

**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: Hearing Examiner's Order Setting
Agenda for Conference of October 16, 2025

**Hearing Examiner's Order Setting Agenda for
Conference of October 16, 2025**

Please find agenda below. Accompanying this Order are five Appendices, A through E.

I. Exhibits

See final version of *Appendix A* on instructions for exhibits.

II. Confidential materials

- A. Goal: Determine the extent to which we will need confidential sessions.
- B. Step 1: Compile full list of all items for which someone asserts confidentiality.
See *Appendix B*.
- C. Step 2: Confirm that *Appendix B* contains those items for which the PREB has not made a final decision, but rather has made only a conditional decision.
- D. Step 3: For the conditional items, attempt consensus on narrowing confidentiality claims.
- E. Step 4: Identify, for each panel, the specific question areas that are likely to trigger the need for a confidential session.
- F. Procedural solution: We will hold any necessary confidential session at the end of each panel, rather than have a single confidential session in late December addressing all panels.

III. Panels

- A. Rename “Customer service” to be “Customer Experience.” Customer service is a component of customer experience.
- B. Revenue decoupling will be in the rate design panel—possibly first.
- C. Scope of solar issues: Update on negotiations among LUMA, SESA, and SUN.
- D. QFs and avoided cost: Not relevant to a proceeding on base rates.
- E. Pension panel
 - 1. What does the PREB need to decide? Based on what evidence?
 - 2. Is the PREB legally required to include in rates whatever is the annual cost of the pension plan determined by PREPA?
 - 3. What does the \$370M represent: Merely current payments to retirees? Or backing up the pension?
 - 4. Where exactly does the \$370M go money go?
 - 5. PREPA: Why is CEO Zapata on the panel but CFO Ocasio is not, when only Mr. Ocasio testified about pensions?
- F. Debt panel
 - 1. PREPA’s preemption argument aside: On including debt in the revenue requirement: What is the PREB's statutory obligation and what is its discretion? Is PREP required to include some amount? Prohibited from including any amount? If neither, what discretion does PREB have?
 - 2. What is the institutional reason for why PREPA takes the position that it takes?
- G. Estimated Panel schedule (*Appendix C1*) and Panel roster (*Appendix C2*)

IV. Rebuttals to the PREB consultant report on generation

- A. The report is about 60 pages single-spaced, covering these four areas: Generation Adequacy, Generation Optimization, Corrective and Preventative Maintenance, and Labor Costs.
- B. To give all more time, I have tentatively scheduled the Generation panel for Week 2, starting **Nov. 17**. Doing so would give the rebuttal and surrebuttal authors more time, as follows:
 - 1. Intervenors' rebuttal on Generation (only rebuttal, no friendly support) due **Oct. 31** rather than Oct. 27.
 - 2. Applicants surrebuttal on Generation due **Nov. 10** rather than Nov. 3.

V. Hearing Logistics

- A. Likely room set-up (See *Appendix D*)
- B. Seating
- C. Official transcripts five days later
- D. Daily plan
 - 1. Each weekday 9-5; 15-minute break midmorning and midafternoon; 60-minute break for lunch.
 - 2. Saturdays and weekend evenings: Presently we likely will use the first Saturday (Nov. 15); but for other situations where necessary to remain on schedule, we will use weekday evenings, though Saturdays remain possible.
 - 3. Off days: Nov. 19, 26-28.
- E. Cross-examination

Counsel have different styles, which is fine. But our time is tight. Preparation saves time. For what it's worth, this article, at pp.21-31, has my views on preparation and delivery. I do not mean to impose these views on anyone.

<https://www.eba-net.org/felj/elj-36-1/>

VI. Post-hearing briefs

How do counsel feel about proposed orders rather than briefs? Each portion would be issue-specific. It would read like an order: explanation of the issue, objective summary of all the evidence, criteria for decision, application of the criteria to the facts, decision. All written objectively rather than argumentatively.

VII. The Energy Bureau's likely deliberations process (Appendix E)

Be notified and published.



Scott Hempling
Hearing Examiner

CERTIFICATION

I certify that the Hearing Examiner, Scott Hempling, has so established on October 16, 2025. I also certify that on October 16, 2025, I have proceeded with the filing of the Order, and a copy was notified by electronic mail to: mvalle@gmlex.net; arivera@gmlex.net; jmartinez@gmlex.net; jgonzalez@gmlex.net; nzayas@gmlex.net; Gerard.Gil@ankura.com; Jorge.SanMiguel@ankura.com; Lucas.Porter@ankura.com; mdiconza@omm.com; golivera@omm.com; pfriedman@omm.com; msyassin@omm.com; msyassin@omm.com; 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; regulatory@genera-pr.com; legal@genera-pr.com; mvazquez@vvlawpr.com; gvilanova@vvlawpr.com; ratecase@genera-pr.com; jfr@sbgblaw.com; hriviera@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; alexis.ramsey@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; javrua@sesapr.org;

Brett.ingerman@us.dlapiper.com; brett.solberg@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; susheelkirpalani@quinnemanuel.com;
 erickay@quinnemanuel.com; dmonserrate@msglawpr.com; fgierbolini@msglawpr.com;
 rschell@msglawpr.com; eric.brunstad@dechert.com; Stephen.zide@dechert.com;
 David.herman@dechert.com; Isaac.Stevens@dechert.com; James.Moser@dechert.com;
 michael.doluisio@dechert.com; Kayla.Yoon@dechert.com; Julia@londoneconomics.com;
 Brian@londoneconomics.com; luke@londoneconomics.com; juan@londoneconomics.com;
 mmcgill@gibsondunn.com; LShelfer@gibsondunn.com; jcasillas@cstlawpr.com;
 jnieves@cstlawpr.com; pedrojimenez@paulhastings.com; ericstolze@paulhastings.com;
 arrivera@nuenergypr.com; apc@mcvpr.com; ramonluisnieves@rlnlegal.com.

I sign this in San Juan, Puerto Rico, on October 16, 2025.




 Sonia Seda Gaztambide
 Clerk

**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: Hearing Examiner's Order on Rate
Case Procedures**

Hearing Examiner's Order on Rate Case Procedures

Appendix A

Exhibits: Process for Numbering and Admitting

The approach described here avoids renumbering the 47 pieces of testimony already submitted, avoids time-consuming “marking for identification” before or during the hearing, and creates a clear platform organization for the parties and the Commissioners. It creates a file system that the Energy Bureau’s appellate team can convert into the format required by the appellate courts. This document has four parts:

- Initiating the process
- Numbering all documentary evidence for identification
- Admitting or rejecting documentary evidence
- Using the Accion platform

This document is the same as that circulated to the parties in the September 29 order, except that new or revised passages are highlighted.

I. Initiating the process

My Order of October 1, 2025, deems all prefiled testimony and accompanying materials as presented for identification and proposed for admission. The process for assigning identification numbers is addressed in Part II below.

II. Numbering all documentary evidence for identification

A. Per the Schedule in Part III.A.1 below, each party will upload all testimony and accompanying documents, in pdf or excel, into an Accion platform folder labeled “Marked for Identification.”

B. *File names—use existing numbers:* Each document’s filename will state the presenting entity, followed by a number. To save time, work, and confusion, parties will use the numbering system initiated by the three utilities in their July 3 application for prefiled testimony and numbered accompanying documents. As was done in the application, each party’s first number will be the number that follows the last number of the preceding party. Therefore, here is what we have so far, as a result of the July 3 application:

LUMA 1.0 to LUMA 20.0

Genera 21 to Genera 30

PREPA 31 to PREPA 47

C. The Accion platform requires parties to input the document numbers assigned by me. The platform accepts preassigned exhibit numbers only as numbers with two decimal places (e.g. 62.01). The platform does not accept characters or numbers beyond the second decimal. Contact KBailey@acciongroup.com or PMcRobbie@acciongroup.com to label exhibits beyond 2 decimals (e.g., 62.01a and 62.01b if needed).

In addition to the material the Applicants labeled as testimony and “exhibits” in the July 3 application, the three utilities included many unnumbered schedules, worksheets, and other documents. Here is the process for dealing with documents without a pre-assigned number, including unnumbered schedules submitted with the Applicants’ filing and documents parties may use during cross examination:

When uploading the document on the platform the party must check a box that says **No document number previously assigned**. The platform will automatically assign those documents a number, starting with 100.

Documents will be numbered sequentially as documents are uploaded. The party uploading the document must identify at least one sponsoring witness, and may indicate multiple witnesses associated with schedules that support multiple witnesses' testimony.

Example: LUMA uploads schedule A-1, in excel, and identifies Figueroa and Shannon as sponsoring witnesses. If that is the first document uploaded by a party (LUMA) checking the box **No document number previously assigned**, the platform will assign "LUMA Ex 100" to the document. If the Bondholders upload a document they plan to introduce, following LUMA's upload of LUMA Ex. 100, the platform will label it BH Ex. 101.

The platform will make a Master list of all uploaded documents in numerical order, available to all parties. The platform will provide parties the ability to sort documents marked for identification by party.

D. Confidential exhibits: Label them clearly and include a Redacted version. Label as follows: LUMA 11.02 CONFIDENTIAL and LUMA 11.02 REDACTED.

E. CEO testimony: The last July 3 "exhibit" was PREPA 47. So I am designating the CEO testimony due September 22 as LUMA 48 and Genera 49.

F. I am designating intervenor documents as follows:

Bondholders: Hogan BH 50; Hurley BH 51; Tierney BH 52

ICPO Sanabria: ICPO 53

ICSE Cao: ICSE 54

SESA Datta: SESA 55.00 - to 55.02

SUN Faruqui: SUN 56

Walmart Chriss 57.0 - to 57.02

G. The PREB Consultant expert reports are PREB 58.0 – PREB 65.

H. The intervenors' rebuttal testimony numbers will begin with the number that follows the last PREB consultant number. Mr. Brady will convene intervenors after **October 10** (the new deadline for all PREB consultants' reports) to determine the numbers for this testimony. The Applicants' surrebuttal materials will begin with the number that follows the last intervenor rebuttal number.

LUMA's counsel will coordinate the surrebuttal numbering. All pre-filed testimony will be assigned a number less than 100.

- I. *If a witness's testimony quotes from an ROI:* Present the ROI (the entire question and answer, including supplemental responses and any follow-up questions and responses) for identification as evidence. To do so, the party has two options: (1) if there are only a few ROIs, append them to the testimony (that combined document then having a single exhibit number); or (2) if there are more than a few ROIs, or if they are lengthy, create a separate numbered document that contains all the ROIs that the witness cites.

Example: If Bondholder witness Tierney (BH 52.00, per above) cites multiple ROIs in her testimony, Bondholders will create a document that contains all ROIs used to support Tierney's testimony, and label it as BH 52.01.

Note: The only documents that anyone should mark for identification are materials that a party (or a PREB consultant) wants in evidence. So if in the past few months a party replaced Document X with Document Y (e.g., because Document X had an error), only Document Y needs to be marked because the party is presenting only Document Y for admission. An example is Revised Schedule O-1. Label the revised schedule with the date the revision was submitted in the PREB case file. e.g. LUMA Ex. 20.04 (7/11/25). (If an opposing party wants erroneous Document X in evidence, they can ask the Hearing Examiner to admit it.)

III. Admitting or rejecting exhibits

A. Before the evidentiary hearing

1. Our current plan is to have the Accion platform available by **October 7, 2025**, to receive documents to be marked for identification. For materials submitted through **October 10**, parties must upload them no later than **October 22**. For later-filed materials, parties must upload them **within 24 hours of submitting** the document to the case file.

The Accion platform will produce a master list of all uploaded materials marked for identification.

2. **Objections:** See the Order of October 1 for deadlines. If necessary I will hold a conference to hear arguments. Then I will issue an order admitting or rejecting those disputed items. A party wishing to make an offer of proof of a rejected item must do so within three 3 days of my order.

B. During the hearing

If cross-examiners wish to introduce documentary evidence during the hearing I will require the party to upload that material into the Marked for Identification folder on the Accion platform no later than 8:00 pm Atlantic the night before the date on which the cross-examiner will introduce the document. The platform will assign the next available number according to II C above. If I have not already addressed this material, I will rule on the request at the hearing.

Example: If the last document uploaded was PREPA 149, and if LUMA uploads a document the night before cross-examining a witness, the document will be numbered LUMA Ex. 150..

IV. Using the Accion platform

A. The Accion platform will have five folders:

Marked for Identification

Admitted as Evidence

Rejected but not subject to offer of proof

Rejected and subject to offer of proof

Official Notice

B. Accion platform functions

1. On the deadline that I established above, all parties will upload their labeled documents in pdf or excel into the folder on the Accion Platform labeled “Marked for Identification” and provide the information required in a-d below to populate the master list.

The Accion platform will produce and continually update a master list of documents. The master list of documentary evidence will include:

- a. Documentary Evidence Number, e.g. LUMA 1.0
- b. Description, e.g. Direct Testimony, Schedule A-1, or ROIs

- c. Sponsoring Witness, e.g. Alejandro Figueroa
 - d. Date document was filed in NEPR-AP-2023-0003, e.g., July 3, 2025
 - e. Date document was deemed Marked for Identification, e.g., upload date
 - f. Status: Admitted, Rejected but not subject to offer of proof, Rejected subject to offer of proof
 - g. [Pointer to Ruling Document (e.g., "See Order of," "See Transcript p. 123, ll. 5-15")] [This item is still under discussion.]
2. Someone authorized by the Hearing Examiner, will use the platform to mark the status of each document in the Marked for Identification folder (e.g. admitted or rejected). The platform will sort the documents into the appropriate folders. If documents are rejected and subject to offer of proof, the platform will reflect the status as “proffered.” Documents rejected and subject to offer of proof will remain in a folder for the appellate record. The person authorized by the Hearing Examiner will use the platform to mark documents admitted or rejected during the hearing on the day the Hearing Examiner rules on the document’s admission.
 3. At the end of hearing, the Hearing Examiner will set a deadline by which all counsel must confirm the accuracy of (a) Admitted as Evidence and (b) Rejected and Subject to Offer of Proof folders.
 4. I will use the same number assigned to a document—whether by me or through the Accion platform—as its Exhibit number if it becomes evidence. Accion will generate an **Admitted as Evidence** list showing all numbers from 1 through the last number marked for identification. It will label any document numbers not admitted as evidence as **NOT USED**.

Appendix B: Confidentiality Assertions

Party claiming Confidentiality	Document	Date Filed	Information for Which Confidential Treatment is Requested
LUMA	PC-of-LUMA-COST_ALL-13	26-Aug-25	Map of LUMA Energy Transmission System
LUMA	PC-of-LUMA-NONPHYS_OPS-38	22-Aug-25	LUMA-PREPA Insurance Program with premiums. TRADE SECRET
LUMA	PC-of-LUMA-NONPHYS_OPS-38	24-Sep-25	LUMA-PREPA Insurance Program with premiums. Includes limits, deductibles and last time shopped TRADE SECRET
LUMA	PC-of-LUMA-DST-28	17-Aug-25	FEMA detailed scope of work for AMI
LUMA	NPFGC-of-LUMA-CAPEX-18	20-Aug-25	Long Term Investment Plan Unconstrained aka Ex 2.05
LUMA	NPFGC-of-LUMA-CAPEX-18	20-Aug-25	Long Term Investment Plan Constrained aka Ex 2.06
LUMA	PC-of-LUMA-TRS- 5	20-Aug-25	Prioritized list of substations
LUMA	PREPA-of-LUMA-PROV- 8	26-Jul-25	High priority and non-controversial items to be collected through provisional rates
LUMA	PREPA-of-LUMA-PROV- 8	26-Jul-25	Number of accounts and amounts for Payment plans, Severance plans, Disputed accounts, Accounts with objections, Pending balaance certifications, TRADE SECRET
LUMA	PC-of-LUMA-OTH_OPEX- 27	26-Aug-25	Inventory Burden Policy
GENERA	PC-of-GENERA-NONPHYS_OPS-35	24-Sep-25	Insurance Costs TRADE SECRET
GENERA	PC-of-GENERA-NONPHYS_OPS-35	24-Sep-25	Certificate of Insurance & Waiver of Commercially Unavailable; Includes costs TRADE SECRET
Bondholders (NPFGC)	LUMA-of-NPFGC-CAPEX- 40	5-Oct-25	Response to request to identify flaws in LUMA's model on reliability benefits
Bondholders	LUMA-of-NPFGC-CAPEX- 40	5-Oct-25	Comparison of LUMA Historical Reliability to Capital Spending
LUMA	NPFGC-of-LUMA-CAPEX-10	9-Sep-25	Information on reliability improvements/outages
Bondholders	LUMA-of-NPFGC-FEMA-16	5-Oct-25	Hurley assignments for IEM in Puerto Rico
Bondholders	LUMA-of-NPFGC-ACCTPAY-24	6-Oct-25	Consulting Agreement
Bondholders	LUMA-of-NPFGC-ACCTPAY-24	6-Oct-25	Consulting Agreement
LUMA	PREPA-of-LUMA-COST_ALL-18	18-Sep-25	Secondment Agreement between LUMA and ATCO Infrastructure
LUMA	Ex 2.05	18-Aug-25	LTIP Unconstrained (CAPEX-18)
LUMA	Ex 2.06	18-Aug-25	LTIP Constrained (CAPEX-18)
LUMA	Ex. 11.0	3-Jul-25	Direct Testimony Crystal Allen IT-OT
LUMA	Ex 11.02	3-Jul-25	IT-OT Cyber Security Program FY 26
LUMA	Ex 5.03	3-Jul-25	PBIT1 OT Telecom Systems & Networks
LUMA	Ex 13.01	3-Jul-25	PBUT18 Substation Physical Security FY26
LUMA	Ex 13.02	3-Jul-25	PBUT19 Regional Operations Physical Security FY 26
LUMA	Ex 13.03	3-Jul-25	Motion Submitting Responses to November 8 ROI and Request for Confidential Treatment
LUMA	Ex 13.03	3-Jul-25	Security Incidents
LUMA	Ex 13.03	3-Jul-25	Physical Security Plan
LUMA	Ex 13.03	3-Jul-25	Summary of Investigations in the Aricebo Region 2024

Panel Name	Hours Estimate (low)	Hours Estimate (high)	Likely Date Range*			
T &D	12	24	N12-15			
Generation	12	18	N17-19			
Customer experience	8	10	N19-21			
Overhead & misc	12	18	N18-21			
Federal funds	8	12	N20-21, 24-25			
Budget	6	8	D1-5			
Practicability	4	8	D1-5			
Conflicts	4	6	D1-5			
Inter-utility cooperation	4	8	D1-5			
Debt	4	6	D8-12			
ARR	5	8	D8-12			
Recordkeeping	6	8	D8-12			
Pensions	4	6	D8-12, 15			
Rate design	12	18	D15-19			
Totals	101	158				
*N=Nov.; D=Dec.		Days	Hours @ 6/day			
		24	144			

Panels as of Oct. **136**, reflecting all prefiled tty to date plus PREB consultants
plus party-proposed individuals

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Generation costs

Genera: Vladimir Scutt, VP of Operations and Asset Management, Fuels
Genera: Joaquin Quinoy Ortiz, VP of Engineering, Construction and Maintenance¹
Victor González
ICPO: Engineer Gerardo Cosme Núñez
Bondholders: Anthony Hurley
Bondholders: Patrick Hogan
PREB consultant: Justo González

Transmission costs

LUMA: Pedro Meléndez
LUMA: Kevin Burgemeister
ICPO: Engineer Gerardo Cosme Núñez
Bondholders: Anthony Hurley
Bondholders: Patrick Hogan
PREB consultant: Roger Schiffman
PREB consultant: Kathryn Bailey

Distribution costs

LUMA: Pedro Meléndez
LUMA: Kevin Burgemeister
Victor González
ICPO: Engineer Gerardo Cosme Núñez
Bondholders: Anthony Hurley
PREB consultant: Roger Schiffman

Customer service costs

LUMA: Sarah Hanley

¹ Additional possible Genera contributors to the Generation panel:

Hector Vazquez Figueroa, Chief Information Officer
Ricardo Pallens Cruz, Vice-President EEHS & Regulatory
Jennifer Witczek, Vice-President of Services
Kevin Futch, General Counsel
Jesus Cintron Rivera, Senior Project Manager of Federal Funds (nonwitness)

Overhead costs and “miscellaneous costs”

LUMA: Crystal Allen (IT, OT)
LUMA: Kevin Burgemeister (Fleet)²
Genera: Ricardo Pallens Cruz, Vice-President EEHS & Regulatory
Genera: Héctor Vazquez Figueroa, Chief Information Officer
PREPA: Mary C. Zapata, CEO
PREPA: Juan C. Adrover, Comptroller
Bondholders: Anthony Hurley

Federal funds

LUMA: Andrew Smith
LUMA: Pedro Meléndez
Genera: Maria Sánchez Brás
Genera: Ricardo Pallens Cruz³
PREPA: Mary C. Zapata, CEO
PREPA: Suzette Díaz, (nonwitness)
Bondholders: Anthony Hurley
PREB consultant: Guímel Cortés

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Debt

LUMA: Andrew Smith
LUMA: Alejandro Figueroa
Bondholders: Dr. Susan Tierney
Unsecured Creditors: Julia Frayer
PREB consultant: Ralph Smith

² Additional possible LUMA contributors to the Overhead and Miscellaneous panel:

Juan Rogers (Procurement) (nonwitness)
Ivonne Gómez (HR)
Lorenzo López (Corp. Comms/Advertisement)
Ángel Rotger (Legal, Land and Permits, and Compliance)
Michelle Fraley (Corporate Security and Emergency Preparedness)
Michael Granata (HSE)
Miguel A Sosa Alvarado (Facilities) (nonwitness)
Alejandro Figueroa (Regulatory)
Andrew Smith (Finance)

³ Additional possible Genera contributor to the Federal Funds panel:

Jesus Cintron Rivera, Senior Project Manager of Federal Funds (nonwitness)

Pensions

SREAEE: José Fernández

PREPA: Mary C. Zapata, CEO

PREPA: Oscar X. Ocasio González, CFO

PREPA: Brenda Rivera – New PREPA ERS Administrator (nonwitness)

PREPA: Lucas Porter - PREPA's financial advisor (nonwitness)

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Emergency Reserve Account

LUMA: Alejandro Figueroa

Genera: María Sánchez Brás

Genera: Kevin Futch, General Counsel

PREPA: Juan C. Adrover - PREPA's Comptroller

PREPA: Gerard Gil – PREPA's financial advisor (nonwitness)

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Total revenue requirement; bad debt; reconciliation of permanent and provisional rates

LUMA: Sam Shannon

LUMA: Andrew Smith

LUMA: Alejandro Figueroa

PREPA: Juan C. Adrover - PREPA's Comptroller

PREPA: Lucas Porter - PREPA's financial advisor (nonwitness)

Genera: María Sánchez Brás

Genera: Ricardo Pallens Cruz

ICPO: CPA Jaime Sanabria Hernández

PREB consultant: Ralph Smith

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Budget process and budget flexibility

Genera: Maria Sánchez Brás

Genera: Jennifer Witeczek, Vice-President of Services

LUMA: Ed Balbis

LUMA: Branco Terzic

LUMA: Andrew Smith

PREPA: Juan C. Adrover - PREPA's Comptroller

PREPA: Lucas Porter - PREPA's financial advisor

Bondholders: Anthony Hurley

Bondholders: Patrick Hogan

Recordkeeping for project costing (Uniform System of Accounts, activity-specific budget projections)

Genera: María Sánchez Brás

Genera: Ricardo Pallens Cruz

LUMA: Andrew Smith

PREPA: Juan C. Adrover - PREPA's Comptroller

PREPA: Lucas Porter - PREPA's financial advisor

PREB consultant: Ralph Smith

Practicability of various levels of rate increase

Genera: Ricardo Pallens Cruz

LUMA: Andrew Smith

LUMA: Alejandro Figueroa

ICSE: Dr. Ramón Cao

Bondholders: Dr. Susan Tierney

Conflicts of interest between profit and cost

Genera: Winnie Irizarry Velazquez, CEO

LUMA: Juan Saca

PREPA: Mary C. Zapata – PREPA's Executive Director

ICSE: ?

Cooperation among PREPA, LUMA, Genera

Genera: Winnie Irizarry Velazquez, CEO

Genera: Ivan Báez, Vice-President of Public & Government Affairs

LUMA: Alejandro Figueroa

LUMA: Juan Saca

PREPA: PREPA: Mary C. Zapata – PREPA's Executive Director

Juan C. Adrover - PREPA's Comptroller

ICSE: ?

Rate design Single panel, covering load forecast, cost of service study, revenue allocation, rate design, and actual bills

Genera: Mr. Ricardo Pallens Cruz

LUMA: Sam Shannon

LUMA: Joseline Estrada (load forecast)

LUMA: Sarah Hanley (actual bills)

PREPA: Gerard Gil - PREPA's financial advisor (nonwitness)

PREPA: Lucas Porter - PREPA's financial advisor (nonwitness)

Victor Luis González

SESA: E. Kyle Datta

Walmart: Steve Chriss

SUN: Ahmad Faruqui

ICPO: Engineer Gerardo Cosme Núñez

ICSE: Dr. Ramón Cao

Bondholders: Dr. Susan Tierney

PREB consultant: Zachary Ming

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Panelists (13 maximum)

Commissioners

Clerks

Cross-Examiner

HE

Counsel

Counsel

Counsel

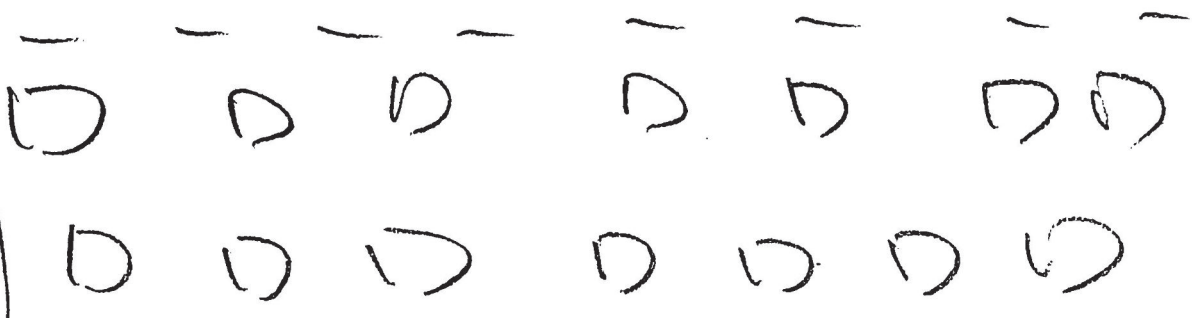
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Chair for Public



Appendix E: Tentative plan for constructing the FY26 final order on rates

This document describes a procedure that I am considering for the post-hearing deliberations over FY26 rates. I welcome questions and comments. Most importantly I want to know if there are any legal concerns. After hearing from the parties, I will issue a Hearing Examiner order establishing the process described here..

Summary: During January 2026, the Energy Bureau will make its decisions about cost subtractions and additions, relative to the applicants' Constrained Budget. When I have received internal notice of those decisions, I will state them in a Hearing Examiner order. Those decisions, at that time, will be unofficial and nonbinding. Not until April will the Energy Bureau issue the final Resolution and Order that triggers appeal rights. The reason for my stating the revenue requirement decisions publicly, in late January or early February, is so that LUMA can calculate the base-rate revenue requirement. With that base revenue requirement known, the Energy Bureau can use it in February to conduct its internal deliberations on revenue allocation and rate design.

This approach gives the Energy Bureau ample time to deliberate the issues, draft the extensive final Resolution and Order, and have that R&O state the precise rates that customers will pay, all in time to meet the statutory deadline of 240 days after the August 19, 2025, decision on completeness.

The procedure for determining the revenue requirement

During January, the Commissioners will conduct their private deliberations to determine the annual revenue requirement for electric service for at least FY26.

By early February 2026, I will issue a Hearing Examiner order. That order will identify additions to or subtractions from the three utilities' proposed combined revenue requirement. That Order will reflect the deliberations conducted by the Commissioners in January, but it will not contain any explanations. Since it will not be an Energy Bureau order, it will have no legal effect on rates and will not trigger any appellate rights. As well, the order will not create any procedural right for anyone to contest the numbers.

The order will direct LUMA to calculate, explain, and report publicly to the Energy Bureau, the new revenue requirement that would arise from the listed additions and subtractions.

With the revised revenue requirement presented by LUMA, the Energy Bureau will proceed to conduct its private deliberations on rate design, thereby determining how each customer will pay its share of the new revenue requirement.

No later than the 240th day after the August 19, 2025, Energy Bureau Order determining completeness, the Energy Bureau will issue a final, appealable decision on rates. That decision will describe the revenue requirement, the basis for all of the changes

from what the utilities filed on July 3, 2025, all elements of cost allocation, revenue allocation, and rate design, and the explanations of those elements.

At some point between early February and late April, Luma will prepare and propose an amendment to the existing approved FY26 budget. That amended budget will reflect the revenue requirement that emerged from the additions and subtractions that my Hearing Examiner Order listed in early February. My February Order will require that proposed budget amendment to be fully consistent with the additions and subtractions in that Order. The public will have an opportunity to comment on the proposed budget amendment. After reviewing those comments, the Energy Bureau will adopt an Amended Budget for FY26 consistent with the FY26 revenue requirement established by the Energy Bureau in its final order.

The procedure for determining the rate design

Once the Commissioners know the actual new revenue requirement for FY26, they will deliberate internally the options for rate design. They will determine all the methodologies and principles necessary for LUMA to calculate the actual rates for all customer categories. We then would follow a procedure similar to that described above for revenue requirement. That is, I would issue a Hearing Order stating all these methodologies, and directing LUMA to calculate the rates and report back publicly.

Explanation

I believe that this procedure is the most efficient way to ensure that the individual cost additions and cost subtractions determined by the Energy Bureau get reflected in a revenue requirement on a schedule that allows the Energy Bureau to conduct its deliberations on rate design, and to draft the extensive final order, by the 240th day after the August 19, 2025, determination of completeness. I find Act 57 unclear as to whether the final order issued by the 240th day must state the precise rates; or whether instead it could state only the Energy Bureau's policy decisions on additions and subtractions, then leave the calculation and publication of actual rates to a post-240th-day compliance filing. I do not want to take the risk that a reviewing court will find the Day-240 Order insufficient and therefore of no legal effect, forcing a statutory default to the rates proposed by the utilities on July 3.

To assess the feasibility of this approach in terms of mechanics and timing, I discussed it with LUMA representatives on October 14, 2025. The conversation involved solely the question of feasibility, without discussion of substance. I welcome questions and comments.