review, Case No. NEPR-AP-2023-0003, Resolution and Order Adding Two Filing Requirements, February 27, 2025.

³ *In Re* Puerto Rico Electric Power Authority Rate Review, Case No. NEPR-AP-2023-0003, Resolution and Order Establishing the Rate Design Filing Requirements, May 29, 2025.

⁴ *See Motion Submitting Rate Review Petition*, Case No. NEPR-AP-2023-0003, July 3, 2025 ("Application").

⁵ Puerto Rico Electric Power Authority ("PREPA").



- The information presented supports any conclusion that the three utilities' proposed costs are reasonable costs;
- the proposed rates are just and reasonable;
- the three utilities' performance to date meets their statutory or contractual obligations; or
- the three utilities' proposed future performance will meet their statutory or contractual obligations.

Under Article 6.25(c) of Act 57-2014, the Energy Bureau now has one hundred eighty (180) days to review LUMA's Application and issue its final ruling. The Energy Bureau may extend this period by an additional sixty (60) days as provided by law.⁶ This 180-day period begins on the date of this Resolution and Order.

III. Nature and Purpose of the Adjudicative Proceeding

In this adjudicative proceeding, the Energy Bureau will determine the appropriate revenue requirement for LUMA, Genera, and PREPA, and the rates customers will pay for electric service. The Energy Bureau emphasizes that its review extends beyond a mathematical evaluation of LUMA's proposed rates. The Energy Bureau will conduct a thorough analysis of LUMA, Genera, and PREPA's operations, expenditures, and performance to ensure that costs recovered through rates correspond to efficient, prudent, and sound operational and administrative practices that result in reliable electric service at the lowest reasonable cost, consistent with Puerto Rico's public policy.

Compliance with the statutory requirement that rates be just and reasonable means, among other things, the Energy Bureau must ensure that the operators' performance results in effective and efficient operation and that the resulting rates remain affordable to consumers. The Energy Bureau's analysis will include, but not limit itself to, these questions:

1. Does the proposed revenue requirement rest on accurate data and transparent, verifiable assumptions?
2. Do the costs underlying the proposed revenue requirement align with efficient, reliable, and satisfactory performance, as the Energy Bureau and Puerto Rico's public policy define these terms?
3. Will the proposed rates, considering the Puerto Rico Electric Power Authority's ongoing Title III proceeding, to the extent required or appropriate, provide for full and timely payment of the Puerto Rico Electric Power Authority's financial obligations while ensuring the operational viability of the transmission and distribution system?
4. Is the allocation of costs among customer classes and the design of rates for individual customers just, reasonable, and free from undue discrimination?
5. Will the bills LUMA sends to customers be accurate and transparent, containing the necessary information to make them simple to understand?

This proceeding will specifically address the ratemaking mechanisms LUMA proposed in response to the Energy Bureau's orders. These mechanisms include the revenue decoupling mechanism proposed in Schedule I and the major-storm costs rider proposed in Schedule J.

IV. Conclusion

The Energy Bureau finds LUMA's rate revision application complete. This completeness determination initiates a 180-day review period (extendable by an additional sixty (60)

⁶ See Puerto Rico Energy Transformation and RELIEF Act, Act No. 57-2014, as amended.

days) during which the Energy Bureau will examine every aspect of the three utilities' operations and proposed rates.

During the adjudicative proceeding, the Energy Bureau will apply rigorous analysis to protect ratepayers while ensuring LUMA, Genera, and PREPA can provide safe, reliable service. The Energy Bureau commits to issuing a final ruling that serves Puerto Rico's energy future and the interests of all electric customers.

Be it notified and published.

	
Edison Avilés Deliz Chairman	
	
Lillian Mateo Santos Associate Commissioner	Ferdinand A. Ramos Soegaard Associate Commissioner
	
Sylvia B. Ugarte Araujo Associate Commissioner	Antonio Torres Miranda Associate Commissioner

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on August 19, 2025. I also certify that on August 19, 2025 I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau, and a copy of this Resolution and Order was notified by electronic mail to: mvalle@gmlex.net; arivera@gmlex.net; jmartinez@gmlex.net; jgonzalez@gmlex.net; nzayas@gmlex.net; katiuska.bolanos-lugo@us.dlapiper.com; Yahaira.delarosa@us.dlapiper.com; margarita.mercado@us.dlapiper.com; carolyn.clarkin@us.dlapiper.com; andrea.chambers@us.dlapiper.com; sromero@sbgblaw.com; gcastrodad@sbgblaw.com; jfr@sbgblaw.com; regulatory@genera-pr.com; legal@genera-pr.com; mvazquez@vvlawpr.com; gvilanova@vvlawpr.com; ratecase@genera-pr.com; hrivera@jrsp.pr.gov; gerardo_cosme@solartekpr.net; contratistas@jrsp.pr.gov; victorluisgonzalez@yahoo.com; Cfl@mcvpr.com; nancy@emmanuelli.law; jrinconlopez@guidehouse.com; Josh.Llamas@fticonsulting.com; Anu.Sen@fticonsulting.com; Ellen.Smith@fticonsulting.com; Intisarul.Islam@weil.com; kara.smith@weil.com; rafael.ortiz.mendoza@gmail.com; rolando@emmanuelli.law; monica@emmanuelli.law; cristian@emmanuelli.law; lgnq2021@gmail.com; jan.albinolopez@us.dlapiper.com; Rachel.Albanese@us.dlapiper.com; varoon.sachdev@whitecase.com; jdiaz@sbgblaw.com; javrua@sesapr.org; Brett.ingerman@us.dlapiper.com; agraitfe@agraitlawpr.com; jpouroman@outlook.com; epo@amgprlaw.com; loliver@amgprlaw.com; acasellas@amgprlaw.com; matt.barr@weil.com; Robert.berezin@weil.com; Gabriel.morgan@weil.com; corey.brady@weil.com; lramos@ramoscruzlegal.com; tlauria@whitecase.com; gkurtz@whitecase.com; ccolumbres@whitecase.com; isaac.glassman@whitecase.com; tmacwright@whitecase.com; jcunningham@whitecase.com; mshepherd@whitecase.com; jgreen@whitecase.com; hburgos@cabprlaw.com; dperez@cabprlaw.com; howard.hawkins@cwt.com; mark.ellenberg@cwt.com; casey.servais@cwt.com; bill.natbony@cwt.com; zack.schrieber@cwt.com; thomas.curtin@cwt.com; escalera@reichardescalera.com; riverac@reichardescalera.com;



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I sign this in San Juan, Puerto Rico, today August 19, 2025.





Sonia Seda Gaztambide
Clerk