



# Monthly Report on the T&D System

For the Month of July 2021

October 1, 2021

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## 1.0 Monthly Sales Summary

- Total billed sales in the month of July increased from June and remains essentially unchanged compared to the same period a year ago.
- Compared to the same period last year, Residential and Industrial billed sales dropped while Commercial increased.
- The Fuel and Purchased Power charges (62% of sales) rose by a combined \$52 million from one year ago, an increase of 36%. The Based and CILT/Subsidies components have remained roughly the same. Fuel costs are substantially higher compared to same period last year due to increased market prices, higher dispatch of less efficient generating units caused by unplanned outages, and updated supply contract terms.

**Table 1-1. Energy billed by customer segment<sup>1</sup>**

Consumption (GWh)	Residential	Commercial	Industrial	Others	Total
2021 July	614.0	640.6	140.7	27.3	1,422.6
2021 June	577.5	607.4	136.1	27.5	1,348.5
2020 July	650.9	602.6	161.9	28.8	1,444.2

**Table 1-2. Energy sales by rate component<sup>1</sup>**

Energy Sales (\$M)	Base	FCA <sup>2</sup>	PPCA <sup>3</sup>	CILT & Subsidies <sup>4</sup>	Total
2021 July	102.0	149.7	48.0	19.9	319.5
2021 June	92.4	127.8	39.6	19.3	279.2
2020 July	101.1	79.1	66.6	20.7	267.5

**Table 1-3. Energy sales by customer segment<sup>1</sup>**

Energy Sales (\$M)	Residential	Commercial	Industrial	Others	Total
2021 July	129.8	151.2	29.6	8.9	319.5
2021 June	114.1	130.2	26.4	8.6	279.2
2020 July	114.1	117.2	27.8	8.5	267.5

**Footnotes**

1: As billed.

2: FCA: Fuel Charge Adjustment

3: PPCA: Purchased Power Charge Adjustment

4: CILT: Contribution In Lieu of Taxes

## 2.0 Outage Summary

**Table 2-1: Reported Events**

Date	Cause	Description
7/2/2021	Hurricane Elsa	Reported Outage Event when over 20,500 customers were without power from July 3, 2021 to July 5, 2021

Table 2-2: Significant Generation Events

Date	Description of outage
7/1/2021	Aguirre 1: Forced outage Palo Seco 3: Forced outage
7/2/2021	EcoElectrica and Costa Sur: Derated San Juan 9: Forced Outage
7/5/2021	Costa Sur 5: Derated
7/6/2021	Palo Seco 3: Derated
7/7/2021	Aguirre 1: Forced outage
7/10/2021	Palo Seco 4: Forced outage Aguirre CC STAG 2: Forced outage
7/11/2021	Palo Seco 3: Forced outage
7/12/2021	Palo Seco 3: Forced outage STAG 2 Aguirre Combined Cycle: Forced outage
7/14/2021	STAG 2 Aguirre Combined Cycle: Forced outage
7/16/2021	Costa Sur 5: Forced outage Palo Seco 3: Forced outage
7/18/2021	Aguirre 1: Forced outage Palo Seco 3: Forced outage STAG 2 Aguirre Combined Cycle: Forced outage
7/21/2021	STAG 2 Aguirre Combined Cycle: Forced outage
7/23/2021	San Juan 6: Forced outage
7/24/2021	Palo Seco 3: Forced outage
7/26/2021	STAG 2 Aguirre Combined Cycle: Forced outage San Juan 6: Forced outage
7/28/2021	San Juan 5 Combined Cycle: Forced outage
7/31/2021	STAG 2 Aguirre Combined Cycle: Forced outage Palo Seco 3: Forced outage

Figure 2-3: Significant Transmission Outages

Date	Description of outage
7/3/2021	Multiple forced outages in multiple districts in the southern and western portion of the island due to Hurricane Elsa
7/6/2021	Line 50500 forced outage
7/10/2021	Line 51000 planned outage

### 3.0 PREB Filings

- Continued active participation in PREB proceedings** including over 20 submissions and attending an Evidentiary Hearing for the adjudicative proceeding on The Unbundling of the Assets of the Puerto Rico Electric Power Authority, technical conferences related to LUMA's model customer bill and the federally funded recovery projects, compliance hearings related integrated distribution planning and technical workshop related to the Puerto Rico Cost Test. LUMA currently has over 25 active cases with the PREB.

- **Submitted analysis for Monacillos fault event that occurred on June 10** – On July 30<sup>th</sup> LUMA submitted the technical investigative report into the fire at the Monacillos substation and related outages.
- **Significant advancement of clean energy initiatives** – LUMA submitted a quarterly progress report to PREB for the Net Energy Metering Program / Distributed Generation Interconnection which showed that LUMA processed 3,200 applications during the month of July, seven times PREPA’s historical monthly average rate of processing. LUMA also met with the Solar and Energy Storage Association and the Oficina Independiente de Protección al Consumidor related to its work with this program.
- **Customer Bill** – Prepared filings and participated in technical conferences for approval of a new transparent Customer Bill.
- **Submitted the Initial Scope of Work (SOW) for 28 federally funded projects** to PREB for approval on July 7, 2021.
- **Initial Budgets** – On July 16, 2021, LUMA requested a modification of the approved FY2022 to align with the FOMB Revised Certified Budget. The changes do not result in a change in rates, and relate to impacts from revised macro-economic assumptions and additional budgeted expenditures for PREPA Legacy and GenCo. LUMA’s budgets for operation and maintenance and capital projects remain unchanged.
- **Performance Metrics** – PREB issued a Resolution and Order on July 2, 2021 establishing a procedural calendar that required LUMA to file a revised Annex IX based on baselines set within NEPR-MI-2019-0007 (related to PREPA’s baseline data) in August, and set the Evidentiary Hearing for October 18 and 19, 2021 with final briefs on November 12, 2021. On July 22, 2021 LUMA submitted a request to allow for discovery on the intervenor testimonies within the procedural calendar.
- **New proceedings initiated** – On July 23, 2021, the PREB initiated new case number NEPR-MI-2021-0011 to request comments from stakeholders on a preliminary draft Regulation for Renewable Energy Credits and Renewable Portfolio Compliance.

## 4.0 Material Legal Matters

- LUMA continued to participate in multiple active litigation cases, including several cases challenging the Operation and Maintenance Agreement (OMA).
- On July 2, 2021, LUMA filed its answer to a Request for Information issued by Hon. Marially Gonzalez Huertas regarding Senate Resolution 225, which calls for an investigation into contingency plans in place at governmental agencies, corporations, public-private partnerships, governmental offices and instrumentalities of the Commonwealth of Puerto Rico before possible emergencies related to natural disasters.
- On June 30, 2021, the U.S. House of Representative Natural Resources Subcommittee on Oversight and Investigations held a hearing entitled “Toxic Coal Ash: Adverse Health Effects from the Puerto Rico Plant and Options for Plant Closure”. The hearing topic was the potential closure of the AES 450 MW coal plant prior to the end of the term of the Power Purchase and Operating Agreement (currently scheduled for the end of 2027).

## 5.0 Material OMA Activities

- **Performance Metrics** - LUMA prepared for the PREB submission in compliance with NEPR-AP-2020-0025.
- **Certificates of Insurance** - LUMA requested waiver for Cybersecurity on July 1, 2021 pursuant to section 10.2 of the OMA until coverage is available. Builder's Risk insurance was submitted to P3A on July 15, 2021 in compliance with the date agreed to in the Limited Waiver.
- **GridCo-GenCo Operating Agreement (GGOA)** - LUMA attended meetings on July 1 and 7, 2021 to discuss outstanding items. LUMA delivered a revised draft on schedule to P3A and PREPA on July 21, 2021.
- **PREPA Reorganization** - LUMA was not party to discussions on PREPA reorganization during the month.