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Vision of Utility of the Future

Black Start _ Future of Energy Summit

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Vision of Utility of the Future

• Utility goals, objectives, and actions align with public interest
• Regulation structured to reward or penalize utility based on adherence to public interest – Performance Based Regulation
• Holistic integrated distribution system planning to ensure least-cost options and enable Distributed Energy Resources (DER)
• Grid modernization to increase resiliency and reliability
  o Critical opportunity with T&D Reconstruction in Puerto Rico
• Greater customer participation enabled
• Optimization of energy efficiency and demand response
  o Stronger building codes and appliance standards
• Rate designs that correlate customer rates with utility costs
• Adoption of renewable energy options and retirement of expensive fossil fuel sources
The Role of the Regulator

• Oversee implementation of vision to ensure:
  o Compliance with policy objectives;
  o Accountability, transparency, and public participation;
  o Least cost objectives are adhered to; and,
  o Utility cooperation along with provision of data to enable DERs

• Conduct proceedings and issue Orders with respect to utility filings to implement Vision

• Create regulations to set forth procedures and substantive requirements of utility and other stakeholders to implement Vision

• **Regulator should lead – and not just be reactive - in taking all actions within its statutory powers to ensure road to progress and that Vision realized**
Importance of a Regulator

- Oversees and takes action as necessary to ensure utility compliance with laws, regulations, and public policy;
- Provides centralized expertise to handle highly complex and intricate energy matters and ensure consistency and fluidity;
- Available as a source of information, counsel, and assistance to policy makers in the legislative and executive branches of government; and,
- Provides a public source of information on energy matters

The more tools Regulator is granted, the more effectively it carries out duties and responsibilities to implement good public policy.
Puerto Rico Energy Bureau Agenda – 2019 (Among other Matters)

• Integrated Resource Plan
• Wheeling Rules
  o Unbundling
  o Regulations for Transmission and Distribution Provider and System Operator
• Interconnection Rules for Microgrids
• Energy Efficiency and Demand Response Regulation, including establishment of a Third-Party Administrator
• Performance Incentive Metrics
• Studies on Net-Metering and Related Charges and Energy Storage (S.1121)
About RAP

The Regulatory Assistance Project (RAP)® is an independent, non-partisan, non-governmental organization dedicated to accelerating the transition to a clean, reliable, and efficient energy future.

Learn more about our work at raponline.org

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