

Puerto Rico Energy Commission Issues Request for Public Comments on Energy Wheeling

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On August 7, 2018, the Puerto Rico Energy Commission (“Energy Commission”) issued a Resolution and Order requesting the public to submit comments as a first step in the development of the regulation that will govern the wheeling mechanism in Puerto Rico. Wheeling is generally defined as “the transmission of electricity from one system to another through Puerto Rico’s electric power grid.”

The Resolution and Order contains the questions for which the Energy Commission is seeking answers from stakeholders, mainly regarding two broad topics:

- Wheeling generally. Whether Puerto Rico Electric Power Authority (“PREPA”) should continue to own generation or divest all of its generation assets; whether the wheeling mechanism should include PREPA as a default supplier for retail services or whether all customers should be required to choose a supplier; whether there should be contract lengths; and whether suppliers should have market share limitations; among others;
- Cost recovery and allocation. Which regulations and mechanisms need to be in place to ensure viable revenue and business models for the owner/operator of the transmission and distribution network; whether debt service (e.g. collected through a specific charge) for outstanding PREPA debt should be a non-bypassable charge, paid for by all customers who engage in wheeling; and how is the revenue requirement for the owner/operator of the transmission and distribution network best determined; among others.

Comments should be filed **on or before August 27, 2018**.

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