

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

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

CASE NO.: NEPR-AP-2023-0003

**SUBJECT: Bondholders' Post-Hearing Reply
Brief on Rate Design**

**BONDHOLDERS' POST-HEARING REPLY BRIEF
ON RATE DESIGN**

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Bondholders¹ respectfully submit this post-hearing reply brief regarding rate design.

PRELIMINARY STATEMENT

Establishing an LDR is a modest, commonsense measure to further PREPA's financial recovery and facilitate its eventual emergence from bankruptcy. It advances PREB's statutory mandate to guarantee PREPA meets its obligations to bondholders and creates administrative efficiencies by establishing now the mechanism to raise funds for debt service once the amount of go-forward legacy debt is determined after the Title III case. It also would signal to the capital markets that PREB is taking steps to ensure PREPA emerges from Title III as a creditworthy utility. Establishing this rider now is fully consistent with ratemaking principles and precedent.

PREPA and the UCC raise strawman arguments that establishing an LDR is complicated—it is not. Neither LUMA nor Bondholders are proposing *any* rate increases in connection with an LDR now, so arguments about purported inconsistencies with PREPA's 2025 fiscal plan and limitations on PREB's ability to size PREPA's legacy debt are irrelevant. Moreover, deferring the LDR until after the Title III case concludes, as PREPA and the UCC urge, risks significant delay to PREPA's emergence from bankruptcy and reentry into the capital markets. Taking steps now to remove future roadblocks to PREPA's financial viability is in all stakeholders' best interests.

The UCC also wrongly contends unsecured claims asserted in PREPA's Title III case likewise need to be addressed with an LDR. PREB has a specific statutory mandate to guarantee PREPA meets its obligations to "bondholders," not creditors of any type. Moreover, there is no reason to think unsecured claims will be paid through go-forward rates following the Title III case.

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to them in the *Bondholders' Initial Post-Hearing Brief on the Revenue Requirement* ("BH Rev.Br."), *Bondholders' Reply Post-Hearing Brief on the Revenue Requirement* ("BH Reply Rev.Br."), or *Bondholders Initial Post-Hearing Brief on Rate Design* ("BH RD.Br.").

To the contrary, the UCC is party to a proposed settlement where unsecured claims are discharged upon PREPA's emergence from bankruptcy in exchange for cash.² Legacy bond debt, by contrast, is conventionally paid through rates. Accordingly, the LDR should cover legacy debt, not unsecured claims that will be discharged.

PREB should reject LUMA's overly pessimistic and FOMB-driven projections and adopt a forecast, like that in the IRP, that more closely tracks actual system demand. PREB should also reject LUMA's decoupling and Outage Recovery Rider proposals, which would overcharge customers to pad its liquidity/working capital.

ARGUMENT

I. PREB SHOULD ESTABLISH A LEGACY DEBT RIDER

A. Establishing an LDR Would Promote Administrative Efficiency.

Establishing an LDR now would yield at least three significant efficiencies. *See* BH RD.Br. pp.3–5. First, it would enable PREB to leverage the substantial time, attention, and resources the parties have devoted to establishing a record on this issue here, avoiding the need for costly proceedings later. Second, it would save time, avoid redundancy, and conserve about half a million dollars by enabling PREPA to implement the rider when it is already making significant billing system changes. Third, it would reduce the time and cost required to begin collecting funds for legacy debt service once the Title III case concludes. These efficiencies are supported by the testimony of Shannon, Hanley, and Dr. Tierney. *Id.*

These efficiencies are also grounded in historical practice at PREPA and other utilities. As Dr. Tierney explained, establishing an LDR with a placeholder amount to be populated later

² This is presumably why the UCC chose not to submit any evidence in support of an unsecured debt rider.

parallels PREB's earlier implementation of an EE Rider. Ex.52, p.19; 12/9 Tr. 433:21-434:8, 458:7-19. The EE Rider was set at "\$0" for FY2023 and FY2024 and then populated in FY2025 with a dollar figure.³

The UCC's efforts to distinguish the EE Rider (UCC RD.Br. pp.14–15) are meritless. The EE Rider's legislative "mandate" is irrelevant, because nobody doubts PREB's ratemaking authority to establish this rider. In any case, PREB has a legislative mandate to "guarantee" that PREPA "meets its obligations to bondholders," Act No. 57-2014, §6.3(p), and the LDR would further that mandate. The UCC's contention that the EE Rider involved simpler math and smaller numbers is also irrelevant. Once the amounts for PREPA's legacy debt are established, they can be formulaically incorporated into the LDR. Even if somewhat more math is required than dividing the total amount by total estimated sales, doing that math in an expedited proceeding would still be far more efficient than a new rate case.

For example, PREB could conduct a proceeding like the one in which PREB approved the "transition charge" called for by PREPA's 2015 restructuring support agreement. *See* Restructuring Order, p.50, CEPR-AP-2016-0001 (6/21/2016). That proceeding was structured to be "transparent, swift, and flexible" and end with an order within 75 days—and it did, unlike the 2017 rate case, which took years. *See* Act 57-2014, §§6.25A(f)(2)–(4). With the amount of legacy debt set after the Title III case, populating the LDR for relevant customer classes would be simple math—for each year, the amount of principal and interest payments required in that year, divided

³ *See Resolución y Orden*, p.8, NEPR-AP-2020-0001 (9/29/2023) (setting EE rider of \$0 for FY2023); *Resolution and Order*, p.1, NEPR-MI-2022-0001 (1/23/2026) (LUMA set EE Rider for FY2025 at \$0.000853/kWh); *see also* 12/9 Tr. 454:15-18 (what Bondholders propose is similar to what is already in the tariff book).

across the relevant forecast billed kWh, and any required fixed charges. The time and complexities of a new rate case would thus be unnecessary.

The UCC's reliance on Dr. Tierney's testimony that a new rate case may be required after the Title III case, *see* UCC RD.Br. pp.20–22, is misplaced because it concerns LUMA's proposed "margin," not the LDR. Dr. Tierney explained that a new base rate case may be advisable to reassess the revenue requirement once PREPA regains access to the capital markets and is able to incur *new* debt to finance costs it currently funds with cash. 12/9 Tr. 54:4-22, 101:17-102:9. In contrast, the LDR could be implemented sooner, without a base rate case, to enable PREPA to implement any legacy debt resolution more efficiently and better position itself to obtain new financing.

The UCC's contention that the record lacks sufficient specificity to establish an LDR is also meritless. LUMA submitted an LDR tariff sheet in its application (Ex.362.5), and Shannon and Dr. Tierney provided supporting testimony. *See* BH RD.Br. pp.2–8. Because the LDR starts as a placeholder, it need not have a fully detailed structure now. Rather, PREB may achieve the administrative efficiencies and benefits discussed above by resolving the threshold issue of creating an LDR now, with remaining details addressed once amounts are known. The UCC's contention that there could be an "endless number of permutations" (UCC RD.Br. p.11) is hyperbole. The few remaining decisions for implementing the LDR, including the mix of volumetric and fixed charges, and any exempted classes, can be made after the Title III case.

B. Establishing an LDR Would Not Raise Rates, "Fund" Legacy Debt, or Prejudge the Title III Case.

Rather than meaningfully challenging the efficiencies and other benefits of establishing an LDR now, PREPA and the UCC tilt at windmills, arguing PREB should not "fund" legacy bond debt or set an amount. PREPA RD.Br. pp.4–5, 7–8, 10–11; UCC RD.Br. pp.5–7. Yet those

contentions respond to arguments never made—as all witnesses made clear, the proposed LDR would be a placeholder.

Thus, PREPA’s and the UCC’s contention that the record does not establish the amount of legacy bond debt is both wrong and irrelevant. *See, e.g.*, PREPA RD.Br. pp.10–11; UCC RD.Br. p.10. It is wrong because the amount is known and fixed, as confirmed by the First Circuit. *See In re Fin. Oversight & Mgmt. Bd. for P.R.*, 121 F.4th 280, 312 (1st Cir. 2024). It is irrelevant because the amount of post-Title III legacy bond debt has no bearing on the wisdom of adopting a placeholder rider, which can be deployed regardless of the ultimate amount.

An LDR would not, as PREPA claims without support, force PREPA to act inconsistently with its certified fiscal plan or risk a FOMB lawsuit over compliance with regulatory requirements. PREPA RD.Br. p.11. PREPA’s belief that the 2025 fiscal plan “bars additional rate increases for debt service” does not bind PREB, but even if it did, a placeholder LDR would not result in any “rate increases.”⁴

Equally meritless is PREPA’s contention that PREB is barred from considering legacy bond debt. PREPA RD.Br. pp.4–5. PREB already rejected this argument in its November 13, 2025 order, finding “no legal basis to prohibit discussion of the design, advantages, disadvantages, or timing of a legacy debt rider.” Resolution and Order, p.2. PREPA did not seek reconsideration. Nor is there any legal basis for PREPA’s argument, as Bondholders will address in their forthcoming legal/policy brief.⁵

⁴ Further, PREPA’s fiscal plan was certified nearly a year ago and is subject to annual revision to account for new circumstances.

⁵ *See also Bondholders’ Response to Hearing Examiner Orders of October 17 and October 23, 2025*, pp.3-4 (10/27/2025).

C. There Is No Evidence That Establishing an LDR Would Cause “Confusion,” Alter Customer Behavior, or “Mislead Investors.”

PREB similarly should reject PREPA’s and the UCC’s arguments, made without record citation, that a placeholder LDR would somehow create “confusion” or “legal risk.” There is no record evidence that customers would be confused by a placeholder LDR in the tariff book, and the notion defies common sense. The rider would not appear on customer bills until it is populated with amounts, so an empty rider would cause no concern—precisely as the prior transition charge has not.

PREPA’s suggestion that establishing an LDR would somehow “mislead investors” is also unsupported. PREPA RD.Br. pp.10–11. To the contrary, the record establishes that demonstrating PREB’s commitment to its statutory mandate and ensuring PREPA becomes creditworthy would send positive signals to the market. *See* Ex.52, pp.14, 18. Moreover, PREPA’s current investors principally include Bondholders submitting this brief, which hold the overwhelming majority of PREPA’s bond debt and are the most likely source of future PREPA financing. Bondholders include more than 30 financial institutions, municipal mutual funds, insurance companies, and asset managers holding or insuring PREPA’s bonds, including some that were, until recently, the only financing source contemplated in FOMB’s proposed plan of adjustment. These sophisticated market participants support establishing an LDR and plainly will not be misled.

PREPA’s assertion that Bondholders might receive “no rate recovery” in the Title III case (PREPA RD.Br. p.9) is not credible. As the Hearing Examiner observed, nobody expects legacy bond debt to be reduced to zero. *See Hearing Examiner’s 9/29/2025 Order*, p.7. PREPA’s suggestion is also irrelevant. In the implausible scenario that legacy bond debt is reduced to zero, the LDR could simply be removed from the tariff book (or remain unused, as with the transition

charge). Ratemaking and design always involve some uncertainty, and PREB should not reject a prudent, prospective tariff mechanism based on an extreme hypothetical scenario.

D. An LDR Need Not Include Unsecured Claims, But Doing So Would Not Require Significant Changes.

PREB also should reject the UCC's contention that consideration of an LDR is improper or lacks an evidentiary basis because it does not include unsecured claims. The UCC's argument ignores the legal and practical distinctions between legacy bond debt and unsecured claims. Moreover, it is inconsequential because an LDR could ultimately readily accommodate unsecured claims in the unlikely event they are to be paid with go-forward rates. If the UCC really believed unsecured claims should be funded with a rate rider, it would have proposed one—tellingly, it did not, opting instead to file no direct testimony and to put up no witness.

PREPA's bonds are debt issued under a Trust Agreement pursuant to Puerto Rico law. 22 L.P.R.A. §196(o). They are secured by PREPA's past, present, and future Net Revenues, and the amount of PREPA's outstanding bond debt is fixed and known. *In re Fin. Oversight & Mgmt. Bd. for P.R.*, 121 F.4th at 302, 306, 312. Unsecured claims, by contrast, consist of various types of claims against PREPA, many disputed and/or unliquidated. The suggestion that unsecured claims must be addressed in an LDR is wrong for several reasons.

First, under Commonwealth law, PREB must “guarantee” PREPA meets its obligations to bondholders. *See* Act No. 57-2014, §6.3(p); 22 L.P.R.A. §1054b(p); PRO pp.31–32. PREB also must ensure rates are sufficient to pay principal and interest on PREPA's bonds. 22 L.P.R.A. §196a(c). Those statutory mandates are specifically directed to PREPA's secured *bond* debt, not PREPA's unsecured claims. It is therefore appropriate that PREB establish specific mechanisms tailored to PREPA's bonds and create specific filing requirements here concerning legacy bond debt.

Second, at least some part of PREPA's substantial legacy bond debt may be repaid over time through go-forward rates (as prior Title III plans contemplated), whereas there is no such expectation for unsecured claims. To date, no proposed Title III plan or settlement has provided for unsecured claim recoveries from PREPA's future rates. Rather, since December 2023, the UCC has been a party to a proposed settlement agreement with FOMB under which the UCC agreed to a fixed, one-time payment of \$355M and other contingent benefits, none of which depends on prospective, go-forward rate increases.⁶ Put simply, an LDR for secured bond debt makes sense because it may be repaid through future rates over time, whereas unsecured claims will not.

Since legacy bond debt and unsecured claims are legally and practically distinct, the UCC's complaints are meritless. The UCC's criticism that Dr. Tierney did not address unsecured claims (UCC RD.Br. pp.15–16) is misplaced for the same reasons.

In any case, the UCC's arguments fail because in the unlikely event that unsecured claims are to be repaid from go-forward PREPA revenues, the LDR could account for them once the value of those claims is established.

E. The UCC's Purported Evidence Opposing an LDR Should Not Be Considered.

As noted above, the UCC did not introduce any evidence or witness in opposition to the LDR. Counsel's arguments cannot substitute for proper evidence. *See, e.g., Oficina de Ética Gubernamental v. Irizarry Pagán*, No. KLRA201100401, 2012 PR App. LEXIS 620, *38 (P.R. Ct. App. 3/20/2012).

⁶ *See, e.g., PREPA Fifth Amended Title III Plan of Adjustment*, art. VIII.A, Dkt. 5581, Case 17-04780; *Joint Informative Motion Regarding Settlement Between FOMB and the UCC*, at p.1, Dkt. 4286-1, Case 17-04780.

The UCC may not use post-hearing briefing to newly introduce previously existing factual materials, including supposed “case studies” from other utility bankruptcies not offered through a witness or admitted as exhibits. If the UCC intended to rely on those comparisons, it needed to properly present them in the evidentiary record and subject them to cross-examination by other parties, not allude to them for the first time during Dr. Tierney’s cross-examination, and then fault her for not knowing every detail on the spot. UCC RD.Br. pp.19–20; 12/9 Tr. 446:12-452:18. By contrast, the CPUC and MDPU examples are properly part of the record because Dr. Tierney addressed them in her pre-filed testimony and was available for cross-examination. *See* Ex.67, pp.2–7. PREB should disregard the UCC’s outside-the-record arguments and decide the LDR based on the proper evidentiary record.

In any event, the UCC’s comparisons are unavailing. The two cases the UCC cites involved materially different circumstances and timelines. For example, PG&E filed for bankruptcy in 2019 and confirmed a Chapter 11 plan in 2020. Entergy New Orleans confirmed a plan in under two years while restructuring approximately \$250 million of legacy debt. PREPA’s Title III case has been pending for nearly a decade, with substantially larger legacy liabilities and no defined endpoint. Accordingly, it is appropriate and prudent for PREB to take a modest step now to facilitate PREPA’s return to financial health.⁷

⁷ Based on the available record, these cases are also irrelevant because neither considered the advantages of implementing a placeholder LDR.

II. PREB SHOULD NOT UTILIZE LUMA'S OVERLY PESSIMISTIC LOAD FORECAST

LUMA argues that PREB should utilize its FOMB-driven load projections, and falsely claims its projections have not been meaningfully challenged. LUMA RD.Br. p.2. PREB should reject LUMA's overly pessimistic projections and utilize load forecasts—like those in the IRP—that more closely track actual consumption.

First, LUMA's load forecast for this rate case is methodologically unsound. As Estrada admitted, LUMA adopted FOMB's macroeconomic projections without independently verifying their accuracy. 12/15 Tr. 195:16-196:18. LUMA likewise did not independently analyze whether or how quickly any Act 17-2019 energy efficiency goals will be met. 12/15 Tr. 172:6-175:24. In fact, Estrada admitted that any load reductions based on energy efficiency could occur entirely *outside* the rate period. *Id.* 173:4-175:25. These flaws alone undermine LUMA's forecasts.⁸

Second, LUMA fails to justify its use of higher load forecasts for the IRP and lower, FOMB-driven forecasts for the rate case. In its ROI responses, LUMA stated that the IRP forecasts were higher because the "IRP is conducted to ensure sufficient capacity is available in the system," whereas the rate case forecasts "must plan for a lower load scenario to ensure enough revenue to cover system costs." Ex.979. Because this explanation suggested that LUMA suppressed its rate case forecasts to generate excess revenues, LUMA changed course. At the hearing (and now in its Rate Design brief), LUMA claimed the IRP forecasts reflect electricity losses during transfer and delivery—an issue not mentioned in its original, sworn ROI response. This about-face was noted

⁸ LUMA ignores Estrada's admissions and simply claims that its "methodology is consistent with how many jurisdictions account for energy efficiency." LUMA RD.Br. p.5. Even if true, LUMA's analysis is undermined by its uncritical adoption of FOMB's macroeconomic projections and the Act 17-2019 goal.

by the Hearing Examiner, who stated, “I have a different explanation from [LUMA] today.” 12/15 Tr. 236:10-17. Moreover, as Dr. Tierney explained, LUMA’s new rationale fails because the costs incurred while generating lost electricity are already included in the revenue requirement and reflected in rates. *See* 12/15 Tr. 315:17-316:2.

LUMA’s inconsistent rate case load forecast is plainly an attempt to suppress the numbers to generate more cash, as LUMA originally admitted, and must therefore be discounted. By contrast, LUMA knows the IRP will determine the system’s future generation resources, and having insufficient generation would lead to load-shed events that harm LUMA’s business and performance metrics. This makes the IRP load forecast a more credible assessment for PREB to use here.

Finally, LUMA’s Rate Design brief confirms its proposed load forecasts would continue FOMB’s trend of developing overly pessimistic, litigation-driven load forecasts. The record reflects FOMB’s long track-record of under-forecasting load (*see* Ex.4, Tables 2–5), including forecasts from 2023 to 2025 that Estrada admitted understated actual load. 12/15 Tr. 196:20-201:3. Nevertheless, LUMA continues down the same path, offering load forecasts reflecting large load declines in every service category (residential, commercial, and industrial) for each year of the rate period. LUMA RD.Br. p.4. PREB should reject LUMA’s load forecasts and utilize more realistic forecasts based on historic demand.

As the Hearing Examiner correctly observed, to “ensure sufficient revenue and...ensure sufficient capacity is not to have two different load forecasts...[b]ut to have a consistent forecast.” 12/15 Tr. 231:16-232:14. Given LUMA’s clear incentive to understate load and generate an

unjustified revenue cushion,⁹ PREB should adopt the IRP load forecast that more closely tracks actual consumption to ensure ratepayers are not overcharged.

III. PREB SHOULD DISREGARD THE UNSUPPORTED REFERENCES TO AFFORDABILITY

The OIPC and SESA-SUN briefs both make passing references to affordability. *See* OIPC RD.Br. ¶¶ 54, 60; SESA-SUN RD.Br. pp.11–12, 14. But these arguments lack evidentiary support. No witness presented competent testimony that some level of rates would be unaffordable or that some amount of utility revenues would have dire consequences for Puerto Rico’s economy. *See* BH Rev.Br. pp.96–99; BH Reply Rev.Br. p.65. Accordingly, OIPC’s and SESA-SUN’s arguments should be disregarded.¹⁰

IV. PREB SHOULD REJECT LUMA’S DECOUPLING PROPOSAL

When implemented properly, decoupling can benefit utilities and customers. For instance, decoupling could remove incentives for utilities to discourage energy efficiency by ensuring rates will increase if demand falls because of increased efficiency, and by providing automatic reductions in rates (or refunds) should a utility over-collect. Here, however, LUMA proposes a decoupling scheme that could result in customers paying more whether PREPA collects more or less than expected.

LUMA proposes that customers make up any revenue shortfall through a rider, but for overcollections, LUMA does not propose automatic refunds or reductions in rates. Instead, LUMA would keep and repurpose up to a 3% overage—a huge amount given that it is measured against

⁹ Shannon admitted that “the incentives for PREPA are to have the error band [for the load forecast] be to the effect that more revenue is generated than less revenue,” (12/16 Tr. 34:10-12), and that LUMA’s incentive is “identical.” *Id.* 34:14-16.

¹⁰ LUMA and Bondholders agree that the demand for electricity on the island is largely inelastic. *See* LUMA RD.Br. p.5.

PREPA's total revenues. And, if there is an overcollection exceeding 3%, LUMA does not even propose to refund *that* excess amount. Rather, LUMA would seek permission to retain and repurpose those excess funds, too. Thus, LUMA's proposal is not bidirectional—whether there is over- or under-collection, customers pay the price. This is not just and reasonable, is contrary to PREB's own consultants' views, and should be rejected. *See* Ex.59, p.11 (“I recommend that PREB approve a bidirectional decoupling mechanism so that any revenues collected in excess of the approved revenue requirement are returned to customers”).¹¹

Moreover, the decoupling proposal should be rejected because there are numerous other actual and proposed sources of liquidity. *See* BH Rev.Br. pp.103–07; BH Reply Rev.Br. pp.4, 68.

V. PREB SHOULD REJECT LUMA'S OUTAGE RIDER REQUEST

LUMA's proposed Outage Recovery Rider seeks a windfall at customers' expense and violates the principle against retroactive ratemaking. LUMA should not be permitted to double-recover the alleged \$209M in outage event costs already paid by customers. *See* BH Rev.Br. p.82; BH Reply Rev.Br. pp.54–56. Moreover, LUMA would again be shirking its obligation to seek funding from the various available alternative sources before resorting to ratepayers. This request should be rejected.

CONCLUSION

Bondholders respectfully request that PREB establish a placeholder LDR, adopt a load forecast that more accurately reflects actual electricity demand, and reject LUMA's decoupling and Outage Recovery Rider proposals.

¹¹ *See also* OIPC RD.Br. pp.16–18; SESA-SUN RD.Br. p.18.

CERTIFICATE OF COMPLIANCE

The undersigned certifies that this brief, exclusive of the portions exempted in the Hearing Examiner's 12/22/2025 Order (caption, table of contents, signature blocks, and service information) and the Spanish summary required by standing order, contains 3,430 words per the word-processing program's word count feature.

/s/ Corey K. Brady

Corey K. Brady

Dated: March 3, 2026

RESPECTFULLY SUBMITTED,

THIS 3RD DAY OF MARCH 2026

CERTIFICATE OF SERVICE: We hereby certify that the foregoing petition was filed with the Office of the Clerk of the Energy Bureau using its Electronic Filing System, and courtesy copies were sent via electronic means to mvalle@gmlex.net; alexis.rivera@prepa.pr.gov; 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; katuska.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; dbilloch@vvlawpr.com; ratecase@genera-pr.com; jfr@sbgblaw.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; alexis.ramsey@weil.com; kara.smith@weil.com; rafael.ortiz.mendoza@gmail.com; rolando@emmanuelli.law; monica@emmanuelli.law; cristian@emmanuelli.law; luis@emmanuelli.law; 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; lindsay.greenbaum@analysisgroup.com; harrison.holtz@analysisgroup.com; charles.wu@analysisgroup.com; Brian.Gorin@analysisgroup.com; Bhumika.Sharma@analysisgroup.com; Rachel.Anderson@analysisgroup.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; mfb@tcm.law; lft@tcm.law; arosenberg@paulweiss.com; pbrachman@paulweiss.com; swintner@paulweiss.com; kzeituni@paulweiss.com; Julia@londoneconomics.com; Brian@londoneconomics.com; luke@londoneconomics.com; juan@londoneconomics.com; mmc Gill@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; kbailey@acciongroup.com; shempling@scotthemplinglaw.com; rsmithla@aol.com; guy@maxetaenergy.com; jorge@maxetaenergy.com;

rafael@maxetaenergy.com; dawn.bisdorf@gmail.com; msdady@gmail.com;
mcranston29@gmail.com; ahopkins@synapse-energy.com; clane@synapse-energy.com;
kbailey@acciongroup.com; zachary.ming@ethree.com; PREBconsultants@acciongroup.com;
carl.pechman@keylogic.com; bernard.neenan@keylogic.com; tara.hamilton@ethree.com;
aryeh.goldparker@ethree.com; roger@maxetaenergy.com; Shadi@acciongroup.com;
MWhited@synapse-energy.com.

ADSUAR

By: /s/ Eric Pérez-Ochoa

Eric Pérez-Ochoa
P.R. Bar No. 9739
Luis Oliver-Fraticelli
P.R. Bar No. 10764
Alexandra Casellas-Cabrera
P.R. Bar No. 18912
PO Box 70294
San Juan, PR 00936-8294
Telephone: 787.756.9000
Facsimile: 787.756.9010
Email: epo@amgprlaw.com
loliver@amgprlaw.com
acasellas@amgprlaw.com

WEIL, GOTSHAL & MANGES LLP

By: /s/ Robert Berezin

Matthew S. Barr
Robert Berezin (admitted *pro hac vice*)
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Email: matt.barr@weil.com
robert.berezin@weil.com

Gabriel A. Morgan
700 Louisiana Street, Suite 1700
Houston, TX 77002
Telephone: (713) 546-5000
Facsimile: (713) 224-9511
Email: gabriel.morgan@weil.com

Corey Brady (admitted *pro hac vice*)
1395 Brickell Avenue
Suite 1200, Miami, FL 33131
Telephone: (305) 577-3225
Facsimile: (305) 374-7159
Email: corey.brady@weil.com

Co-Counsel for National Public Finance Guarantee Corporation

RAMOS CRUZ LEGAL

By: /s/ Lydia M. Ramos Cruz
Lydia M. Ramos Cruz
P.R. Bar No. 12301
1509 López Landrón Street
American Airlines Building, PH
San Juan, Puerto Rico 00911
Tel.: (787) 508-2525
Email: lramos@ramoscruzlegal.com

WHITE & CASE LLP

By: /s/ Thomas E Lauria
Thomas E Lauria
Glenn M. Kurtz
Claudine Columbres
Isaac Glassman
Thomas E. MacWright
1221 Avenue of the Americas
New York, New York 10036
Tel.: (212) 819-8200
Fax: (212) 354-8113
Email: tlauria@whitecase.com
gkurtz@whitecase.com
ccolumbres@whitecase.com
iglassman@whitecase.com
tmacwright@whitecase.com

John K. Cunningham
Michael C. Shepherd
Jesse L. Green
200 S. Biscayne Blvd., Suite 4900
Miami, Florida 33131
Tel.: (305) 371-2700
Fax: (305) 358-5744
Email: jcunningham@whitecase.com
mshepherd@whitecase.com
jgreen@whitecase.com

Co-Counsel for GoldenTree Asset Management LP

**CASELLAS ALCOVER & BURGOS
P.S.C.**

By: /s/ Heriberto Burgos Pérez
Heriberto Burgos Pérez
P.R. Bar No. 8746
Diana Pérez-Seda
P.R. Bar No. 17734
P.O. Box 364924
San Juan, Puerto Rico 00936-4924
Telephone: (787) 756-1400
Facsimile: (787) 756-1401
Email: hburgos@cabprlaw.com
dperez@cabprlaw.com

GIBSON, DUNN & CRUTCHER LLP

By: /s/ Miguel A. Estrada
Miguel A. Estrada (*pro hac vice* application
pending)
Lochlan F. Shelfer (admitted *pro hac vice*)
1700 M Street, N.W.
Washington, D.C. 20036-4504
Tel.: (202) 955-8500
Fax: (202) 530-9662
Email: mestrada@gibsondunn.com
lshelfer@gibsondunn.com

**CADWALADER, WICKERSHAM &
TAFT LLP**

By: /s/ William J. Natbony
Casey J. Servais (admitted *pro hac vice*)
William J. Natbony (admitted *pro hac vice*)
Thomas J. Curtin (admitted *pro hac vice*)
200 Liberty Street
New York, New York 10281
Telephone: (212) 504-6000
Facsimile: (212) 504-6666
Email: casey.servais@cwt.com
bill.natbony@cwt.com
thomas.curtin@cwt.com

Co-Counsel for Assured Guaranty Inc.

TORO COLÓN MULLET P.S.C.

P.O. Box 195383
San Juan, PR 00919-5383
Tel.: (787) 751-8999
Fax: (787) 763-7760

/s/ Manuel Fernández-Bared

MANUEL FERNÁNDEZ-BARED
USDC-PR No. 204204
Email: mfb@tcm.law

/s/ Linette Figueroa-Torres

LINETTE FIGUEROA-TORRES
USDC-PR No. 227104
Email: lft@tcm.law

**PAUL, WEISS, RIFKIND, WHARTON &
GARRISON LLP**

1285 Avenue of the Americas
New York, New York 10019
Tel.: (212) 373-3000
Fax: (212)757-3990

/s/ Andrew N. Rosenberg

Andrew N. Rosenberg
Paul D. Brachman
Karen R. Zeituni
Samantha Wintner

Email: arosenberg@paulweiss.com
pbrachman@paulweiss.com
kzeituni@paulweiss.com
swinter@paulweiss.com

Co-Counsel for the Majority Member Ad Hoc Group

REICHARD & ESCALERA, LLC

By: /s/ Rafael Escalera

Rafael Escalera

P.R. Bar No. 5610

By: /s/ Sylvia M. Arizmendi

Sylvia M. Arizmendi

P.R. Bar No. 10337

By: /s/ Carlos R. Rivera-Ortiz

Carlos R. Rivera-Ortiz

P.R. Bar No. 22308

255 Ponce de León Avenue

MCS Plaza, 10th Floor

San Juan, Puerto Rico 00917-1913

Tel.: (787) 777-8888

Fax: (787) 765-4225

Email: escalara@reichardescalera.com

arizmendis@reichardescalera.com

riverac@reichardescalera.com

**QUINN EMANUEL URQUHART &
SULLIVAN, LLP**

By: /s/ Susheel Kirpalani

Susheel Kirpalani

Eric Kay

295 Fifth Avenue

New York, New York 10016

Tel.: (212) 849-7000

Fax: (212) 849-7100

Email:

susheelkirpalani@quinnemanuel.com

erickay@quinnemanuel.com

Co-Counsel for Syncora Guarantee, Inc.

**MONSERRATE SIMONET &
GIERBOLINI, LLC**

By: /s/ Dora L. Monserrate-Peñagaricano

Dora L. Monserrate-Peñagaricano

P.R. Bar No. 11661

Fernando J. Gierbolini-González

P.R. Bar No. 11375

Richard J. Schell

P.R. Bar No. 21041

101 San Patricio Ave., Suite 1120

Guaynabo, Puerto Rico 00968

Phone: (787) 620-5300

Facsimile: (787) 620-5305

Email: dmonserrate@msglawpr.com

fgierbolini@msglawpr.com

rschell@msglawpr.com

DECHERT LLP

By: /s/ David A. Herman

David A. Herman (admitted *pro hac vice*)

G. Eric Brunstad, Jr.

Stephen D. Zide

1095 Avenue of the Americas

New York, New York 10036

Phone: (212) 698-3500

Facsimile: (212) 698-3599

Email: eric.brunstad@dechert.com

stephen.zide@dechert.com

david.herman@dechert.com

Michael Doluisio

Stuart Steinberg

2929 Arch Street

Philadelphia, PA 19104

Phone: (215) 994-4000

Facsimile: (215) 994-2222

Email: michael.doluisio@dechert.com

stuart.steinberg@dechert.com

Co-Counsel for the PREPA Ad Hoc Group

RESUMEN DE: RESPUESTA DE LOS BONISTAS TRAS LA VISTA SOBRE EL DISEÑO DE LAS TASAS

AL NEGOCIADO DE ENERGÍA DE PUERTO RICO:

En primer lugar, los Bonistas sostienen que establecer un cargo de deuda heredada en esta etapa del proceso es una medida prudente, eficiente y coherente con el mandato estatutario del NEPR de garantizar que la AEE cumpla con sus obligaciones con los Bonistas. El cargo de deuda heredada propuesto no implica aumentos automáticos en tarifas ni prejuzga los resultados del proceso de Título III. Por el contrario, su función es servir como un marcador de posición que permitirá resolver las pocas decisiones pendientes de manera más eficiente. Destacan, además, que el establecimiento de este mecanismo ahora evitaría la necesidad de procedimientos posteriores costosos y reduciría el tiempo necesario para comenzar a recaudar fondos una vez que concluya el caso del Título III.

Asimismo, los Bonistas rechazan contundentemente las proyecciones de carga presentadas por LUMA, al considerar que dichas proyecciones son excesivamente pesimistas. Señalan que la adopción de estas proyecciones podría generar un colchón de ingresos injustificado. En su lugar, recomiendan que el NEPR adopte proyecciones alineadas con el Plan Integrado de Recursos, que reflejan de manera más fidedigna el comportamiento real del consumo y reducen el riesgo de sobre cobros.

Los Bonistas también expresan seria preocupación ante el esquema de desacoplamiento propuesto por LUMA, el cual consideran desequilibrado y contrario a los principios de justicia y razonabilidad tarifaria. Señalan que la propuesta permitiría a LUMA retener sobre cobranzas significativas sin obligación de emitir reembolsos automáticos a los clientes. De igual forma, los Bonistas solicitan que el NEPR rechace la solicitud de cláusula adicional por interrupción del

servicio, ya que ello resultaría en una doble recuperación de costos relacionados con eventos de interrupciones que, según el récord del caso, ya han sido cubiertos previamente por los abonados.

En conclusión, los Bonistas instan al NEPR a: (1) establecer un cargo de deuda heredada como marcador de posición; (2) adoptar proyecciones de carga fundamentadas en datos reales; y (3) rechazar tanto el mecanismo de desacoplamiento como el cargo por recobro de apagones propuestos por LUMA. A juicio de los Bonistas, estas determinaciones promoverían la estabilidad financiera de la AEE y protegerían a los consumidores.