

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

**NEPR**

**Received:**

**Jan 23, 2026**

**8:40 PM**

**IN RE: PUERTO RICO ELECTRIC  
POWER AUTHORITY RATE REVIEW**

**CASE NO.: NEPR-AP-2023-0003**

**SUBJECT: Request for Enlargement of  
Briefing Word Limitation Currently  
Applicable to LUMA and Leave to File  
Appendix**

**REQUEST FOR LEAVE TO FILE LUMA’S REVENUE REQUIREMENT BRIEF IN  
EXCESS OF THE CURRENT PAGE LIMITATION, REQUEST FOR ENLARGEMENT  
OF BRIEFING WORD LIMITATION CURRENTLY APPLICABLE TO LUMA, AND  
REQUEST FOR LEAVE TO FILE APPENDIX**

**TO THE HONORABLE PUERTO RICO ENERGY BUREAU:**

**COME NOW LUMA Energy, LLC and LUMA Energy ServCo, LLC**, (jointly referred to as “LUMA”), and respectfully state and request the following:

**I. Introduction and Relevant Background**

1. Following the conclusion of a six-week long evidentiary hearing held in the captioned proceeding, on December 22, 2025, the Hearing Examiner issued an *Order on Exhibits, Miscellaneous Post-Hearing Matters, and Legal Issues* (“December 22<sup>nd</sup> Order”). In what is here pertinent, the Hearing Examiner outlined the preliminary schedule for post-hearing briefs and established, following a proposal by the parties, the corresponding word limits for said briefs, capping affirmative briefs at 52,000 words<sup>1</sup> and reply briefs at 31,000 words.<sup>2</sup>

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<sup>1</sup> LUMA was afforded an additional 1,000 words solely to describe the combined revenue requirement proposed by the three applicants. December 22<sup>nd</sup> Order, at p. 4.

<sup>2</sup> The Hearing Examiner also required one consolidated reply brief per phase (revenue requirement, rate design, and legal issues) responding to all parties, rejected multiple opponent-specific replies, clarified that legal-issues briefs may cite issue numbers without quoting the questions, and held that the word limits exclude the caption, table of contents, signature blocks, and service information but include appendices.

2. Today, January 23, 2026, LUMA timely filed its *Revenue Requirement Brief*, together with a certificate addressing the applicable word limit. Due to the complexity and number of issues necessary to be addressed, LUMA’s affirmative brief on revenue requirement exceeded 53,000 words,<sup>3</sup> reflecting the scope of arguments required by the vast evidentiary record.

3. Good cause exists to permit LUMA’s filing in excess of the current limit and to enlarge LUMA’s remaining word allotments because LUMA bears a unique, affirmative burden to develop and support a comprehensive revenue requirement record and to address cross-cutting issues and proposals for which no other party carries a comparable burden. The relief requested is made in good faith and is necessary to place the Energy Bureau in the best position to adjudicate the complex and interrelated issues presented throughout a six-week evidentiary proceeding and beyond.

4. Finally, for ease of the Energy Bureau and the parties, LUMA prepared an appendix with the exhibits that are referenced and discussed in its brief. LUMA respectfully requests leave from the Energy Bureau to file the appendix.

## **II. LUMA’s Unique Burden & Requested Relief**

5. Under the rate review framework contemplated in Act No. 57-2014, PR Laws Ann. Tit. 22 §§ 1051-1056 (2025), 22 LPRA §§ 1051-1056 (2025), the requesting electric power service company bears the burden to show that its proposed rates are just and reasonable, consistent with sound fiscal and operational practices that provide for safe and adequate service at the lowest reasonable cost. In this proceeding, Section 5.6(g) of the *Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement* (“T&D OMA”) assigns LUMA the responsibility to apply to Energy Bureau for rate changes and to conduct rate proceedings in

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<sup>3</sup> Specifically, *LUMA’s Revenue Requirement Brief* totaled **56,710 words**, spread throughout 179 pages, excluding the caption, table of contents, signature blocks, and service information.

accordance with applicable law and to abide by any resulting Rate Order, confirming LUMA's role as the party charged with developing and proving the affirmative case for the Transmission and Distribution portion of the revenue requirement.

6. Consistent with that burden, *LUMA's Revenue Requirement Brief* necessarily recapitulates a voluminous record consisting of 20 prefiled direct testimonies and 12 prefiled surrebuttal testimonies sponsored by 18 witnesses, and a six-week evidentiary hearing generating thousands of transcript pages. The brief cross-references and synthesizes testimony and hearing exchanges across multiple days and subject matters. The December 22<sup>nd</sup> Order itself emphasizes that successful briefs "reason," link facts to lawful outcomes, and carefully cite the record, an approach that, given the breadth of issues, requires additional word count for the applicant that bears the burden.

7. In addition to defending the prudence and sufficiency of its proposed costs and revenue requirement, LUMA advances multiple proposals that no other party is responsible for developing in the first instance, each of which requires explanation of purpose, mechanics, record support, and legal fit.

8. First, LUMA proposes and supports a just and reasonable bad-debt factor of 2.97% grounded in audited experience and Energy Bureau precedent, and responds to contrary recommendations unsupported by empirical analysis, issues that demand detailed record citation and explanation to enable adjudication. Second, LUMA presents and justifies a system margin proposal to provide working capital and financial stability, supported by testimony and consultant analysis, and addresses alternatives, again requiring thorough explanations. Third, LUMA sets out a reconciliation methodology to implement Act 57's provisional-to-permanent true-up across defined periods and customer classes, with illustrative calculations that necessitates narrative

space. Fourth, LUMA addresses practicability and affordability, explaining the proper locus for affordability considerations and how the record shows the proposed increase is practicable.

9. Beyond revenue requirement core elements, LUMA also advanced three distinct petitions outside the base request that required dedicated briefing: (i) establishing and replenishing the Outage Event Reserve Account (OERA) and an associated rider; (ii) targeted budget-process amendments to align with the T&D OMA's 5% flexibility; and (iii) streamlining reporting by eliminating the fourth-quarter report while recognizing the sufficiency of current efficiency reporting. Each of these proposals is specific to LUMA's operational responsibilities and compliance obligations and thus required LUMA to present a full evidentiary rationale in its affirmative filing.

10. The record is unusually dense and multifaceted, requiring LUMA to address cross-cutting interactions among federal funding mechanics, NFC capital pacing, and working capital constraints, all while responding to inquiries from the Energy Bureau, its consultants, and multiple intervenors. The Hearing Examiner's evidentiary hearing agenda confirms this scope, and LUMA is tied to the vast majority of items outlined therein.

11. Accordingly, LUMA respectfully requests that the Energy Bureau and its Hearing Examiner grant leave for LUMA to file its *Revenue Requirement Brief* in excess of the current word limitation applicable under the December 22<sup>nd</sup> Order, recognizing the unique burdens and scope of issues LUMA must address. As stated in the attestation included in LUMA's revenue requirement brief, the brief has **56,710 words**, excluding the cover and caption, table of contents, signature blocks, and service information.

12. This request is made in good faith and for the purpose of aiding, not burdening, the Energy Bureau's decision-making. The December 22<sup>nd</sup> Order counsels parties to "reason," cite

exhibits, and organize arguments around the main panel topics. *LUMA's Revenue Requirement Brief* follows that direction and provides the necessary detail needed for the Energy Bureau to make lawful, evidence-based determinations.

13. Moreover, LUMA hereby requests that the December 22<sup>nd</sup> Order's word-count limitation structure be modified, solely as applied to LUMA, by enlarging LUMA's available word limits for the remaining two phases – rate design and legal/policy briefs – to 30,000 words per affirmative brief. This targeted enlargement will allow LUMA to address, with necessary specificity, the complex rate-design interactions and the extensive legal/policy issues identified by the Hearing Examiner, thereby enhancing the quality and utility of the briefs for the Energy Bureau.

14. Finally, LUMA requests leave to file an appendix that includes the exhibits cited in the brief. This request for leave is necessary, given that the December 22<sup>nd</sup> Order includes appendices within the word count. The evidentiary record includes more than one thousand exhibits, hosted in a discovery platform with user-specific access and that requires users to download exhibits. LUMA respectfully submits that the proposed appendix that compiles the exhibits cited and discussed by LUMA, will aid the Energy Bureau in considering LUMA's revenue requirement brief.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned; **grant** leave for LUMA to file its *Revenue Requirement Brief* in excess of the word limitation set by the December 22<sup>nd</sup> Order, **enlarge** the word-count limits for the remaining rate design and legal/policy briefs to 30,000 words per affirmative brief, together with such other and further relief as may be just and proper; and **accept** the appendix to LUMA's brief.<sup>4</sup>

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<sup>4</sup> While LUMA recognizes that the December 22<sup>nd</sup> word limits reflect an initial proposal conveyed by LUMA's counsel, that proposal was made before the close of the six-week evidentiary hearing and before the Hearing Examiner

**RESPECTFULLY SUBMITTED.<sup>5</sup>**

In San Juan, Puerto Rico, this 23<sup>rd</sup> day of January, 2026.

**WE HEREBY CERTIFY** that this Memorandum was filed using the electronic filing system of this Energy Bureau and that electronic copies of this Memorandum will be notified to Hearing Examiner, Scott Hempling, [shempling@scotthemplinglaw.com](mailto:shempling@scotthemplinglaw.com); and to the attorneys of the parties of record. To wit, to the **Puerto Rico Electric Power Authority**, through: Mirelis Valle-Cancel, [mvalle@gmlex.net](mailto:mvalle@gmlex.net); Juan González, [jgonzalez@gmlex.net](mailto:jgonzalez@gmlex.net); Alexis G. Rivera Medina, [arivera@gmlex.net](mailto:arivera@gmlex.net); Juan Martínez, [jmartinez@gmlex.net](mailto:jmartinez@gmlex.net); and Natalia Zayas Godoy, [nzayas@gmlex.net](mailto:nzayas@gmlex.net); and to **Genera PR, LLC**, through: Jorge Fernández-Reboredo, [jfr@sbgbllaw.com](mailto:jfr@sbgbllaw.com); Giuliano Vilanova-Feliberti, [gvilanova@vvlawpr.com](mailto:gvilanova@vvlawpr.com); Maraliz Vázquez-Marrero, [m vazquez@vvlawpr.com](mailto:m vazquez@vvlawpr.com); [ratecase@genera-pr.com](mailto:ratecase@genera-pr.com); [regulatory@genera-pr.com](mailto:regulatory@genera-pr.com); and [legal@genera-pr.com](mailto:legal@genera-pr.com); **Co-counsel for Oficina Independiente de Protección al Consumidor**, [hrivera@jrsp.pr.gov](mailto:hrivera@jrsp.pr.gov); [contratistas@jrsp.pr.gov](mailto:contratistas@jrsp.pr.gov); [pvazquez.oipc@avlawpr.com](mailto:pvazquez.oipc@avlawpr.com); **Co-counsel for Instituto de Competitividad y Sustentabilidad Económica**, [jpouroman@outlook.com](mailto:jpouroman@outlook.com); [agraitfe@agraitlawpr.com](mailto:agraitfe@agraitlawpr.com); **Co-counsel for National Public Finance Guarantee Corporation**, [epo@amgprlaw.com](mailto:epo@amgprlaw.com); [loliver@amgprlaw.com](mailto:loliver@amgprlaw.com); [acasellas@amgprlaw.com](mailto:acasellas@amgprlaw.com); [matt.barr@weil.com](mailto:matt.barr@weil.com); [robert.berezin@weil.com](mailto:robert.berezin@weil.com); [Gabriel.morgan@weil.com](mailto:Gabriel.morgan@weil.com); [Corey.Brady@weil.com](mailto:Corey.Brady@weil.com); [alexis.ramsey@weil.com](mailto:alexis.ramsey@weil.com); **Co-counsel for GoldenTree Asset Management LP**, [lramos@ramoscruzlegal.com](mailto:lramos@ramoscruzlegal.com); [tlauria@whitecase.com](mailto:tlauria@whitecase.com); [gkurtz@whitecase.com](mailto:gkurtz@whitecase.com); [ccolumbres@whitecase.com](mailto:ccolumbres@whitecase.com); [iglassman@whitecase.com](mailto:iglassman@whitecase.com); [tmacwright@whitecase.com](mailto:tmacwright@whitecase.com); [jcunningham@whitecase.com](mailto:jcunningham@whitecase.com); [mshepherd@whitecase.com](mailto:mshepherd@whitecase.com); [jgreen@whitecase.com](mailto:jgreen@whitecase.com); **Co-counsel for Assured Guaranty, Inc.**, [hburgos@cabprlaw.com](mailto:hburgos@cabprlaw.com); [dperez@cabprlaw.com](mailto:dperez@cabprlaw.com); [mmcgill@gibsondunn.com](mailto:mmcgill@gibsondunn.com); [lshelfer@gibsondunn.com](mailto:lshelfer@gibsondunn.com); [howard.hawkins@cwt.com](mailto:howard.hawkins@cwt.com); [mark.ellenberg@cwt.com](mailto:mark.ellenberg@cwt.com); [casey.servais@cwt.com](mailto:casey.servais@cwt.com); [bill.natbony@cwt.com](mailto:bill.natbony@cwt.com); [thomas.curtin@cwt.com](mailto:thomas.curtin@cwt.com); **Co-counsel for Syncora Guarantee, Inc.**, [escalera@reichardescalera.com](mailto:escalera@reichardescalera.com); [arizmendis@reichardescalera.com](mailto:arizmendis@reichardescalera.com); [riverac@reichardescalera.com](mailto:riverac@reichardescalera.com); [susheelkirpalani@quinnemanuel.com](mailto:susheelkirpalani@quinnemanuel.com); [erickay@quinnemanuel.com](mailto:erickay@quinnemanuel.com); **Co-counsel for the PREPA Ad Hoc Group**, [dmonserrate@msglawpr.com](mailto:dmonserrate@msglawpr.com); [fgierbolini@msglawpr.com](mailto:fgierbolini@msglawpr.com); [rschell@msglawpr.com](mailto:rschell@msglawpr.com); [eric.brunstad@dechert.com](mailto:eric.brunstad@dechert.com); [Stephen.zide@dechert.com](mailto:Stephen.zide@dechert.com); [david.herman@dechert.com](mailto:david.herman@dechert.com); [michael.doluisio@dechert.com](mailto:michael.doluisio@dechert.com); [stuart.steinberg@dechert.com](mailto:stuart.steinberg@dechert.com); **Sistema de Retiro de los Empleados de la Autoridad de Energía Eléctrica**, [nancy@emmanuelli.law](mailto:nancy@emmanuelli.law); [rafael.ortiz.mendoza@gmail.com](mailto:rafael.ortiz.mendoza@gmail.com); [rolando@emmanuelli.law](mailto:rolando@emmanuelli.law); [monica@emmanuelli.law](mailto:monica@emmanuelli.law); [cristian@emmanuelli.law](mailto:cristian@emmanuelli.law); [lgnq2021@gmail.com](mailto:lgnq2021@gmail.com); **Official Committee of Unsecured Creditors of**

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finalized the expansive agenda for post-hearing briefing. It was intended to facilitate orderly briefing for all parties, not to constrain LUMA's fulfillment of its unique burden to develop the affirmative record. In all events, the Energy Bureau retains discretion to grant reasonable enlargements in the interest of a complete and useful record, particularly where the applicant's burden and the breadth of issues require additional words.

<sup>5</sup> On May 9, 2025, this Energy Bureau issued a Resolution and Order, requiring that all substantive English-language filings be accompanied by concise Spanish summaries to enhance public accessibility and participation. *See also* Energy Bureau Resolution and Order of June 4, 2025 (clarifying that full translations are optional but summaries are mandatory). In compliance with the Energy Bureau's standing directives regarding accessibility and ensuring citizen participation, LUMA is hereby submitting the corresponding Spanish-language summary of this Motion. *See Exhibit A.*

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### ***Exhibit A***

Resumen de la *Solicitud de ampliación del límite de palabras aplicable al alegato de LUMA y permiso para presentar un apéndice* presentada por LUMA Energy, LLC y LUMA Energy ServCo, LLC (conjuntamente, “LUMA”)

LUMA presenta ante el Negociado de Energía de Puerto Rico una moción para (i) permitir que su Alegato sobre Requisito de Ingresos exceda el límite de palabras establecido por el Oficial Examinador; (ii) ampliar a 30,000 palabras cada uno los alegatos afirmativos restantes sobre diseño de tarifas y de asuntos legales/políticos; y (iii) autorizar un apéndice con las evidencias citadas, todo ello por su carga probatoria singular bajo la ley y el T&D OMA, y por la complejidad del récord.

Como trasfondo, luego de una vista evidenciara que se extendió durante seis semanas, el 22 de diciembre de 2025, el Oficial Examinador fijó límites de 52,000 palabras para alegatos afirmativos y 31,000 para réplicas. El 23 de enero de 2026, LUMA radicó su Alegato sobre Requisito de Ingresos con más de 56,000 palabras y solicita que se permita ese exceso y se ajusten sus límites futuros dada la magnitud de temas a atender.

LUMA enfatiza que, conforme a la Ley 57-2014 y a la Sección 5.6(g) del ***Acuerdo de Operación y Mantenimiento del Sistema de Transmisión y Distribución*** (“T&D OMA”, por sus siglas en inglés), recae sobre ella la carga afirmativa de demostrar tarifas justas y razonables, lo que exige un alegato extenso dada la amplitud probatoria y la necesidad de razonar y citar con precisión un expediente con numerosos testimonios, testigos y miles de páginas de transcripción.

Entre los asuntos que requieren desarrollo están su propuesta de un factor de incobrables de 2.97%, la inclusión de un “system margin” para capital de trabajo, una metodología de reconciliación requerida por la Ley 57, y el tratamiento de practicabilidad y asequibilidad. Adicionalmente, solicita restablecer la cuenta de reservas de emergencia (“OERA”, por sus siglas en inglés) y su *rider*, ajustar el proceso presupuestario a la flexibilidad del 5% que emana del T&D OMA y simplificar reportes eliminando el del cuarto trimestre, por entenderlo redundante con el informe anual.

Por todo lo cual, LUMA pide que se acepte su alegato en exceso del límite de palabras que el Oficial Examinador fijó, ampliar los límites a 30,000 palabras en los alegatos afirmativos restantes y autorizar un apéndice con la evidencia citada, pues el Negociado de Energía conserva discreción para conceder tales ampliaciones en aras de un récord completo.