



Monthly Report on the T&D System

For the Month of January 2023

February 14, 2023

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1.0 Mission, Goals and Areas of Responsibility

LUMA assumed operations of Puerto Rico's Transmission and Distribution System (T&D System) on June 1, 2021, with the mission to recover and transform the energy grid and deliver customer-centric, reliable, resilient, safe and sustainable electricity at reasonable prices for the 1.5 million customers LUMA is proud to serve. LUMA manages and operates the government-owned T&D Assets under the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement ("T&D OMA") executed on June 22, 2020, among the Puerto Rico Electric Power Authority ("PREPA"), the Puerto Rico Public-Private Partnerships Authority ("P3A") and LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, "LUMA").

This report outlines LUMA's key activities for the month of January 2023.

2.0 Monthly Sales Summary

- Consumption (GWh) was lower in January than the previous month (-10.13%), and lower than the same month from the previous year (-7.22%).
- Energy sales (\$) in January decreased 19.95% from the previous month and decreased 12.98% compared to the same month a year ago, mainly driven by the reduction in the load.

Table 2-1. Energy billed by customer segment

Consumption (GWh)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2023 January	444.6	554.1	125.9	26.2	1.9	2.7	1,155.4
2022 December	505.6	606.3	143.5	25.3	1.7	3.2	1,285.6
2022 January	511.1	542.9	163.1	23.5	2.2	2.5	1,245.3

Table 2-2. Energy sales by rate component

Energy Sales (\$M)	Base	FCA ¹	PPCA ²	CILT & Subsidies ³	Total ⁴
2023 January	82.9	134.3	33.4	24.3	275.0
2022 December	83.0	192.1	44.1	24.3	343.5
2022 January	88.6	173.2	33.4	20.9	316.0

Table 2-3. Energy sales by customer segment

Energy Sales (\$M)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2023 January	99.7	136.2	28.7	9.3	0.5	0.6	275.0
2022 December	130.2	164.1	38.0	9.9	0.5	0.8	343.5
2022 January	131.7	144.0	40.4	8.6	0.6	0.9	316.0

¹ FCA: Fuel Charge Adjustment

² PPCA: Purchased Power Charge Adjustment

³ CILT: Contribution In Lieu of Taxes

⁴ The Total amount may not equal the sum of numbers for each category due to rounding.

3.0 Outage Summary

Reported Events

- Several Generation forced outages occurred during the month. One resulted in load shed.
- No emergency events occurred during this month.
- In January, LUMA continued to work with the FEMA Grid Stabilization Task Force and PREPA to support FEMA's effort to install up to 750 MW of short term, emergency generation in Puerto Rico. This generation would reduce the risk of generation shortfalls and allow for repairs to generation units damaged by Hurricane Fiona and key substation equipment in order to increase availability and resilience of energy supply.

Table 3-1: Significant Generation Outages

Date	Description of outage
01/04/2023	San Juan 9: Derated Palo Seco 4: Derated
01/05/2023	San Juan 7: Derated and Forced Outage
01/06/2023	San Juan 5: Forced Outage and Load Shed
01/09/2023	San Juan 9: Derated
01/10/2023	San Juan 9: Derated AES 1: Derated
01/11/2023	San Juan 5: Forced Outage
01/12/2023	San Juan 6: Derated Aguirre 2: Planned Outage
01/13/2023	San Juan 6 (Steam): Forced Outage
01/14/2023	San Juan 6 (Steam): Derated
01/15/2023	San Juan 7: Derated
01/17/2023	San Juan 9: Forced Outage
01/18/2023	Costa Sur 5: Derated AES 1: Derated
01/19/2023	San Juan 9: Derated
01/21/2023	San Juan 6: Forced Outage
01/23/2023	Palo Seco 3: Derated Cambalache 3: Forced Outage
01/24/2023	San Juan 5: Derated
01/25/2023	San Juan 6 (Steam): Derated Costa Sur 6: Derated
01/26/2023	Cambalache 3: Forced Outage AES 2: Derated
01/28/2023	Palo Seco 3: Forced Outage
01/31/2023	San Juan 5: Forced Outage

Table 3-2: Significant Transmission Outages

Date	Description of outage
01/02/2023	Line 36400 tripped Line 36100 tripped
01/10/2023	Line 50200 tripped
01/14/2023	Line 37900 tripped
01/18/2023	Substation Canas tripped
01/26/2023	Line 36100 tripped
01/31/2023	Line 37900 tripped

4.0 PREB Filings & Hearings

LUMA participated in and supported discussions with the Puerto Rico Energy Bureau (PREB or Energy Bureau) across a broad range of topics during the month.

- [NEPR-AP-2020-0025](#) | **LUMA's Performance Metrics** – On January 19, 2023, LUMA submitted the Response to the 11th Requirement of information by the Puerto Rico Energy Bureau (“PREB”) and filed the Joint Motion Requesting the Energy Bureau to Set the Order of Witnesses for the Evidentiary Hearing and Disclose Those Consultants or Witnesses and Evidence it Intends to Employ at the Evidentiary Hearing. On January 23, 2023, LUMA filed Witness’ Supplemental Rebuttal Testimonies addressing the supplemental testimony presented by ICPO on the topic of the additional metrics. On January 26, 2023, LUMA filed a Request for Authorization to Substitute Pre-Filed Testimonies, requesting to substitute two witnesses in the proceedings. On January 31, 2023, LUMA submitted the Supplemental Response to the 10th Requirement of Information by the Puerto Rico Energy Bureau in compliance with order and filed a Notice on Compliance with Resolution and Order (R&O) of January 10, 2023, and Memorandum of Law in Support of Request for Confidential Treatment of Portions of Response to Request No. 48 Submitted as Part of the Second Set of Responses to Requests for Information filed on January 31, 2023. Also, on January 31, 2023, LUMA filed a Request for Clarification on Evidentiary Hearing Protocol, for the PREB to provide clarification on several items including the order of witnesses, seating arrangements, documentation, and attorneys allowed to examine a witness, among other requests. Lastly, on January 31, 2023 LUMA filed its response to LECO’s “Motion Requesting that PREB Address Outstanding Issues”; LUMA requested that PREB deny this request as LUMA deems it premature and contrary to LUMA’s due process rights.
- [NEPR-MI-2019-0007](#) | **Performance Metrics** – On January 20, 2023, LUMA filed its Submission of Performance Metrics Report for October through December 2022. This filing also included September 2022 Reliability Metrics that were excluded in previous reports due to Hurricane Fiona. In this submission LUMA requested for the PREB to deem that LUMA complied with those portions of the January 12 Order that required LUMA to clarify information included in the previous quarterly submission filed on October 20, 2022.
- [NEPR-MI-2020-0001](#) | **Streetlight Report** - On January 10, 2023, LUMA submitted the December 2022 Streetlight Progress report.
- [NEPR-MI-2019-0016](#) | **DG Interconnection** – On January 13, 2023, LUMA submitted the DG Quarterly Progress Report for the months of October through December 2022.

- [NEPR-MI-2021-0004](#) | **LUMA's Budgets** – On January 3, 2023, LUMA submitted a Motion requesting to reconsider the November Budget Amendment petition and solicited PREB to decline to impose a fine on LUMA. On January 04, 11, 12 and 26, LUMA filed motions providing additional information in response to the RFIs issued during the Closed Technical Conference held on December 20.
- [NEPR-MI-2021-0002](#) | **Federal Funding** – On January 3, 2023, LUMA reported to PREB receipt of 20 FEMA Project Obligations, including 17 for Distribution Pole and Conductor Repair, two for Distribution Streetlighting, and one for the Substation Rebuild Programs. On January 17, 2023, LUMA reported to PREB receipt of 10 FEMA Project Obligations for the Distribution Pole and Conductor Replacement program. On January 30, 2023, LUMA submitted one initial Scope of Work on Network Upgrades to the PREB to comply with the June 13, 2022 R&O in case NEPR-MI-2020-0012.
- [NEPR-MI-2020-0001](#) | **Permanent Rate** – On January 13, 2023, LUMA filed an RFI Response in compliance with PREB's December 29, 2022 R&O.
- [NEPR-AP-2018-0004](#) | **Unbundling of Assets** – On January 27, 2023, PREB issued an R&O in response to LUMA's Motion filed on December 6, 2022.
- [NEPR-IN-2022-0005](#) | **Bill Objection Process** – On January 30, 2023, LUMA filed a motion in compliance with PREB's December 16, 2022 R&O which required LUMA and OIPC to report the status of their conversations.
- [NEPR-IN-2020-0002](#) | **Customer Disconnection** – On January 13, 2023, PREB issued an R&O scheduling an Executive Hearing with LUMA to discuss the disconnections that occurred under PREPA. On January 27, 2023, LUMA filed a motion requesting a continuance for the Executive Hearing.
- [NEPR-MI-2023-0001](#) | **Wheeling Implementation** – On January 13, 2023, PREB issued an R&O in which it opened this new docket, scheduled a Technical Conference, and issued several compliance requirements for LUMA.
- [NEPR-MI-2022-0003](#) | **LUMA's Response Hurricane Fiona (Generation Stabilization Plan)** – On January 17, 2023, LUMA submitted the Fifth Update for the Generation Stabilization Plan report.
- [NEPR-MI-2020-0012](#) | **IRP (Renewable Procurement)** – On January 9, 2023, LUMA filed a second Informative Motion regarding the status of the Interconnection Studies for Tranche 1 Approved BESS Projects.

5.0 Legislative Matters and Material Legal Update

Monitoring legislative activity, responding to requests for comments and preparing LUMA employees for public hearings is an important and significant responsibility, requiring multiple interactions with members and staff of the Puerto Rico Senate and House of Representatives over the course of many weeks and months on some occasions. Responding to these inquiries requires considerable resources and time from LUMA.

Table 5-1: Summary of Requests for Comments or Legislation Filed in the Puerto Rico Senate or House of Representatives

Committee	Bill or Resolution	Date of Last Update	LUMA Response or Legislation Title
Senate Committee on Economic Development, Essential Services and Consumer Affairs	House Bill 1381	January 13, 2023	On January 9, 2023, LUMA received a Request for Comments from the Committee for H.1381. On January 13, 2023, LUMA delivered the response to the request for comments.
House Committee on Economic Development, Planning, Telecommunications, Public-Private Partnerships and Energy	House Bill 1491	January 17, 2023	On January 9, 2023, LUMA received a Request for Comments from the Committee for H.1491. On January 17, 2023, LUMA delivered the response to the request for comments.
Senate Committee on Economic Development, Essential Services and Consumer Affairs	Senate Resolution 577	January 17, 2023	On December 3, 2022, LUMA received a Request for Information and Comments from the Committee for S.Res.577. On January 17, 2023, LUMA delivered the response to the request for information and comments.
House Committee on Development and Control of Public Funds in the Northern Region	House Resolution 648	January 23, 2023	On December 14, 2022, LUMA received a Request for Documents and Information from the Committee for H.Res.648 regarding the Almirante Sur neighborhood in the Municipality of Vega Baja. On January 23, 2023, LUMA delivered the response to the request for information and comments.
Senate Request for Information and Documents	Senate RFI 2023-0028	January 26, 2023	On January 18, 2023, LUMA received a Request for Information and Comments from the Senate of Puerto Rico regarding the total amount of debts owed by private and public health centers for the utility service. On January 26, 2023, LUMA delivered the response to the request for comments
House Committee on Development and Control of Public Funds in the Region Northeast Region	House Resolution 344	January 31, 2023	On January 31, 2023, LUMA was summoned to appear at an on-site public hearing to be held on February 3, 2023, regarding the Villa Hugo I, Villa Hugo II and Valle Hill communities in the municipality of Canóvanas.

Table 5-2: Material Litigation Update⁵

Case No.	Party Names	Description	Significant Updates
Adv. Proc. No. 21-00041	UTIER v. Pierluisi et al.	Plaintiffs are requesting the annulment of the T&D OMA because they claim that it violates the Contracts Clause and does not comply with Act 120-2018, given that it allegedly does not recognize UTIER's collective bargaining agreement.	No changes since last Report. The Court has not yet ruled on the pending Motion to Dismiss.
Adv. Proc. No. 21-00049	SREAEE v. PIERLUISI et al.	Similar claims to 21-00041 (above) and additionally alleges that the T&D OMA violates ERISA and would damage the SREAEE due to lack of funds.	No changes since last Report. The Court has not yet ruled on the pending Motion to Dismiss.
Case No. KLRA202100406	In re Revisión de los Términos de Servicio de LUMA	ICSE seeks order to annul and overturn the PREB's approval of Modified Terms of Service and Liability Waiver. They argue the waiver is an infringement of PR's Civil Law tradition as it goes against the Law, Moral, and Public Order.	No changes since last Report.
SJ2022CV02868	Ismael Herrero Domenech and the class composed of all residential electrical energy consumers that are customers of LUMA Energy LLC v. LUMA Energy LLC, Wendco of Puerto Rico Inc. et al. v. LUMA Energy LLC	The residential and commercial customers in the consolidated class actions filed with the Puerto Rico State Court ("Plaintiffs") seek to be compensated for damages for LUMA's alleged failure to properly maintain and operate certain equipment pursuant to the T&D OMA which caused an island-wide blackout on April 6, 2022. Plaintiffs claim over \$500 million in damages.	On January 18, 2023, Judge Swain issued a <i>Memorandum Order Overruling Objections and Adopting Report and Recommendation</i> and ordered the remand to the consolidated actions to local court. On January 30, 2023, the plaintiffs filed a motion in local court requesting the reopening of the case.

⁵ Material Litigation Activity refers to all litigation related to challenges to the OMA, matters that could impede the OMA work or litigation with significant financial risk. This does not include ordinary litigation proceedings that originate as part of the operation of the T&D System, including but not limited to pre-litigation dispute resolution, management of active litigation, discovery, PREB invoice challenges, and other litigation procedures.

Case No.	Party Names	Description	Significant Updates
		LUMA was served on July 19, 2022, and on July 29, 2022, LUMA filed a Notice of Removal with the Title III Bankruptcy court.	
Civil Case No. 22-CV-01357	CADFI Corp. v. PREPA, LUMA and Municipality of San Juan	Plaintiff, CADFI Corp. (Broad Coalition for Functional Diversity and Equality), and other individual Plaintiffs, allege that some electric posts are located in the middle of some sidewalks in San Juan in violation of the American with Disabilities Act (“ADA”) and the Standards for Accessible Design promulgated by the US Department of Justice.	No changes since last Report.
SJ2022CV08894	UTIER, et. al. V. LUMA Energy Servco, LLC, et. al.	Plaintiffs filed a complaint alleging that the Defendants incurred defamation, libel, and cyberbullying, among other, by the unauthorized use of UTIER’s and its president, Angel Figueroa Jaramillo’s image and name.	On January 19, 2023. LUMA, Quanta Services, BPUF, Inc., Denis Malone filed their respective Motions to Dismiss. The Court ordered Plaintiffs to file their Opposition to LUMA’s Motion to Dismiss in 20 days.

6.0 Ongoing External Audits

LUMA is subject to audits related to its activities under the T&D OMA. Responding to these audits requires considerable resources and time from LUMA.

Table 6-1: Summary of Governmental Audits

Government Entity	Audit Description	Significant Updates
Puerto Rico Comptroller’s Office (OCPR), No. 15592	Audit to PREPA fiscal operations during the period from June 1, 2018 to June 30, 2021 by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto Rico and Act 9 of July 24 of 1952, as amended.	Latest request received December 6, 2022 and due December 13, 2022. The information was provided on December 13, 2022.

Government Entity	Audit Description	Significant Updates
OCPR, No. SIE-3518-15560-8	Customer Experience Data Request	On January 10, 2023, LUMA provided the requested pre-Commencement information. On January 18, 2023, LUMA communicated that data to OCPR needs to be certified and approved by PREPA.
OCPR, No. SIE-3518-15560-16	Debt Issued	On January 26, 2023, OCPR submitted a request to LUMA. A response is being drafted.
KPMG	Audit of PREPA Financial Statements	Fiscal year (FY) 2021 – in progress. FY2022 – LUMA began receiving and responding to requests for information in January 2023; the official kick-off of the audit is scheduled for February 2023 with a target date of issuance of the financial statements of June 30, 2023 (based on timelines from Hacienda).
P3A	First Year (FY2022) Operations Audit	Information requested was provided to P3A's authorized inspectors. Meetings for inspectors to walk through processes with various LUMA personnel were scheduled for late January 2023 and early February 2023.
Office of the Inspector General (OIG), No. E-169-23-005; RI-001	Compliance with PR Law and applicable regulations	LUMA is compiling the requested information in order to comply with the OIG's request.

7.0 Material OMA Items

- On November 30, 2022, LUMA, the P3 Authority and PREPA entered into an extension of the supplemental agreement under which LUMA has been operating PREPA's T&D System since June 1, 2021. The extension is through the date on which PREPA exits from Title III Bankruptcy.

PREPA's Continued Failure to Fulfill T&D OMA Funding Obligations

- January 2023 was the second consecutive month that PREPA did not fully fund the Service Accounts and failed to meet its obligations in accordance with 7.5(a)(iii), 7.5(b)(iii), 7.5(c)(iii), 7.5(e)(ii) of the T&D OMA.

PREPA Reorganization and Title III Exit

- The primary focus of the Puerto Rico government and the FOMB continues to be PREPA's reorganization process. The FOMB filed a proposed plan of adjustment for PREPA and an accompanying disclosure statement on December 16, 2022. Upon review the proposed Plan of Adjustment and Disclosure Statement, LUMA provided FOMB with a list of initial concerns

including the implementation and transparency on customer bills of the new Legacy Debt Charge and Legacy Pension Charge. A hearing to consider approval of the disclosure statement is scheduled for February 28, 2023.

- On January 25, 2023, New Fortress Energy announced that its independent subsidiary, Genera PR LLC, was selected by P3A for a 10-year operation and maintenance agreement to manage PREPA's thermal generation assets and the agreement had received all necessary regulatory approvals from the government of Puerto Rico, the FOMB and PREB. The privatization and transformation of PREPA's generation business is a key component of Puerto Rico's energy policy.
- On January 26, 2023, Judge Swain granted the mediation team's request for a three-month extension of the mediation termination deadline from January 31, 2023, to April 28, 2023.
- On January 27, 2023, the FOMB filed a load forecast and illustrative cash flow for the new bonds contemplated under the PREPA plan of adjustment and an analysis of the best interests test required for confirmation of the proposed plan of adjustment.

PREPA Unresponsiveness to LUMA Open Requests

- As a result of PREPA's unresponsiveness to many communications, on December 23, 2022, LUMA sent a letter to P3A providing detail on PREPA's unresponsiveness and requesting P3A to act on behalf of PREPA pursuant to Section 15.1 of the T&D OMA to resolve the pending matters so that the transformation of the electric system of Puerto Rico is not negatively impacted.
- On January 23, 2023, LUMA attended the PREPA Governing Board Transition Committee Meeting, and raised its concern regarding PREPA's unwillingness to provide information required for LUMA to perform its obligations in the T&D OMA and respond to PREB requests, specifically related to PREPA Fuel Data, System Frequency Excursion information related to PREPA Generation, and information required for System Dynamic Modelling of Generation Units. PREPA representatives indicated at the meeting that they would not be providing this information to LUMA and PREPA Board members recommended that LUMA notify PREB.

PREPA Accounting and Financial Risks

- A Condition Precedent to Service Commencement includes the reorganization of PREPA as stated in Section 4.5(q). Furthermore, in Annex VI, Section II, the T&D OMA states that "PREPA shall be reorganized into two entities: (1) GenCo, acquiring or obtaining ownership of the Legacy Generation Assets and (2) GridCo, acquiring or obtaining ownership of the T&D System." As part of a reorganization of PREPA as described in Annex VI, PREPA's balance sheet, financial systems and other functions must be separated into two separate entities.
- This reorganization has not yet occurred and PREPA has not addressed several major PREPA accounting and financial risks. LUMA was provided access to PREPA's financial systems at Commencement (June 1, 2021) and since then, LUMA has continued to investigate and uncover serious deficiencies and issues. The poor condition of PREPA's pre-Commencement financial records is impacting LUMA's ability to comply with its T&D OMA obligations, including providing accurate reporting to P3A and FOMB. Key examples are listed below:
 - Monthly bank reconciliations had not been completed for 31 Legacy Bank Accounts. In January 2023, PREPA provided bank reconciliations up until June 30, 2021 and LUMA began investigating the bank reconciliations provided by PREPA for accuracy. Based on LUMA's preliminary review of reconciliations for several accounts, there are serious deficiencies in the bank reconciliations prepared by PREPA.

- The Fixed Asset Subledger has not been meaningfully updated in at least five years, leaving the subledger incomplete and inaccurate, with nearly \$1.6 billion of top-level adjustments (as of 2019) not reflected in the subledger. PREPA has not made any progress on addressing this issue to date, which continues to hinder LUMA's ability to fulfill its obligations under Annex I, Section VI (B) (2) of the T&D OMA.
- The inventory subledger contains numerous obsolete, damaged and off-specification inventory items and lacks reconciliation with the General Ledger.
- The CC&B system has numerous deficiencies which cause discrepancies in records and reporting, and impact LUMA's ability to accurately measure the cash management performance metrics (Days Sales Outstanding) as described in the T&D OMA (Annex IX). PREPA has not made any progress on addressing this issue to-date.
- As part of the plan for reorganization as described in Section 4.5(q) and Annex VI, PREPA will need to complete these activities prior to splitting the Balance Sheet into GenCo and GridCo as required in the plan for reorganization.

LUMA's Billing and Collection Efforts

- LUMA continues to make progress regarding billing. In January 2023, LUMA consultants investigating programming issues identified a significant issue regarding the billing system algorithm that determines whether a customer bill is based on the actual or estimated meter read, and generates such estimate. This issue was caused by the last software upgrade completed by PREPA in 2019 and was concealed by manual PREPA processes. Resolution of this error is currently anticipated in FY23 with the improvements to be seen over the subsequent 12 months.
- Since August 2021, LUMA has made numerous attempts, including letters and phone calls, to work with customers who have large and chronic overdue balances to avoid the possible disconnection of service. Such outreach efforts include establishment of payment plans.
- From August 2021 to December 2022, over 300,000 calls were made to commercial and industrial customers in arrears to establish payment plans and identify solutions. Commercial and industrial customers in arrears have received, at minimum, one call per month from LUMA since August.
- In December 2022, 30-day disconnection notices were sent to 1,300 commercial & industrial customers with chronic overdue balances and the greatest amount of arrears who had not responded to LUMA's repeated outreach, established payment plans or worked with LUMA to identify financial solutions to address outstanding payments.
- During January LUMA continued these efforts. If customers are still unresponsive to outreach efforts, LUMA will begin to schedule crews to disconnect this initial group of customers.
- LUMA continues to work with the central government of Puerto Rico on improving payment. LUMA met with all government corporations and agencies in December 2022 on outstanding balances. LUMA is producing a bi-weekly report of accounts receivable that is shared with the central government. The central government will be supporting the collection of outstanding balances by setting up individual meetings with the agencies and working with the FOMB on budgetary requirements.

FY2023 Budget Process and Generation Allocation

- Over the last 10 months, LUMA has received and responded to 185 information requests from the Energy Bureau regarding the FY2023 Budgets that have already been certified by FOMB and that P3A deemed compliant with the current Rate Order. LUMA has received 17 individual R&Os from

the Energy Bureau since the beginning of this process to which LUMA has responded with a total of 33 regulatory filings, including quarterly report submissions in compliance with the OMA and PREB R&Os. The PREB has issued or re-issued a procedural calendar for this proceeding 10 times resulting in multiple delays in the process and multiple duplications of effort in preparing for various Technical Conferences.

- In early January, LUMA continued to respond to RFIs issued by PREB immediately before the December holidays.

PREB Resolution and Orders regarding LUMA's request for Amendment of FY2022 Budget

- On November 2, 2022, LUMA filed a "Motion Submitting Fiscal Year 2022 Budget Amendment" in compliance with Section 7.3 (e) of the T&D OMA, requesting that the FY2022 Budget be amended to reallocate a surplus in LUMA's Operating Budget to its Non-Federally Funded Capital Budget line items. The modification was a result of LUMA's cost saving measures and year-end closing adjustments and financial reviews.
- After PREB's denial of LUMA's requested amendment and rejection of LUMA's request for reconsideration, in its December 14, 2022 R&O, PREB ordered LUMA to show cause within ten (10) business days of why LUMA should not be fined.
- On January 3, 2023, LUMA filed a "[Motion in Compliance with Order to Show Cause and Request for Reconsideration](#)" in which LUMA reiterates and expands upon the arguments discussed in LUMA's November 2, 2022 Amendment Request and November 23, 2022 Reconsideration Request. LUMA stated that PREB should reconsider its denial and not administer any fine because:
 - LUMA complied with the Energy Bureau's orders regarding the FY2022 Budgets. Due process bars application of the requirements set by the Energy Bureau in the August 3, 2022 and December 14, 2022 Orders, to LUMA's FY2022 spending.
 - LUMA filed the November Budget Amendment Request when it reliably identified the need to reallocate funds from the Operating Budget to the Capital Non-Federally Funded Budget.
 - The directive setting a "cut off" date for the Energy Bureau to accept budget amendments due to data that was not available to LUMA when the Initial Budgets were prepared, is contrary to the May 31, 2021 Order and thus, arbitrary.
 - The determination on delayed work does not support the imposition of a fine.
 - The administrative record shows that LUMA's spending was within the limits of the 2017 Rate Order and in accordance with public policy.
- On January 12, 2023, LUMA transmitted an informative letter to P3A that summarizes the foregoing.