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# Monthly Report

Report #: RPT-P3A-005

For the period ending October 2020

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# General Overview

In accordance with Section 4.2(b) of the Operations and Maintenance Agreement (OMA), LUMA hereby provides the P3A its monthly report on its performance of the Front-End Transition for the month ending October 31, 2020. A copy of the Handover Checklist and work performed has been provided in Appendix A of the report.

## PERFORMANCE OF FRONT-END TRANSITION (FET) PERIOD

### A. FET PERIOD PROGRESS REPORT

#### I. Key Achievements in reporting period

##### Overview

During the month of October, LUMA has progressed on its Front-End Transition obligations including advancing work on Initial Budgets, System Remediation and Performance Metrics which collectively will form significant regulatory filings to PREB in early 2021. This work remains on track and is a culmination of LUMA's gap assessments and reviews of PREPA's operations over the past four months. As noted in past reports, this work has been challenging given accessibility to PREPA information and employees that was further exacerbated by COVID-19.

In October, we have also begun our recruitment efforts as we prepare to hire thousands of employees who will form LUMA Energy upon the transfer of operations in mid-2021. We remain on track for this important milestone as well.

The following is a summary of the Key Achievements for the month of October and is presented based on critical areas to achieving commencement. Additional achievements and additional detail of LUMA's progress can be found in Appendix A – Handover Checklist.

##### Human Resources- creating a new organization

LUMA commenced its recruitment efforts with positive results to date. This effort included the following in October:

- Engaged and trained recruiters to support the interview and hiring process.
- Began posting positions (job postings) for consideration by applicants. The posting of jobs occurred throughout October and will continue into through 2021. As of the end of October nearly 300 unique postings.
- Received and processed approximately 3,600 complete applications with priority being given to existing PREPA employees.
- Recruiters began candidate screening in preparation for interviews with representatives from the hiring LUMA Departments. The results from the screening process have been very positive with very few candidates (<1%) not meeting our interviewing/hiring expectations.
- Advanced preparations for Skills Assessments to be conducted as part of the recruitment process to help ensure safety of our workforce.

- Continued to engage PREPA employees to guide them through hiring process and general questions including details surrounding LUMA's health & wellness programs and employee defined contribution plan (401k) retirement plan – both which have been now put in place.
- Continued to progress the implementation of the Human Capital Management system which will capture core HR information, Benefits Administration, Compensation Data and Learning Management.

Critical Regulatory Matters – requiring P3 review and/or approvals and PREB approvals LUMA has numerous operational deliverables that will be presented to the P3A and/or to the PREB during the Front-End Transition period. Work on all these deliverables is progressing well as noted in Appendix A. The more significant achievements during the month of October are as follows:

- a. Initial Budgets, System Remediation Plan (SRP) and Performance Metrics  
The various LUMA departments continued developing scopes of work for the O&M Services and cost estimates based on gap assessments conducted over the past few months. While gap assessment work will continue as we formulate our plans to transition in mid-2021, the more significant outcomes from the gap assessments have now been converted into initiatives that are now been prioritized through an iterative process that considers multiple competing benefits. The prioritization effort began in late October and will continue throughout November and will culminate in the development of the Initial Budgets, the SRP and Performance Metrics – all of which are highly linked.
- b. FEMA funded projects  
A key factor influencing the Initial Budgets, SRP and Performance Metrics is the prioritization of FEMA funded project and our preparedness to undertake the work in a timely and effective manner.  
As reported last month, there has been a lack of clarity between LUMA and PREPA on the coordination of work between LUMA's Initial Budgets/SRP obligations and the PREPA-led requirements of FEMA for a plan for use of the 428 funds (i.e. the 10-year plan). PREPA has continued developing the 10-year plan and has included LUMA in high-level process update meetings; however little details have been provided to date. We have been informed by PREPA that LUMA will receive further information in November. LUMA will consider the outcome of the 10-year plan expected in early December as we continue our work on Initial Budgets, System Remediation Plan and Performance Metrics filings to PREB anticipated to be submitted in early 2021.
- c. PREPA Reorganization  
LUMA continued to support P3A and PREPA's obligations with respect to the plan for reorganization of PREPA into GenCo and GridCo. LUMA's work on multiple deliverables is tied to progress in this area. Work on these deliverables has progressed, including LUMA support of PREPA's draft GenCo budget information. Submission of the GenCo budget is considered behind schedule and could impact the preparation of the Initial

Budgets. We are working on mitigation but lack of progress by PREPA in November could affect timely filing with PREB of the Initial Budgets in early 2021.

LUMA's development of the Systems Operation Principles is on track.

Overall, there remains a significant amount of detailed work towards a final plan for the reorganization of PREPA and meeting this key deliverable will depend on timely progress.

#### Preparing LUMA for operations

In addition to supporting the recruitment effort and development of the Initial Budgets, SRP and Performance Metrics work, LUMA continues to work on key areas necessary to 'stand-up' LUMA from an operational perspective. These include the development of key plans as outlined in Appendix A. Some of the key highlights for October are as follows:

- a. Health, Safety and Environment & Quality
  - Continued vigilance on our COVID protocol.
  - Held town halls with PREPA HSE Directorates to answer questions and build relationships.
  - Began strategic planning for commencement – outlining key HSE policies and procedures that will be required for commencement.
  - Began work on LUMA Business Continuity and Crisis Management program.
- b. Internal & Stakeholder Communications:
  - Continued to communicate our key messages through external channels such as social media and advertising such as digital mediums, billboards, print and radio. A summary of our social media posts is also developed and distributed internally.
  - Launched the Careers, FAQ and Job Postings sections of the LUMA website and started receiving applications and developed supporting print materials (i.e. posters, paystub flyers, etc.).
  - Finalized the site map for the full LUMA website and created a plan for site design.
- c. Operational
  - Continued refining the O&M budget for inclusion in the Initial Budgets.
  - Continued team meetings with PREPA Supervisors.
  - Posted job postings for Transmission Lines, Transmission Substations, Distribution Lines, Materials Management, and Fleet.
  - Completed site visits at the Aguirre and Costa Sur Generation Warehouse facilities to support the development of the current state supply map for the Generation side of the business.
  - Completed a first draft of the Fleet Management Plan for Operations for internal review and adjustments.
  - Began developing Vegetation Management process flows to support operations upon commencement.
  - Began working with the HSE & Quality department to gain alignment on the LUMA proposed post commencement safety absolutes.
  - Completed focused site visits to understand work required to develop Standard Operating Procedures (SOPs) for Operation & Maintenance of the Electrical System.

- d. Customer Services - Voice of the customer
  - Continued LUMA / PREPA townhall meetings across all PREPA Customer Service Directorates.
  - Initiated the Service Start / Shut-off process discovery, documentation and redesign, i.e. “Dunning” process and “Initiate Service” process.
  - Began work on the Meter Read Annual schedule for 2021 including building the schedule, integration with CC&B and reviewing the Manual Read plan.
  - The Customer Experience Training team is working with PREPA and LUMA personnel to schedule a tour of existing training facilities in November.
- e. Finance and Accounting
  - Moved LUMA ManageCo eBanking suite to production.
  - Consolidated initial iteration of LUMA O&M budget for inclusion in the Initial Budgets.
  - Completion of pre-assessment health checks on all PREPA facilities.
  - Completed a large portion of Oracle EBS initial configuration and held Conference Room Pilot sessions for Oracle Purchasing, Accounts Payable and General Ledger modules.
- f. Information and Operational Technology
  - EBS: Completed GridCo system design & configuration.
  - Workday HCM: Configuration and unit testing is in progress with integrations design completed.
  - Kronos: Completed assessment and reviewed project resource estimate and timeline.
  - Integrations: Continued to document current state with the transition to future state.
  - LUMA Website: Engaged partner to begin development based upon design specifications.
  - Cloud Based Call Center: Selected software application as the contact center tool.
  - Bill Redesign and Outsourcing: Sent RFPs for outsourcing solution with new draft bill design in the design/build stage.
- g. Other Regulatory matters (in addition to those noted above)
  - Developed the overall Recovery and Transformation Framework for the T&D System that defines the overall objectives for the system, key operating activities and investment plans, including compliance of federal requirements for funding and strategic direction consistent with FEMA Disaster Recovery Framework.
  - Progressed the Government Approvals and Front-End Transition land and permit activities.
- h. Legal Matters
  - Received positive decision from the Title III court granting LUMA Administrative Expenses Treatment.
  - Advanced work on the framework and procedural aspects of the Liability Waiver.

## II. Key Focus Areas in upcoming month

The Front-End Transition is an on-going evolution of all efforts noted in Section I and outlined in Appendix A. In November, LUMA will continue to progress its efforts in all areas noted in Section I, so these are not repeated here. Rather, the following focuses on new noteworthy activities that LUMA will be undertaking and is presented in using the same outline as in Section I:

### Human Resources- creating a new organization

- Continue LUMA's recruitment effort focused on existing PREPA employees including supporting employees with application forms & resumes and continuing to systematically post jobs.
- Continue providing PREPA employees with information available.
- Continue working with PREPA management in an attempt to develop and respond to employee questions to be answered by PREPA (i.e. related to items such as pension and employment options).

### Significant Regulatory Matters – requiring P3 review and/or approvals and PREB approvals

#### a. Initial Budgets, SRP and Performance Metrics

- A significant effort is planned for November to further the prioritization and sequencing of programs/projects that will form the basis of the Initial Budgets and SRP and influence the Performance Metrics framework. This work will be iterative in nature and consider the financial constraints, O&M requirements, FEMA funding as well as the gap assessment work performed over the past months.
- Related to the above will be the capture of the necessary documentation using the LUMA developed templates for inclusion in our regulatory filings to PREB.

#### b. PREPA Reorganization

- Continue efforts to develop the Shared Services to GenCo; and continue discussions with stakeholders on stages of GenCo-GridCo separation. Based on this work, LUMA will make appropriate assumptions about the organization and budget in order to meet milestones for the Initial Budgets.
- Continue efforts on the development of the System Operations Principles.
- Continue to support in the development of the GenCo Operating Agreements
- Continue supporting PREPA in the development of the GenCo 3-year budget for inclusion in the Initial Budgets.
- Will consolidate details to present the overview of the cost and scope of shared services to be provided.

#### c. FEMA funding

- Support the PREPA-led FEMA-requested federal funding plan with an aim to ensure alignment with the LUMA Initial Budgets/SRP.
- Continue gathering and evaluating PREPA's existing procurement plans, procedures, and protocols. Begin developing and updating such procedures based on best practices and applicable requirements of funding agencies, grant recipients, and applicable Puerto Rico and PREPA requirements.

- Continue the risk assessment and begin formulating solutions for financial management, grants management, and internal controls for the administration of all funding sources.
  - Continue coordination with PREPA's Disaster Financial Management Office related to outstanding project application and project formulation requirements, including the FEMA Public Assistance 406 Mitigation opportunities.
  - Begin developing a strategic recovery plan and planned use of available funding addressing the "lifelines" per the overall Puerto Rico recovery framework and planning priorities.
- d. LUMA, P3A and PREPA will meet with Environmental Authority DRNA, to document the applicability of PREPA governmental approvals to LUMA and any necessary adjustments or amendments.

#### Preparing LUMA for operations

- a. Health, Safety and Environment & Quality
- Continue with observations and inspections and review of existing written safety programs.
  - Begin the monitoring and assessment of outcomes of the PREPA-led environmental site assessments to support completion of the Baseline Environmental Study and the Environmental Exposure Management Plan.
  - Continue efforts towards the development of LUMA's Business Continuity and Crisis Management Plans (including Emergency Response Plan).
- b. Human Resources (in addition the commentary noted above)
- As noted above, a significant effort will be focused on recruitment. The LUMA team will also be continuing its work on the development of employee policies and procedures.
- c. Internal & Stakeholder Communications:
- Launch post-election communications via newsletters, social media campaigns and engagement with news / media outlets.
  - Begin planning for an internal intranet strategy.
  - Create content for the full LUMA website, including a customer-compatible billing and customer service space.
  - Begin meeting with potential non-profit partners and continue to develop a detailed plan for engaging with and supporting our communities.
  - Work with LUMA HSE & Quality team to develop a public safety plan, with messaging, timeline and partners.
- d. Operational
- Continue development of the commencement O&M budget for inclusion in the Initial Budgets.
  - Continue supporting the recruitment initiative including recruiting of Directors for Vegetation Management and Fleet Management.
  - Commence drafting the Materials Management & Warehousing Plan.
  - Commence drafting the Vegetation Management Plan.



- Specific detailed review of PREPA's right of way requirements for vegetation management in order to develop internal procedure for right of way requirements to support vegetation management improvement initiative.
- e. Customer Services - Voice of the customer
  - Compiling a list of all facilities required for new Customer Experience initiatives and finalizing priority sites such as a contact center.
  - Send out first round of JD Power Customer Satisfaction Surveys.
  - Initiate work observations.
  - Define scope of Policies & Procedures works by identifying required LUMA process and procedure documentation and quantify resourcing.
- f. Finance and Accounting
  - Significant focus on the development of Initial Budgets/SRP for regulatory submittal.
  - Finalize documentation of internal control processes, procedures and flowcharts for identified business cycles.
  - Complete design of labor cost / distribution process and prepare for Project Accounting and Fixed Assets conference room pilots in early December.
  - Commencement and completion of deep dive assessments on selected properties considered for continued occupancy by LUMA.
  - Complete first draft of Non Federal Funding Procurement Manual and submit for internal LUMA review and approval.
- g. Information and Operational Technology
  - Continue all major IT projects required for LUMA to be fully operational (e.g. EBS, Workday HCM, Call Center Technology).
- h. Other Regulatory matters (in addition to those noted above)
  - Preparation of and support with relevant teams of Initial Budgets, SRP, Performance Metrics, Liability Waiver and the Recovery and Transformation Framework for the T&D System.
  - Drafting of System Operations Plan and continue to develop other generation deliverables consistent with P3A plans.

### III. Handover Checklist

In accordance with Section 4.2(b) of the OMA, LUMA has provided an update to the Handover Checklist in Appendix A. Appendix A supplements the above report and captures additional detail of work performed by LUMA in October.

## B. COMMERCIAL REPORT

### I. Completed OMA Obligations

This section represents the completed OMA obligations from the past month only. All previous month completed OMA obligations are removed to minimize the length of the report.

Section	Description	Responsible Party	Status
4.1(c)(i)	(a) Owner to file a motion with the Title III Court seeking administrative expense treatment for any accrued and unpaid amounts required to be paid by Owner under this Agreement during the Front-End Transition Period, including the Front-End Transition Service Fee.	PREPA (Owner)	Ruling received October 19, 2020

### I. Ongoing OMA Obligations

Section	Description	Responsible Party	Status
4.2(b)	ManagementCo shall provide Administrator (with copy to PREB) written monthly reports with respect to ManagementCo's performance of the Front-End Transition Services, including a copy of the Handover Checklist updated to reflect the progress of each item listed therein. From time to time during the Front-End Transition Period, in light of experience developed up to such point in the Front-End Transition Period, the Handover Checklist shall be adjusted, updated or otherwise modified by ManagementCo and Administrator, each acting reasonably, as necessary to reflect such experience.	LUMA (Operator)	Submitted – September
4.3(e)	Notices with respect to System Contracts and Generation Supply Contracts. Owner shall (i) notify each counterparty to a System Contract and Generation Supply Contract in writing of Owner's delegation of authority to Operator with respect to such System Contract in the manner contemplated by Section 5.2(a) (System Contracts – Generally) and with respect to such Generation Supply Contract in the manner contemplated by Section 5.13(a) (Generation-Related Services – Power Supply Dispatch and Management) and (ii) have obtained all required consents from such counterparties as may be required thereby in connection with such delegation of authority and (iii) take all such other actions as may be necessary for Operator to be able to comply with its obligations under Section 5.2(a) (System Contracts – Generally) and Section 5.13 (Generation-Related Services).	PREPA (Owner)	Ongoing
4.4(a)	ManagementCo, Administrator and Owner shall coordinate identifying the Governmental Approvals required for the commencement on the Service Commencement Date. Once the Parties have identified the Commencement Date Governmental Approvals: (i)(A) ManagementCo shall coordinate with Owner and Administrator to prepare for and support Owner's efforts related to the transfer and	LUMA (Operator) P3A (Administrator) PREPA (Owner)	Ongoing

Section	Description	Responsible Party	Status
	assignment or the reissuance of the Commencement Date Governmental Approvals; (B) Owner, with Operator's assistance, shall submit complete applications and take all other steps necessary to obtain and maintain all required Commencement Date Governmental Approvals; and ... (ii) ManagementCo and Administrator shall cooperate with Owner in identifying, preparing, applying for, obtaining and maintaining the Commencement Date Governmental Approvals.		
4.6(c)(i)	(c) Operator shall deliver to Administrator an estimate of the anticipated Front-End Transition Service Fee for the following four and a half (4.5) months, subject to Section 7.8 (Owner Credit Rating).	LUMA (Operator)	Submitted - September
4.6(c)(i)	(d) Owner shall replenish the Front-End Transition Account so as to maintain a balance in the Front-End Transition Account at the end of each calendar month equal to the sum of the anticipated Front-End Transition Service Fee for the subsequent four and a half (4.5) months, subject to Section 7.8 (Owner Credit Rating), and so on subsequently until the Front-End Transition Services conclude.	PREPA (Owner)	Confirmed - September
4.6(d)(i)	Operator shall provide Administrator with a monthly invoice describing in reasonable detail the prior calendar month's Front-End Transition Services and the corresponding Front-End Transition Service Fee for such prior calendar month. All invoices shall comply with the requirements set forth in Section 9.2(c) (Anti-Corruption and Sanctions Laws – Policies and Procedures).	LUMA (Operator)	Submitted – September

## II. Overdue OMA Obligations

Section	Description	Responsible Party	Status
4.3 (d) (i)	Additional System Contracts and Generation Supply Contracts Between Effective Date and Service Commencement Date. During the Front-End Transition Period, the Parties agree that it is the intent that Owner and Administrator shall not amend or enter into any new System Contracts or Generation Supply Contracts; provided, however, that: prior to the date ManagementCo submits the Initial Budgets to PREB for its approval, if Owner and Administrator identify a need to do so, then Administrator shall notify ManagementCo of such need and work with ManagementCo to implement any such amendment or new System Contract or Generation Supply Contract. Following such consultation process, Administrator shall ultimately determine if such amendment or new System Contract or Generation Supply Contract is required.	Administrator Owner	Currently the parties are generally aware of System Contracts work being undertaken; however, there is no systematic process ensuring that all parties are clear of all FET System Contracts activities.
4.1 (b) (i)	<u>Owner and Administrator Cooperation</u> Each of Owner and Administrator shall take all such actions as may be reasonably necessary to enable or assist ManagementCo in providing the Front-End Transition Services, including (i) providing	PREPA (Owner)	In progress. Current plan is for designated space and facilities is

Section	Description	Responsible Party	Status
	ManagementCo's Representatives with a designated space and facilities at Owner's principal offices for their use throughout the Front-End Transition Period.		to be in place by late November/early December
4.1 (b) (iii)	<p><u>Owner and Administrator Cooperation</u></p> <p>Each of Owner and Administrator shall take all such actions as may be reasonably necessary to enable or assist ManagementCo in providing the Front-End Transition Services, including...</p> <p>(i) cooperating with and assisting, and causing its Representatives to cooperate with and assist, ManagementCo in its performance of the Front-End Transition Services and its efforts to timely satisfy the ManagementCo Service Commencement Date Conditions.</p>	PREPA (Owner)	In progress. Several RFIs submitted by LUMA remain outstanding (47 of 225 with some up to 100+ days) RFI status provided to PREPA weekly.

### III. OMA Obligations in Progress

Section	Description	Responsible Party	Status
2.2(b)(x)	Receipt by ManagementCo of (A) a list of the project worksheets related to the T&D System prepared by FEMA pursuant to Section 428 of the Stafford Act as of such date or (B) a summary of the costs estimates, or preliminary costs estimates for Federally Funded Capital Improvements established as of such date.	P3A (Administrator)	Assessments in progress
4.3(d)	(iii) a Tax Opinion and a Reliance Letter shall have been obtained, at the expense of Owner or Administrator, with respect to any System Contract that is a Covered Contract and is entered into, extended or amended after the Effective Date. Owner shall promptly deliver to Operator a copy of each executed System Contract entered into pursuant to clauses (i) and (ii) above.	P3A (Administrator)	In progress
4.3(k)	Owner shall prepare and provide Operator a description and demarcation of the T&D System. The Parties will jointly consider any amendments, adjustments and refinements to Annex XII (Insurance Specifications) in light of the description and demarcation of the T&D System.	PREPA (Owner)	In progress
4.4(b)	From and after the Effective Date, the Parties agree that: Operator shall seek a Tax Assurance and (ii) at Operator's expense, Owner and Administrator shall cooperate with Operator and use their commercially reasonable efforts to support and assist Operator in securing such Tax Assurance.	LUMA (Operator)	In progress
4.5 (t)	Operator and the Secretary of the Puerto Rico Treasury Department shall have entered into a closing agreement in form and substance satisfactory to Operator, acting reasonably, executed pursuant to Section 6051.07 of the PRIRC among Operator, the Equity Participants and the Puerto Rico Treasury Department or Operator shall have received a private letter ruling from the Puerto Rico Treasury Department in form and substance satisfactory to Operator, acting reasonably, that (A) incorporates all matters set forth in administrative determination No. 20-06 issued by the Secretary of the Puerto Rico Treasury Department (the " <u>Administrative Determination</u> ") that are applicable to Operator and	LUMA (Operator)	In progress

Section	Description	Responsible Party	Status
	the Equity Participants and (B) provides that (x) the Front-End Transition Service Fixed Fee, the Service Fee and the Back-End Transition Service Fee are treated in the same manner as management fees are treated under Section III(A) of the Administrative Determination and (y) the Operator Termination Fee is treated in the same manner as termination payments are treated under Section III(A) of the Administrative Determination; or		

#### IV. Upcoming OMA Obligations

Section	Description	Responsible Party	Status
	There are new Obligations for November		

## C. RISK AND ISSUE MANAGEMENT REPORT

### I. Risks with Potential to Materially Impact Project Success

Risk	Description and Current Status (as of 10-31-20)
PREPA Reorganization (s. 4.5(q))	<p>As reported last month, LUMA notes that there remains a considerable effort necessary to complete the reorganization of PREPA. LUMA views that the PREPA reorganization includes ensuring the Governance structure, GenCo Operating agreement, System Operating Principles and, to a lesser extent, the Shared Services Agreement all tie together.</p> <p>The risk remains the timeliness of achieving the obligation which includes obtaining the necessary Governmental approvals as a condition precedent to Service Commencement.</p> <p>Associated with the PREPA re-organization is the development of the GenCo's budgets for incorporation into the Initial Budgets anticipated to be submitted to PREB in early 2021 for approval. As noted last month, LUMA primary concerns is on the quality and timing of the GenCo Budget to be prepared by PREPA.</p>
FEMA Funding	<p>During October, PREPA progressed the development of the 10-year plan in response to FEMA's request for a detailed federal funding project plan pursuant to the approval of FEMA Public Assistance permanent work funding in September. This PREPA-led effort has progressed in October with minimal visibility to LUMA. LUMA's concern remains to potential disconnect between the 10-year plan and the Initial Budgets/SRP work being undertaken by LUMA creating a potential for duplication of effort and potential rework. As a mitigation measure, LUMA anticipates increased exposure to the 10-year plan in November; and will contemplate this view as we complete LUMA's Initial Budgets/SRP submission for PREB.</p>
COVID-19 Pandemic	<p>The COVID-19 pandemic continues to create challenges for LUMA from an office space and work engagement perspectives.</p> <p>LUMA is following an appropriate COVID Protocol and using virtual tools including Microsoft Teams for meetings helps communications but consumes significantly more time and less productive.</p>
Field Access	<p>Limitations on being able to access field employees to create relationships, observe work, inquire about issues due to union actions has created a challenge for LUMA and PREPA Management. In many cases</p>

	PREPA employees have been unwilling to cooperate with any requests from LUMA. This situation continues to be a significant issue that has impacted LUMA's ability to formulate comprehensive budgets and workplans to cutover upon commencement.
Designated Space & Facilities (s. 4.1 (b))	Establishing furnished workspace continues to be a concern. LUMA staff continues to work from home, hotel rooms & offsite conference rooms leading to inefficiencies and increased cost. PREPA's most recent plan to provide adequate spacing has been delayed further.
Response to RFIs	LUMA has now issued 225 Requests for Information (RFIs) of PREPA since June 22 <sup>nd</sup> . As of the reporting date, there is currently 47 RFIs outstanding in some cases up to 100+ days since being issued. While there has been improvement, this continues to be an issue that will impact LUMA's ability to form a complete understanding of operations, formulate comprehensive budgets and develop workplans to cutover upon commencement.

## II. Active Issues with Potential to Materially Impact Project Success

Issue	Description, Current Status and Mitigation
LUMA Recruitment Effort	LUMA has now begun recruitment. The desire to provide PREPA employees a complete picture of employment options and pension information has not materialized. (Note these issues represent the majority of the questions that LUMA & PREPA are hearing from PREPA employees since Effective Date). While LUMA appreciates that this is a complicated involving multiple parties, LUMA is concerned that the relevant information will not be available from PREPA and will impact employee's decision thereby limiting the recruitment effort.
Pre-existing Environmental Conditions (s.4.5 (f))	As of the date of this report, the work under this contract has not started. The overall timeline is very tight given the amount of work to be undertaken. Once we enter the execution phase, LUMA will monitor the work closely to ensure the timely and thorough completion of this Condition Precedent to Service Commencement obligation.

## D. FINANCIAL PROGRESS REPORT

In accordance with s.4.6(d), LUMA has submitted the invoice for the Front-End Transition Service Fee for the month of October 2020. A summary of the invoice amounts is included below.

### I. Monthly invoice summary

FET COSTS	
Department	Amount
Capital Programs	\$121,262.50
Communications	\$65,787.50
Corporate Services	\$51,800.00
Customer Service	\$180,335.00
Executives	\$110,725.00
Financial Mgmt.	\$660,152.50
HSE & Quality	\$383,145.00
Human Resources	\$417,682.50
Integration Mgmt. Office	\$258,072.50
IT / OT	\$353,415.00
Legal	\$50,162.50
Operations	\$678,802.50
Regulatory	\$240,427.50
Utility Transformation	\$1,084,995.00
<b>TOTAL</b>	<b>\$4,656,765.00</b>

	Front End Transition Hourly Costs	Additional Costs & Expenses	Sub-Total	Front End Transition Fixed Fee	Total
Previously invoiced	\$ 13,017,725.00	\$ 10,252,895.97	\$ 23,270,620.97	\$ 16,500,000.00	\$ 39,770,620.97
Current invoice	\$ 4,656,765.00	\$ 4,285,320.92	\$ 8,942,085.92	\$ 5,000,000.00	\$ 13,942,085.92
Total invoiced to date	\$ 17,674,490.00	\$ 14,538,216.89	\$ 32,212,706.89	\$ 21,500,000.00	\$ 53,712,706.89
Forecast to complete			\$ 44,139,224.07	\$ 38,500,000.00	\$ 82,639,224.07
Proposal			\$76,351,930.96	\$60,000,000.00	\$136,351,930.96
Variance			\$-	\$-	\$-



## E. SUBMISSIONS

## II. Transmittals – Current Month October 2020

Name	Description	Sending Organization	Receiving Organization	LUMA Department	Date Submitted
LUMA-P3A-T-00040	Business Travel and Employee Expenses Policy	LUMA	P3A	IMO	1-Oct-20
LUMA-P3A-T-00041	List of Material Contractors	LUMA	P3A	IMO	2-Oct-20
LUMA-P3A-T-00042	June 2020 Invoice & Report - HOC Alignment	LUMA	P3A	IMO	7-Oct-20
LUMA-P3A-T-00043	July 2020 Invoice & Report - HOC Alignment	LUMA	P3A	IMO	7-Oct-20
LUMA-P3A-TGC-00044	P3A / LUMA September 28, 2020 Meeting Notes	LUMA	P3A	IMO	9-Oct-20
LUMA-P3A-TGC-00045	P3A / LUMA October 12, 2020 Meeting Agenda	LUMA	P3A	IMO	9-Oct-20
LUMA-P3A-T-00046	September 2020 Monthly Invoice & Report	LUMA	P3A	IMO	12-Oct-20
LUMA-P3A-T-00047	September 2020 Monthly Status Report	LUMA	P3A	IMO	12-Oct-20
LUMA-P3A-T-00048	September 2020 Renewed Certificates	LUMA	P3A	IMO	12-Oct-20
LUMA-P3A-T-00049	Anti-Corruption Certificate October 10, 2020	LUMA	P3A	IMO	14-Oct-20
LUMA-P3A-T-00050	July 2020 Invoice & Report - Revision 1B	LUMA	P3A	IMO	15-Oct-20
LUMA-P3A-TGC-00051	P3A / LUMA October 12, 2020 Meeting Notes	LUMA	P3A	IMO	26-Oct-20
LUMA-P3A-TGC-00052	P3A / LUMA October 27, 2020 Meeting Agenda	LUMA	P3A	IMO	26-Oct-20
LUMA-P3A-T-00053	4.5 Months of FETS Estimate September 2020 (w/Actuals)	LUMA	P3A	IMO	29-Oct-20
LUMA-P3A-T-00054	September 2020 Monthly Status Report (Revised)	LUMA	P3A	IMO	29-Oct-20
LUMA-P3A-T-00055	Invoice Payment	LUMA	P3A	IMO	30-Oct-20
P3A-LUMA-T-00007	Admin Expense Motion - Letter of Extension	P3A	LUMA	IMO	19-Oct-20
LUMA-PREB-T-00017	September 2020 Monthly Status Report	LUMA		IMO	12-Oct-20
LUMA-PREB-T-00018	September 2020 Monthly Status Report (Revised)	LUMA	PREB	IMO	29-Oct-20
LUMA-PREB-T-00019	Invoice Payment	LUMA	PREB	IMO	30-Oct-20
LUMA-PREP-TGC-00027	Space Planning	LUMA	PREPA	IMO	1-Oct-20
LUMA-PREP-TGC-00028	Reserved Parking for NEOM	LUMA	PREPA	IMO	1-Oct-20
LUMA-PREP-T-00029	Outstanding RFIs as of October 02, 2020	LUMA	PREPA	IMO	2-Oct-20

Name	Description	Sending Organization	Receiving Organization	LUMA Department	Date Submitted
LUMA-PREP-TGC-00030	PREPA / LUMA Biweekly Meeting Notes 2020-09-21 REVISED	LUMA	PREPA	IMO	4-Oct-20
LUMA-PREP-TGC-00031	PREPA / LUMA Biweekly Meeting Agenda 2020-10-05	LUMA	PREPA	IMO	4-Oct-20
LUMA-PREP-T-00032	Outstanding RFIs as of October 09, 2020	LUMA	PREPA	IMO	9-Oct-20
LUMA-PREP-T-00033	September 2020 Monthly Status Report	LUMA	PREPA	IMO	12-Oct-20
LUMA-PREP-TGC-00034	September Monthly Report to P3A & Communications Protocol	LUMA	PREPA	IMO	15-Oct-20
LUMA-PREP-T-00035	Outstanding RFIs as of 2020-10-16	LUMA	PREPA	IMO	16-Oct-20
LUMA-PREP-TGC-00036	PREPA / LUMA Biweekly Meeting Agenda 2020-10-16	LUMA	PREPA	IMO	16-Oct-20
LUMA-PREP-TGC-00037	PREPA / LUMA Biweekly Meeting Notes 2020-10-05	LUMA	PREPA	IMO	16-Oct-20
LUMA-PREP-TGC-00038	Parking at NEOM	LUMA	PREPA	IMO	21-Oct-20
LUMA-PREP-TGC-00039	PREPA / LUMA Biweekly Meeting Agenda 2020-10-22	LUMA	PREPA	IMO	22-Oct-20
LUMA-PREP-T-00040	Outstanding RFIs as of October 23, 2020	LUMA	PREPA	IMO	23-Oct-20
LUMA-PREP-TGC-00041	Current and Long-Term Space	LUMA	PREPA	IMO	26-Oct-20
LUMA-PREP-TGC-00042	JD Powers Email Invitation Approval Needed	LUMA	PREPA	IMO	28-Oct-20
LUMA-PREP-T-00043	Invoice Payment	LUMA	PREPA	IMO	30-Oct-20
LUMA-PREP-T-00044	Outstanding RFIs as of October 30, 2020	LUMA	PREPA	IMO	30-Oct-20

### III. Requests for Information (RFIs) – Current Month October 2020

Name	Description	Sending Organization	Receiving Organization	LUMA Department	Date Submitted	Requested Response Date	Actual Response Date	Status
LUMA-PREP-RFI-00154	Oriental Bank contract	LUMA	PREPA	Customer Service	1-Oct-20	7-Oct-20		Open
LUMA-PREP-RFI-00155	Breakdown of payments	LUMA	PREPA	IT/OT	1-Oct-20	8-Oct-20	7-Oct-20	Closed
LUMA-PREP-RFI-00156	DocOne Script Logic	LUMA	PREPA	IT/OT	1-Oct-20	6-Oct-20	22-Oct-20	Closed
LUMA-PREP-RFI-00157	Current Contracts/Cost per Transaction/ Quantity of Transactions	LUMA	PREPA	Financial Management	5-Oct-20	8-Oct-20		Open

Name	Description	Sending Organization	Receiving Organization	LUMA Department	Date Submitted	Requested Response Date	Actual Response Date	Status
LUMA-PREP-RFI-00158	Know if feeder 1657-04 is in service	LUMA	PREPA	Utility Transformation	5-Oct-20	9-Oct-20	5-Oct-20	Closed
LUMA-PREP-RFI-00159	Service Orders Breakdown	LUMA	PREPA	Customer Service	5-Oct-20	13-Oct-20	21-Oct-20	Closed
LUMA-PREP-RFI-00160	Breakdown of cycles	LUMA	PREPA	Customer Service	5-Oct-20	13-Oct-20	21-Oct-20	Closed
LUMA-PREP-RFI-00161	Telecom Asset Information	LUMA	PREPA	IT/OT	5-Oct-20	8-Oct-20	2-Nov-20	Closed
LUMA-PREP-RFI-00162	Email Volumes	LUMA	PREPA	Customer Service	6-Oct-20	12-Oct-20		Open
LUMA-PREP-RFI-00163	Telecom Tower Maintenance/Emergency Records	LUMA	PREPA	Operations	6-Oct-20	19-Oct-20		Open
LUMA-PREP-RFI-00164	Telecom Technology and Infrastructure - Planned/Unplanned Outages	LUMA	PREPA	Operations	7-Oct-20	19-Oct-20		Open
LUMA-PREP-RFI-00165	Telecom Technology and Infrastructure - Tower	LUMA	PREPA	Operations	7-Oct-20	19-Oct-20		Open
LUMA-PREP-RFI-00166	ODI Details and Access request	LUMA	PREPA	IT/OT	7-Oct-20	8-Oct-20		Open
LUMA-PREP-RFI-00167	EDACS Trunked Radio System	LUMA	PREPA	Operations	7-Oct-20	26-Oct-20		Open
LUMA-PREP-RFI-00168	Meeting Request	LUMA	PREPA	Regulatory	8-Oct-20	9-Oct-20	21-Oct-20	Closed
LUMA-PREP-RFI-00169	PREPA SharePoint/One Drive Access Request	LUMA	PREPA	Regulatory	8-Oct-20	9-Oct-20	21-Oct-20	Closed
LUMA-PREP-RFI-00170	Grants Portal Access Request	LUMA	PREPA	Regulatory	8-Oct-20	9-Oct-20	21-Oct-20	Closed
LUMA-PREP-RFI-00171	Federal Funds	LUMA	PREPA	Regulatory	8-Oct-20	9-Oct-20	21-Oct-20	Closed
LUMA-PREP-RFI-00172	PREPA Existing CC&B Training Documents	LUMA	PREPA	IT/OT	8-Oct-20	16-Oct-20	22-Oct-20	Closed
LUMA-PREP-RFI-00173	Customer Data for JD Powers Customer Survey	LUMA	PREPA	IT/OT	8-Oct-20	14-Oct-20		Open
LUMA-PREP-RFI-00174	User Access, Roles & Permissions	LUMA	PREPA	IT/OT	8-Oct-20	12-Oct-20		Open
LUMA-PREP-RFI-00175	Mi Cuenta Artifacts	LUMA	PREPA	IT/OT	8-Oct-20	14-Oct-20		Open
LUMA-PREP-RFI-00176	Storms/PD Storms file format of information shared between applications	LUMA	PREPA	IT/OT	9-Oct-20	9-Oct-20	22-Oct-20	Closed

Name	Description	Sending Organization	Receiving Organization	LUMA Department	Date Submitted	Requested Response Date	Actual Response Date	Status
LUMA-PREP-RFI-00177	Pay Elements	LUMA	PREPA	IT/OT	12-Oct-20	14-Oct-20	21-Oct-20	Closed
LUMA-PREP-RFI-00178	Informe Diario de Trabajo	LUMA	PREPA	Financial Management	13-Oct-20	22-Oct-20	22-Oct-20	Closed
LUMA-PREP-RFI-00179	PREPA System User Access - Trivedi Garima	LUMA	PREPA	IT/OT	13-Oct-20	14-Oct-20	22-Oct-20	Closed
LUMA-PREP-RFI-00180	Addendum to LUMA-PREP-RFI-00153 (Infrastructure Assessment)	LUMA	PREPA	IT/OT	14-Oct-20	16-Oct-20	30-Oct-20	Closed
LUMA-PREP-RFI-00181	PREPA System User Access	LUMA	PREPA	IT/OT	15-Oct-20	19-Oct-20		Open
LUMA-PREP-RFI-00182	EBS System Access - Ghosh Subrat	LUMA	PREPA	IT/OT	15-Oct-20	19-Oct-20	4-Nov-20	Closed
LUMA-PREP-RFI-00183	EBS System Access - Kumar Neeraj	LUMA	PREPA	IT/OT	15-Oct-20	19-Oct-20	4-Nov-20	Closed
LUMA-PREP-RFI-00184	EBS System Access - Rajak Chanchal	LUMA	PREPA	IT/OT	15-Oct-20	19-Oct-20	4-Nov-20	Closed
LUMA-PREP-RFI-00185	Outage Data	LUMA	PREPA	Operations	16-Oct-20	28-Oct-20	22-Oct-20	Closed
LUMA-PREP-RFI-00186	Asset Suites Web Services Documentation	LUMA	PREPA	IT/OT	16-Oct-20	20-Oct-20		Open
LUMA-PREP-RFI-00187	Asset Suites/Contracts Read Access	LUMA	PREPA	IT/OT	16-Oct-20	20-Oct-20	21-Oct-20	Closed
LUMA-PREP-RFI-00188	PREPA Weather Data RFI	LUMA	PREPA	Operations	16-Oct-20	28-Oct-20	27-Oct-20	Closed
LUMA-PREP-RFI-00189	EBS access for Ashirbad Choudhury	LUMA	PREPA	IT/OT	21-Oct-20	26-Oct-20	4-Nov-20	Closed
LUMA-PREP-RFI-00190	Secure 32 Documentation and file formats	LUMA	PREPA	IT/OT	21-Oct-20	30-Oct-20		Open
LUMA-PREP-RFI-00191	Internal Controls - follow up	LUMA	PREPA	Financial Management	21-Oct-20	28-Oct-20		Open
LUMA-PREP-RFI-00192	Record to Report (other than budget)	LUMA	PREPA	Financial Management	21-Oct-20	28-Oct-20		Open
LUMA-PREP-RFI-00193	Purchase to pay process	LUMA	PREPA	Financial Management	21-Oct-20	28-Oct-20		Open
LUMA-PREP-RFI-00194	Access to Avaya CMS Reports	LUMA	PREPA	Customer Service	21-Oct-20	30-Oct-20		Open
LUMA-PREP-RFI-00195	MotoTRBO Trunked Radio System	LUMA	PREPA	Operations	22-Oct-20	13-Nov-20		Open
LUMA-PREP-RFI-00196	Tool Inventory	LUMA	PREPA	Operations	22-Oct-20	19-Nov-20		Open

Name	Description	Sending Organization	Receiving Organization	LUMA Department	Date Submitted	Requested Response Date	Actual Response Date	Status
LUMA-PREP-RFI-00197	Asset Suite Report – Contract List	LUMA	PREPA	IT/OT	22-Oct-20	30-Oct-20		Open
LUMA-PREP-RFI-00198	Tool Inventory (Customer Service)	LUMA	PREPA	Operations	23-Oct-20	19-Nov-20		Open
LUMA-PREP-RFI-00199	Process on Joint Use	LUMA	PREPA	Customer Service	23-Oct-20	2-Nov-20	4-Nov-20	Closed
LUMA-PREP-RFI-00200	Service order dispatch & completion process	LUMA	PREPA	Customer Service	23-Oct-20	2-Nov-20	27-Oct-20	Closed
LUMA-PREP-RFI-00201	Copies of Contracts Expiring 2020 or Later	LUMA	PREPA	Financial Management	26-Oct-20	28-Oct-20		Open
LUMA-PREP-RFI-00202	Monthly KPI Reports from Insight	LUMA	PREPA	Customer Service	26-Oct-20	30-Oct-20		Open
LUMA-PREP-RFI-00203	Joint use information	LUMA	PREPA	Customer Service	26-Oct-20	4-Nov-20	29-Oct-20	Closed
LUMA-PREP-RFI-00204	Customer Service forms and memos	LUMA	PREPA	Customer Service	27-Oct-20	3-Nov-20	30-Oct-20	Closed
LUMA-PREP-RFI-00205	Customer Service quick guides	LUMA	PREPA	Customer Service	27-Oct-20	3-Nov-20	30-Oct-20	Closed
LUMA-PREP-RFI-00206	FEMA Application Questions	LUMA	PREPA	Utility Transformation	27-Oct-20	2-Nov-20		Open
LUMA-PREP-RFI-00207	Oracle EBS Report Inventory	LUMA	PREPA	IT/OT	28-Oct-20	13-Nov-20		Open
LUMA-PREP-RFI-00208	New Customer Distribution Extensions	LUMA	PREPA	Customer Service	28-Oct-20	13-Nov-20		Open
LUMA-PREP-RFI-00209	Process/Procedure documents for new customer distribution extensions	LUMA	PREPA	Customer Service	28-Oct-20	13-Nov-20		Open
LUMA-PREP-RFI-00210	Excel copy of CC&B service order	LUMA	PREPA	Customer Service	28-Oct-20	6-Nov-20		Open
LUMA-PREP-RFI-00211	Contractor Specifications and Guidelines	LUMA	PREPA	Customer Service	29-Oct-20	28-Oct-20	5-Nov-20	Closed
LUMA-PREP-RFI-00212	Timelines for construction completion (2019)	LUMA	PREPA	Customer Service	29-Oct-20	13-Nov-20	5-Nov-20	Closed
LUMA-PREP-RFI-00213	Approved list of Contractors to perform construction	LUMA	PREPA	Customer Service	29-Oct-20	13-Nov-20	5-Nov-20	Closed

Name	Description	Sending Organization	Receiving Organization	LUMA Department	Date Submitted	Requested Response Date	Actual Response Date	Status
LUMA-PREP-RFI-00214	New customer distribution extensions	LUMA	PREPA	Customer Service	29-Oct-20	13-Nov-20		Open
LUMA-PREP-RFI-00215	Liability and ownership information	LUMA	PREPA	Customer Service	29-Oct-20	13-Nov-20	5-Nov-20	Closed
LUMA-PREP-RFI-00216	Contractor construction defects data (2019)	LUMA	PREPA	Customer Service	29-Oct-20	13-Nov-20	5-Nov-20	Closed
LUMA-PREP-RFI-00217	Updated load, generation, and fuel forecasts	LUMA	PREPA	Regulatory	29-Oct-20	6-Nov-20		Open
LUMA-PREP-RFI-00218	Quality Management System	LUMA	PREPA	Operations	29-Oct-20	13-Nov-20		Open
LUMA-PREP-RFI-00219	Oracle EBS Access	LUMA	PREPA	IT/OT	29-Oct-20	2-Nov-20		Open
LUMA-PREP-RFI-00220	Consolidated Project Lists	LUMA	PREPA	Regulatory	30-Oct-20	30-Oct-20		Open
LUMA-PREP-RFI-00221	Challenge Sessions	LUMA	PREPA	Regulatory	30-Oct-20	30-Oct-20		Open
LUMA-PREP-RFI-00222	List of the "quick win" or "short term" projects	LUMA	PREPA	Regulatory	30-Oct-20	30-Oct-20		Open
LUMA-PREP-RFI-00223	PREPA VPN Access - Stuart Walters	LUMA	PREPA	Customer Service	30-Oct-20	2-Nov-20		Open
LUMA-PREP-RFI-00224	Total PREPA customer count from CC&B	LUMA	PREPA	Customer Service	30-Oct-20	5-Nov-20		Open
LUMA-PREP-RFI-00225	Generation hours/Generation override	LUMA	PREPA	Financial Management	30-Oct-20	2-Nov-20		Open

## APPENDIX A – HANDOVER CHECKLIST

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
1	General & Transition Management	The transition will be managed by the Chief Executive Officer (CEO) who will be accountable for the completion and execution of all workstream deliverables and key contract elements. The CEO will be supported by a Program / Integration Management office and several Department Heads accountable for specific functional work areas. This overall deliverable captures effort that are not reasonably attributable to specific Handover Checklist items given the general management nature of the work.	11-20%	<p>The work in October included the general management of the requirements of the OMA including the oversight and coordination of the Handover Checklist deliverables as part of the Front-End Transition Services. This resulted in effort from all departments that cannot be reasonably attributable to specific Handover Checklist items given the general management nature of the work.</p> <ul style="list-style-type: none"> <li>- In addition to the general management efforts noted above, there are more specific activities that were completed in October:               <ul style="list-style-type: none"> <li>+ Administrative and logistics work required to support the ongoing work of LUMA.</li> <li>+ Overall project management including efforts such as document controls (RFI &amp; transmittal) and the preparation of the required invoicing &amp; reporting.</li> <li>+ Worked with PREPA and the P3A to coordinate the Front End Transition Services including regular meetings with the PREPA leadership, the PREPA Governing Board and the Administrator leadership team.</li> <li>+ Collaborated with PREPA to obtain and setup access to PREPA offices.</li> <li>+ Coordinate overall Initial Budgets, SRP, Performance Metrics and regulatory strategy to support the submission to P3A &amp; PREB.</li> <li>+ Additional efforts expended to manage areas related to the requirements of the COVID-19 pandemic; impacts from limitations of not being able to conduct field visits; and impacts of needing to work from offsite conference rooms due to a lack of designated space &amp; facilities from PREPA.</li> <li>+ Undertook interfaces with the LUMA office systems (WIFI, etc.) within PREPA's facilities where possible.</li> <li>+ Continue to work with P3A and their consultants on invoicing and reporting requirements including the establishment of a data room.</li> </ul> </li> </ul>
1.01	Government Approvals	Governmental Approvals shall continue to name Owner as the permittee or applicant and Operator shall only be a co-permittee, co-applicant, co-permittee or co-applicant if and to the extent required by Applicable Law. Management Co and Administrator shall cooperate with Owner in good faith in identifying, preparing, applying, for obtaining and maintaining the Commencement Date Governmental Approvals.	31-40%	<ul style="list-style-type: none"> <li>- Continued to work with PREPA and P3A through the established team on the list of required permits to initiate operations.</li> <li>- Drafted a summary document to facilitate discussion with the applicable agencies. P3 has assisted in initial outreach with key government departments and agencies to clarify LUMA's Operator status and applicability of existing PREPA permits to LUMA's activities as an agent of PREPA.</li> <li>- Monitored LUMA submission to PREB of application as Electric Service Company. Received resolution from PREB and required</li> </ul>

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
				administrative follow-up. Expect final approval in November/December.
1.02	Plan to Address Gaps in Assets, Technology, Processes, etc. (plan to include cost estimates)	This deliverable captures the general oversight of the gap assessments to be conducted early during the Front-End Transition and captures efforts not specifically attributable to Handover Checklist deliverables including the overall development of methodology and management of progress.	81-90%	<ul style="list-style-type: none"> <li>- Consolidation efforts by departments of gap assessments findings into the Initial Budgets /System Remediation Plan worksheets as required by the overall effort continued.</li> <li>- Continued to evaluate capability and capacity of the capital program.</li> <li>- Continued to evaluate the Customer Service facilities and process.</li> <li>- Continued gap assessment with PREPA.</li> <li>- Continued to manage the Request for Information requests &amp; responses related to gap assessments.</li> </ul> <p>Note: refer to 3.02 &amp; 3.04 which capture the evolution from gap assessments (1.02), to initiative development (3.02); and to System Remediation Plan development (3.04)</p>
1.03	PREB Rate Order Filing (Initial Budgets and Liability Waiver approvals)	Activities to gain P3A and regulatory (PREB) approvals for Initial Budgets.	31-40%	<ul style="list-style-type: none"> <li>- Reviewed first draft of Initial Budgets Operating Expenditures. Coordinated with teams regarding refinement including capex / open split and next steps.</li> <li>- Outlined plan for development and review of narrative to support Initial Budgets, including overall Recovery and Transformation Framework. This work included developing program and templates for individual teams to contribute and collaborate.</li> <li>- Refined revenue requirements under current tariff structure based on discussions with PREPA advisors. Further developed LUMA model for scenario analysis.</li> </ul>
<b>2</b>	<b>T&amp;D Services Milestones</b>			
2.01	Development and Implementation of an Operations Takeover Plan for Transmission and Sub-Transmission Inside and Outside of the Plant	This deliverable includes developing an operation takeover plan for transmission and sub-transmission inside and outside of the plant. Activities include assessments of IRP Requirements, safety and reliability priorities, plans for outage and weather monitoring, and operational contingency plans.	51-60%	<ul style="list-style-type: none"> <li>- Continued development of Transmission capital investment plan including reliability priorities, resiliency projects with focus on flood prone substations. This effort includes work on estimates and prioritization of transmission projects; and continuing to determine appropriate level of transmission work for the initial Budgets/SRP and identifying projects potentially being funded through FEMA.</li> <li>- Identified required contents and developed draft outline for overall transmission takeover plan</li> </ul>
2.02	Development and Implementation of an Operational Takeover Plan for the Electric Distribution System	This deliverable involves developing and implementing an operational takeover plan for the Electric Distribution System consisting of an IRP review, distribution system reliability and safety priority assessments, critical asset life cycle plan and asset maintenance assessments, distribution automation and energy loss reduction plans, and streetlight operations and repair strategy.	51-60%	<ul style="list-style-type: none"> <li>- Continued development of capital Investment plan, including reliability priorities, resiliency projects, and distribution automation. This effort includes work on estimates and prioritization of transmission projects; and continuing to determine appropriate level of distribution work for the initial Budgets/SRP and identifying projects potentially being funded through FEMA.</li> <li>- Identified required contents and developed draft outline for</li> </ul>



ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
				overall distribution takeover plan. - Began collecting information on current state of 38 kV automation capability
<b>2.03</b>	<b><i>Development and Implementation of Additional Takeover plans</i></b>			
<b>2.0301</b>	Transition Plan for T&D Control Centers	This deliverable includes delivering an Operations Control Center Transition Plan that includes an evaluation of the control center physical condition, T&D outage planning and operation procedures, T&D restoration plan, and energy management system.	51-60%	<ul style="list-style-type: none"> <li>- Continued efforts focused on defining System Operations projects scopes and budgets for the Initial Budgets/SRP including classifying projects by CAPEX vs. OPEX and identifying projects potentially being funded through FEMA.</li> <li>- Continued to support the ongoing efforts on developing the System Operating Principles in collaboration with our Regulatory team.</li> <li>- Supported LUMA's recruitment effort. Specifically Shift personnel positions were posted for the Control Centers and screening interviews began.</li> <li>- Reviewed job descriptions for System Operations management positions to be posted.</li> </ul>
<b>2.0302</b>	Transition Plan for Operations and Maintenance (O&M) Activities	This deliverable consists of developing and implementing an operation take-over plan for transmission and sub transmission assets outside and inside of legacy PREPA power plants and substations, and for the electric distribution system; developing a new structure for the commencement organization with new job descriptions; and the process of interviewing, assessing, and hiring employees.	11-20%	<ul style="list-style-type: none"> <li>- Completed Initial drafts of the job descriptions for Transmission Lines, Transmission Substation, and Distribution Lines.</li> <li>- Completed first draft of initial budget estimates for Operations.</li> <li>- Attended focused site visits to understand work required to develop Standard Operating Procedures (SOPs) for Operation &amp; Maintenance of the Electrical System.</li> <li>- Met with the majority of PREPA Supervisors from Arecibo, Mayaguez, Transmission San Juan and Transmission Ponce.</li> <li>- Continued to work to understand and evaluate existing outage dispatch processes in each district.</li> <li>- Began working with the HSEQ group to gain alignment on the LUMA proposed post commencement safety absolutes.</li> <li>- Ongoing work on T&amp;D and Customer Service integration; with a particular focus on potential work locations and work volumes.</li> <li>- Ongoing discussions with PREPA T&amp;D leadership to develop a plan for access to union employees. Access to union employees at a field-level continues to be an issue.</li> </ul>
<b>2.0303</b>	Emergency Response/Disaster Recovery/Business Continuity Plans	This deliverable involves updating the emergency response/disaster recovery and business continuity plans. Activities include working with existing PREPA operational teams to review existing operations manual, comparing it against industry best practices, LUMA's existing operations manuals, and PREPA's current plan, to identify gaps and opportunities; developing an operating manual that meets	0-10%	<ul style="list-style-type: none"> <li>- Meeting with FEMA emergency management official for introduction, learn about their local resources and discuss the emergency management for the T&amp;D system.</li> <li>- Began work with departmental BC/CM leaders to review scope, define next steps and deliverables for the completion of Emergency Response, Disaster Recovery, Crisis Management and Business Continuity Plans.</li> </ul>

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
		high quality standards while incorporating Puerto Rico's unique operating needs. Fundamental principles include safety, customer centricity, affordability, reliability, resilience and sustainability.		(Work on this deliverable is conducted in conjunction with the Handover Checklist items 2.04 and 9.02).
2.0304	Fleet Management Plan	This deliverable identifies gaps within the Fleet Management Information System (FMIS), Fleet Preventative Maintenance Program, Vehicle Insurance & Registration, Effectiveness of Shop Operations, Current Suppliers, GPS / Telematics, Fuel Procurement and Fuel tracking, and, develop a prioritized plan for closing identified gaps.	21-30%	<ul style="list-style-type: none"> <li>- First draft of the Fleet Management Plan is complete and is undergoing internal review.</li> <li>- First draft of initial budget for Fleet has been developed.</li> <li>- Finalizing the posting of job descriptions for Fleet.</li> <li>- Commenced drafting rough draft Standard Operating Procedures (SOPs) for land transportation.</li> <li>- Continued cultivating working relationships with local 3rd party maintenance shops and Parts suppliers to obtain a better understanding of their relationship with PREPA, and, assess future outsourcing opportunities.</li> </ul>
2.0305	Asset Management (included in 8. Engineering and Asset Management)	This deliverable consists of developing an Engineering Asset Management Plan that includes assessments of geospatial asset tracking, power flow process, computerized maintenance management system (CMMS), and T&D system planning criteria, as well as developing plans for preventative maintenance, substation flooding resiliency, and microgrid engagement priorities and interconnection process plans.	31-40%	<ul style="list-style-type: none"> <li>- Completed assessment of existing CMMS. Began development of plan for implementation of new CMMS and GIS including identifying required business process development.</li> <li>- Identified required components of Asset Management Plan structure and began defining detailed requirements of the components.</li> <li>- Began development of draft plan for interconnection of renewables.</li> </ul>
2.0306	Workforce Management & Training Plan	This deliverable involves a comprehensive assessment of PREPA's safe work rules, technical training facilities, curriculum, and instructors allows LUMA to develop a holistic technical training program, increasing workplace safety and efficiency while defining a career path for all skilled labor employees.	41-50%	<ul style="list-style-type: none"> <li>- Completed majority of operational gap assessment pending incorporation of observations.</li> <li>- Completed observations with the PREPA technical training cadre including in-person assessment.</li> <li>- Completed the review of the Ops Technical training written curriculum including discussions with PREPA CADE team, assessment against similar in-house curriculum, and the development of glossary of terms translation for technical training curriculum.</li> <li>- Skilled Labor Assessment (SLA) "Application of job offer" process flow map completed with HR and Operations.</li> <li>- Began development of Skilled Labor Assessment schedule and tools (curriculum, glossary of terms, etc.).</li> <li>- Advanced locations for Skilled Labor Assessment sites.</li> </ul> <p>(Work on this deliverable is conducted in conjunction with the Handover Checklist item 8.07)</p>

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
2.0307	Safety Management Plan	This deliverable includes the development of the Public Safety Program Assessment, Written Safety & Health Program Assessment, and Physical Safety & Health Assessment that will allow for the creation of LUMA's Safety Management Plan.	41-50%	<ul style="list-style-type: none"> <li>- Completed multiple facility observations and multiple field work observations to assess individual workers for recruitment and develop strategies for commencement.</li> <li>- Worked in conjunction with Operations to build relationships and plan organizational redesign.</li> <li>- Incorporated the Health and Safety gap analysis into the broader HSE &amp; Quality gap analysis (includes core business and general management gap assessment).</li> <li>- Held town halls with PREPA Health and Safety Directorate (11 team members from field safety) to answer questions about recruiting, LUMA in general, and build relationships.</li> <li>- Finalized current iteration of budget estimates for input into the Initial Budgets/SRP.</li> <li>- Revised organizational charts for Health and Safety Department in conjunction with Human Resources and Operations in preparation for recruitment efforts.</li> <li>- Developed 3-years planning strategy for Health and Safety including specific policies and procedures that are required for commencement.</li> </ul>
2.0308	Engineering and Asset Management	This item includes delivering an Engineering Plan that includes standards for the distribution system, protection & controls, as well as transmission system and substation engineering standards, and generation and renewables interconnection standards.	21-30%	<ul style="list-style-type: none"> <li>- Continuing development of the Design Standards for Protection/Control/Automation, Substations, Transmission Lines.</li> <li>- Continued to advance estimates for the Initial Budgets/SRP.</li> <li>- Continued to participate in the "Design Documents PREPA-Sargent &amp; Lundy Steering Committee.</li> <li>- Continued to provide guidance on the PREPA 2021FY projects Cataño. (38/13.8 kV) Substation Pilot Project and the San Juan 115 kV GIS Substation project.</li> </ul>
2.0309	Identification of Real Estate	This deliverable includes evaluating the current portfolio management and facility management processes including a health assessment of all facilities; creating a PREPA property summary sheet for each property and selection of facilities LUMA intends to use; reviewing the real estate portfolio; reviewing vendor and maintenance services for properties; creating space delineation and property disposition plans; and performing other real estate activities as required..	81-90%	<ul style="list-style-type: none"> <li>- Completed the majority of facilities health pre-assessments. Remaining locations incomplete due to not being able to obtain access to sites.</li> <li>- Began review and determination on properties that require deep dive assessments as a result of the pre-assessments noted above.</li> </ul> <p>(Work on this deliverable is conducted in conjunction with the Handover Checklist items 10.02).</p>
2.031	Materials Management & Warehouse Plan	This deliverable identifies gaps within Materials Management & Warehousing resourcing, facilities, equipment, functions, processes and procedures, and develop a prioritized plan for closing identified gaps.	11-20%	<ul style="list-style-type: none"> <li>- Completed site visits at the Aguirre and Costa Sur Generation Warehouse facilities.</li> <li>- First draft of initial budget for Materials Management has been completed.</li> <li>- Developed first draft organizational structure and current state supply map for Materials Management within the Generation side of the business.</li> </ul>

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
				<ul style="list-style-type: none"> <li>- Completed the outline of the LUMA Materials Management &amp; Warehousing Plan.</li> <li>- Near completion of the Material Management job descriptions and the initial postings have been posted to the LUMA website.</li> <li>- Rolled out Materials Management Vision and Organizational Structure to PREPA Materials Management Senior Leader and Senior Supervisor layers</li> <li>- Developed simplified presentation with hierarchical org structure and distributed to PREPA Materials Management staff to educate them for the recruiting process.</li> </ul>
2.0311	System Operations Plan	This deliverable consists of developing a plan to ensure LUMA is positioned to operate the T&D system upon Commencement. This will include the review of equipment to ensure safe operations and assess the resources responsible.	11-20%	<ul style="list-style-type: none"> <li>- Ongoing progress in review of work dispatch procedures for both field and office.</li> <li>- Performed focused site visits to assess resource responsibilities for day-to-day distribution maintenance and operations and understand gaps in time keeping, outage response, and equipment troubleshooting.</li> <li>- Continue to work with HSEQ and conduct field visits for substation crews.</li> <li>- Access to union employees at a field-level continues to be an issue.</li> </ul>
2.0312	Vegetation Management Plan	This deliverable assesses the existing vegetation management practices to identify needs and develop prioritized plans within the areas of: vegetation condition on critical sites and assets, widening or reclaiming existing rights-of-way, planning for steady-state vegetation maintenance, vegetation management support for capital expenditure projects, and contracting for specialized integrated vegetation management services.	31-40%	<ul style="list-style-type: none"> <li>- Continued to conduct workload assessment.</li> <li>- Finalized the majority of the LUMA Vegetation Management job descriptions.</li> <li>- Identified and negotiated advanced AI/spatial analysis technology pilot to ID highest tree-related risks on T-system.</li> <li>- Created first drafts of eight different Vegetation Management process flows.</li> <li>- Produced first draft of Technical Specifications for Vegetation Management reclamation services.</li> </ul>
2.04	Update Emergency Operations Manual and Business Continuity/Disaster Recovery Plan	This deliverable is the same as Handover Checklist item 2.0303	Refer to 2.0303	<ul style="list-style-type: none"> <li>- Work on this deliverable is conducted in conjunction with the Handover Checklist items 2.0303 and 9.02.</li> </ul>
2.05	Environmental Exposure Management Plan	This deliverable involves the development and compilation of Environmental Policies, Processes, and Procedures Assessments, Environmental Permit Compliance Review, and Waste Contractor Review to enable for the creation of LUMA's Environmental Exposure Management Plan.	51-60%	<ul style="list-style-type: none"> <li>- Incorporated the environmental gap analysis into the broader HSE &amp; Quality gap analysis report (includes core business and general management gap assessment).</li> <li>- Developed 3-year planning strategy for key environmental programs, drafting permit requirements, risk-ranking environmental policies and procedures.</li> <li>- Held town halls with PREPA Environmental Directorate (23 team members both office and field based) to answer questions about recruitment, LUMA in general and build relationships.</li> <li>- Finalized current iteration of budget estimates for input into the</li> </ul>

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
				<p>Initial Budgets/SRP work.</p> <ul style="list-style-type: none"> <li>- Approved Subcontract with ERM to support the Environmental Exposure Management Plan and onboarded key resources</li> <li>- Began setting up systems to store, process and review environmental data from Baseline Environmental Study.</li> <li>- Service Provider for the PREPA-led Baseline Environmental Study was approved in late September. LUMA continues to attempt to expedite as work continues to finalize the contract so work can begin.</li> </ul>
<b>3</b>	<b>System Remediation Plan Milestones</b>			
<b>3.01</b>	Remediation Plan Proposal	This deliverable consists of developing a remediation plan outline and methodology.	100%	<ul style="list-style-type: none"> <li>- The SRP outline and methodology has been completed and reviewed with key agencies and the System Remediation Planning team (formed as per the 4.1 (d) (ii)).</li> </ul>
<b>3.02</b>	Development of Improvement Initiatives	This deliverable includes the development of Improvement Initiatives with remediation plans that includes performance metric targets and order of magnitude cost estimate, improvement initiative plans, and improvement initiative risk assessments.	91-100%	<ul style="list-style-type: none"> <li>- This effort captures the identification of initiatives by LUMA teams which is now largely completed. The effort is now to undertake an iterative process of prioritization and sequencing for inclusion into the Initial Budgets/SRP and also for consideration for FEMA funding.</li> </ul> <p>Note: refer to 1.02 &amp; 3.04 which capture the evolution from gap assessments (1.02), to initiative development (3.02); and to System Remediation Plan development (3.04)</p>
<b>3.03</b>	Consolidate Plans from All Areas	This deliverable includes the development of a consolidation plan including a multi-year utility capital expenditure plan for each function department.	91-100%	<ul style="list-style-type: none"> <li>- Further to efforts noted in 3.02, work was undertaken to consolidate initiatives across LUMA. Programs and Projects are being consolidated into in a single template for classifying, prioritizing and sequencing. A template was developed for the LUMA teams to utilize to capture critical information including the justification for programs/projects for regulatory filing purposes.</li> </ul>
<b>3.04</b>	Development of System Remediation Plan	This deliverable includes the development the System Remediation Plan comprising of the consolidated of a T&D current state gap analysis & improvement initiatives	41-50%	<ul style="list-style-type: none"> <li>- Further to efforts noted in 3.03, a significant effort focused on coordinating work with all departments to ensure consistency in input of projects for the Initial Budgets/SRP.</li> <li>- Began confirmation work ensuring classification of programs/projects as SRP and for inclusion in the Initial Budgets as well as whether FEMA eligible programs/projects.</li> <li>- Began iterative work of prioritization of programs/projects with consideration fiscal constraints and operational priorities.</li> <li>- Developed the SRP report outline and began gathering content.</li> </ul> <p>Note: refer to 1.02 &amp; 3.02 which capture the evolution from gap assessments (1.02), to initiative development (3.02); and to System Remediation Plan development (3.04)</p>

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3.05	Approval of System Remediation Plan	Activities to gain P3A and regulatory (PREB) approvals for System Remediation Plan	31-40%	<ul style="list-style-type: none"> <li>- Refined prioritization strategy and program development methods. Communicated prioritization strategy to teams.</li> <li>- Developed Component Business Model (CBM) for LUMA to support initial gaps assessment as well as consolidation and prioritization of improvement activities into Initial Budgets/SRP based on exposure/consequence.</li> <li>- Developed and reviewed regulatory outlines and monitored for consistency in Initial Budgets/SRP documents. Finalized templates for program descriptions and narrative.</li> <li>- Work to ensure alignment with relevant distribution planning guidelines.</li> </ul>
4	<b>Customer Services</b>			
4.01	Evaluating Customer Service Facilities and Assets	This deliverable consists of evaluating customer service facilities and assets through establishing joint teams between PREPA and LUMA liaisons to review all current locations and their functions. Activities include evaluating facilities and identifying locations that meet business requirements; developing a transition plan to operate customer facilities and identify requirements for additional facilities and/or consolidate existing facilities.	71-80%	<ul style="list-style-type: none"> <li>- Completed site visits of current PREPA contact centers and potential new contact center locations.</li> <li>- Worked with PREPA on logistics to tour of the existing training facilities.</li> <li>- Worked closely with LUMA's Facilities team to determine facilities readiness and timelines for regional Contact Centers including establishing detailed Contact Center requirements.</li> <li>- Further developed preliminary recommendations for facility locations for the Billing Services team and Revenue Protection teams.</li> <li>- Continued categorization and mapping of training assets acquired through RFIs and other sources, and have started mapping existing training assets to policies, procedures and training modules (for inclusion in transition training curricula).</li> </ul>
4.02	Evaluating and Updating Customer Service Policies and Procedures	This deliverable involves a review and evaluation of PREPA customer service policies, processes, and procedures to confirm they meet regulatory compliance to Laws, Acts and Policy. Activities include a review of policies against ServeCo. policies, processes, procedures; developing updated policy and procedure documentation in coordination with transition operating requirements including quality control measures; and developing Customer Service training program to instruct policies and procedures and maintain a high level of service.	31-40%	<ul style="list-style-type: none"> <li>- The Policies &amp; Procedure subcommittee defined the approach to process design documentation across functional teams.</li> <li>- Began re-designing high impact processes (ex. Payment Collection, Service Set Up-Residential, Initiate Vegetation Management Work Order.)</li> <li>- Completed the recommended approach and timing for input into the baseline performance metrics.</li> <li>- The subcommittee established the method for process flow documentation.</li> <li>- Translated 75% of the 165 documents received from PREPA.</li> <li>- Additional documents were discovered through a review of the PREPA intranet site. Two RFIs were submitted requesting the additional documentation.</li> <li>- Developed standard job aid template.</li> <li>- Consulted legal team on LUMA energy theft handling requirements for process development.</li> </ul>

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4.03	Development of a Meter Reading Plan	This deliverable includes developing a Meter Reading Plan that includes assessments of automated meter data collection and management process, meter read quality controls, processes for meter shop and field meter data collection, and an evaluation of meter data and meter asset management automated systems.	51-60%	<ul style="list-style-type: none"> <li>- Efforts focused on defining metering related project scopes and budget estimates for the SRP/Initial Budgets and metrics including ensuring input is consistent with internal submission requirements.</li> <li>- Analyzed PREPA detailed meter data from CC&amp;B and TNS data bases to validate high level information received. Also working with the data to validate meter locations for AMI implementation planning.</li> <li>- Assessed PREPA's smart meter pilot project to understand the status and future plan.</li> <li>- Reviewing previously prepared draft PREPA AMI RFP to determine areas that need more focus to ensure enterprise wide needs are addressed.</li> <li>- Conducted internal peer reviews of SRP meter data to ensure validity.</li> </ul>
4.04	Development of a Customer Service Transition Plan	This deliverable consists of undertaking a gap analysis of current state Customer Service organization, roles, responsibilities and operations; establishing the future state organization including ensuring alignment with the field execution teams; and developing and implementing (where appropriate) a transition plan including People, Facilities, Equipment, Training and Technology to ensure smooth transition into commencement.	31-40%	<ul style="list-style-type: none"> <li>- Completed JD Powers Survey Revisions for PREPA (Residential and Commercial) – targeting Dec 2020 for 1st survey wave. As of Oct. 31, awaiting PREPA approval to issue.</li> <li>- Developed Employee Engagement Survey question (to be sent via SurveyMonkey to PREPA Customer Service employees this year).</li> <li>- Finalized all org charts, roles, and job descriptions in preparation for interview/hiring/planning.</li> <li>- Continued work to develop Customer Experience input and in support of the development of Initial Budgets/SRP.</li> <li>- Reviewed the OMA, legislation and regulations related to LUMAs requirements for the prosecutorial processes related to energy theft.</li> <li>- Completed first round of PREPA engagement presentations/conversations with leaders for PREPA Customer Service.</li> </ul>
4.05	Development and Implementation of a Service Start and Shut-Off Plan	This deliverable involves a review of field credit and collection functions and front-line account set up to assess processes and associated timelines, and evaluating performance based on benchmarks, regulations, and targets as well as the technology, applications, and external vendors involved in the process; developing a Credit and Collections contact center and Dunning Policy including process, call out, timelines and standard communications; and create a training plan and ongoing performance goals for employees that ensures efficiency and accuracy within the Service Start and Shut-off Plan.	11-20%	<ul style="list-style-type: none"> <li>- Conducted process discovery and documentation of initiate service and payment arrangement processes including early process modification suggestions.</li> <li>- Initiated dunning process best practices research and began drafting of future state dunning process.</li> </ul>

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4.06	Development of a Meter Asset Management (MAM) Plan	This deliverable includes developing a Meter Asset Management Plan that includes the assessment of the meter shop facility, and meter asset management quality controls, as well as develop a meter asset management remediation plan, and meter asset tracking and sampling procedures.	51-60%	<ul style="list-style-type: none"> <li>- Worked on validating meter population and information against billing data and identifying meter information such as age, meter type, etc.</li> </ul>
4.07	Development and Implementation of a Customer Service Technology	This deliverable involves assessing the integrations of all Customer Service and T&D Ops technology. Activities include developing a project plan to execute Oracle CC&B transition from PREPA to LUMA; developing a modernization plan to include cloud-based contact center technology; assessing bill presentment technology to produce redesigned LUMA bill; assessing current contract for regional office customer queuing/appointment technology; and developing training and instructional materials to ensure the efficient usage of the technology to achieve targeted performance goals.	31-35%	<ul style="list-style-type: none"> <li>- Initiated Contact Center platform contract negotiation and implementation planning</li> <li>- Completed first iteration of technology plan and scope.</li> <li>- Started development of the Contact Center platform implementation Statement of Work.</li> <li>- Worked with IT team to identify use of Development and Quality Assurance environments for use in transition training.</li> <li>- Released RFP for Bill Print/Presentation outsourcing under LUMA to ensure processes are business ready by commencement.</li> <li>- Determined that current PREPA appointment booking technology will be used through commencement.</li> </ul>
4.08	Develop and Implement a Non-Technical Energy Loss Reduction Plan	This deliverable includes developing a Non-Technical Loss (NTL) Plan comprising of a high-level NTL recovery strategy, NTL system architecture, and detailed NTL recovery plan.	11-20%	<ul style="list-style-type: none"> <li>- Continued work on development of Non-technical Loss Reduction Plan with focus on number of labor resources required to implement loss reduction plan.</li> </ul>
4.09	Establish Integration Between Customer Services & T&D Ops	This deliverable includes identifying integrated and dependent work processes between Customer Service and T&D Operations and move work processes, where appropriate, to Operations. Develop, document and train to new work processes; develop standard communication, meetings and timelines for regular feedback between teams; and assess the training needs and develop instructional materials to ensure alignment with processes between the two organizations to achieve targeted performance goals.	31-35%	<ul style="list-style-type: none"> <li>- As part of on-going efforts between Customer Service and T&amp;D Operations, identified and documented integrated and dependent work processes.</li> <li>- Analyzed the 2020 Meter read plan to understand PREPA's processes as a first step to developing efficiencies for the LUMA meter read plan.</li> <li>- Created a subcommittee to plan the workflows from Customer Service to Operations to meet ensure processes meet the established standard service metrics for fieldwork.</li> <li>- Completed work on the approach to work observations focused on service delivery, work order volumes, finalization of gap analysis. Side by side work observations have been delayed; however, anticipated to continue.</li> <li>- LUMA refocused work efforts to deep dive sessions with PREPA leaders to gain understanding on areas that will require additional focus.</li> </ul>
5	IT			
5.01	Development of IT/OT Communication Plan and Acceptance Criteria	This deliverable includes the identification of Key Stakeholders, Setting up governance and resourcing for communications team.	0%	<ul style="list-style-type: none"> <li>- No activity to report.</li> </ul>



ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
5.02	Identification and Gap Analysis	This deliverable includes the identification of gaps between the organization's current state and expected end state; and the development of plans to remediate or close the identified gaps.	71-80%	<ul style="list-style-type: none"> <li>- Refined effort, duration, and cost estimation for process and technology improvement initiatives for each Program of Work.</li> <li>- Refined Roadmap for implementation of improvement initiatives for each Program of Work.</li> <li>- Refined deliverables for Initial Budgets/SRP to enable the integration of initiatives across various workstreams.</li> <li>- Developed roadmap and plan for IT/OT department initiatives.</li> </ul>
5.03	Evaluating IT/OT Applications and Infrastructure	This deliverable includes gathering information and evaluating PREPA's IT/OT applications and infrastructure.	100%	- No activity to report.
5.04	Development of Cyber Security and Business Continuity Plan	This deliverable includes the development of a Cyber Security and Business Continuity Plans; and establishing a Cybersecurity Information Security Office (ISO)	51-60%	<ul style="list-style-type: none"> <li>- Continued reviewing and building elements of the Cybersecurity Plan.</li> <li>- Creating project buildouts for the Cybersecurity roadmap.</li> <li>- Created framework to develop the BCP plan.</li> </ul> <p>(Work on this deliverable is conducted in conjunction with the Handover Checklist items 9.05).</p>
5.05	Development of an IT Asset Management Program	This deliverable includes creating inventory of PREPA's Physical and Logical assets; and developing a process for ongoing management of assets.	0%	- No activities to report.
5.06	Development of an IT/OT Transition Plan and Schedule	This deliverable includes the identification of a Stand-up transition team and develop the Front-End Transition Mobilization plan.	100%	- Workstream and HOC deliverable documentation Complete.
5.07	Commencement Cutover Planning	This deliverable includes activities to prepare for Commencement Cutover during Transition.	11-20%	<ul style="list-style-type: none"> <li>- Consolidated PREPA contracts into data collection form.</li> <li>- Completed first review of outstanding PREPA IT contracts.</li> <li>- Provided list of agreeable contract extensions to PREPA CIO.</li> </ul>
5.08	Training and Communication Plan	This deliverable includes activities to plan and communicate IT/OT Training opportunities to current and future LUMA employees.	0%	- Held initial meeting to determine approach and resources.
<b>6</b>	<b>Financial Management</b>			
6.01	Detailed Description of Approach to Budgeting and Reporting	This deliverable involves a review of current budgeting and forecasting processes; identify PREPA's business activities, including prior year actual and original budget, and ensure they are contemplated in the information shared for the draft initial budget; and ensure the anticipated spend from the various LUMA plans prepared during the transition period are included into the initial budgets.	41-50%	<ul style="list-style-type: none"> <li>- Effort was focused on the development of the O&amp;M Budget for incorporation into the Initial Budgets. Compiled the first iteration received from Departments and began analysis and refinement work.</li> </ul> <p>(Work on this deliverable was conducted in conjunction with the Handover Checklist items 6.02 and 6.05).</p>
6.02	Description of Approach to Complying with Initial Budget Obligations	As part of the budgeting process, LUMA will develop a template, based on current templates used by PREPA, to be provided to each department to implement their budgets (breakdown/prior year actuals and existing budget), including guidance on the bottom-up approach based on key operational expenses (KOE).	71-80%	- Continued work on initial draft of the budget templates. The template will continue to evolve through the budgeting process, but as reported in 6.0500, first drafts of the Initial Budgets process are completed This will be an evolving and iterative process until the filing date.

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
				(Work on this deliverable was conducted in conjunction with the Handover Checklist items 6.01 and 6.05).
6.03	Formalizing/Approach to Changes Control Processes	This deliverable includes the reporting any significant deficiency, material weakness, improvement opportunities and any other matter considered relevant for the FET identified as a result of the review of PREPA's Internal Controls Framework.	41-50%	<ul style="list-style-type: none"> <li>- Began the process of documenting the identified gaps, opportunities and deficiencies identified as a result of the internal control reviews and walkthroughs on the major business transaction cycles.</li> <li>- These activities will mostly be completed on the back end of the internal control process review. Internal control walk-throughs (Refer to 6.090) are concurrently underway to support this obligation</li> </ul>
6.04	Establishing a Financial Accounting System and Account Structure	This deliverable establishes a financial accounting system and account structure. Activities include a review of PREPA's current Chart of Accounts for alignment with FERC requirements, and determine what changes, if any, are required; review PREPA's current financial and work management systems, and determine if any additional packages should be considered; determine the organizational structure required for LUMA ServeCo; design, configure and test LUMA ServeCo's financial systems; gain approval of LUMA ServeCo's Chart of Accounts; and design and implement processes for finance actuals and reporting.	31-40%	<ul style="list-style-type: none"> <li>- Completed initial configuration of Oracle EBS and held Conference Room Pilot sessions for Oracle Purchasing, Accounts Payable, and General Ledger modules.</li> <li>- Socialized Oracle EBS System Structure with both LUMA and PREPA employees.</li> <li>- Working with PREPA employees gained a more thorough understanding of PREPA's current labor distribution/costing process and how this process will be impacted by LUMA's implementation of WorkDay payroll. Started design of process.</li> <li>- Held Detailed Design Workshops for Oracle Project Accounting and Fixed Assets.</li> </ul>
6.05	Preparing Initial Budgets and Other Financial Forecasts	This deliverable consists of preparing initial budgets and financial forecasts. Finance will discuss any potential changes on assumptions and priorities, agree to the overall approved budget and consolidate all departmental budgets to be reviewed and included in a Master Budget Template. From the Master template, actuals and forecast/revisions will be updated on a monthly basis in order to compare Monthly, YTD and FYF balances.	51-60%	<ul style="list-style-type: none"> <li>- First draft of Operating Initial Budgets completed and under continued analysis and refinement. As noted in 6.01 and 6.02, this is an evolving and iterative process through to filling.</li> </ul> <p>(Work on this deliverable was conducted in conjunction with the Handover Checklist items 6.01 and 6.02).</p>
6.06	Establishing Bank Accounts	This deliverable includes establishing all necessary bank accounts for LUMA ServeCo and work with PREPA to set up the service bank accounts required for Commencement, as described in the OMA agreement.	0-10%	<ul style="list-style-type: none"> <li>- No reportable activity in October. Held introductory discussion with PREPA Treasury to make team introduction and discuss this deliverable.</li> </ul>
6.07	Evaluating and Updating Payroll and Labor Cost Reporting systems	This deliverable involves Workday stand-up including activities associated with processes and interfaces involving Kronos, EBS and ADP including evaluating labor cost reporting.	11-20%	<ul style="list-style-type: none"> <li>- Published timeline and project plan and held project kickoff meeting.</li> <li>- Requirements gathering for worker demographic data integration with EBS, Kronos and other downstream systems is in progress.</li> <li>- Continued to define the integrations scope for Payroll portion of the project and reconcile with Workday Statement of Work</li> <li>- Work on the Absence and Payroll Workbooks.</li> </ul>

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
				- Project kickoff with ADP, which will be used to settle pay, taxes, etc., and integrate with Workday.
6.08	Establishing a Delegation of Authority Matrix and Process	This deliverable establishes a Delegation of Authority Matrix and Process for LUMA ServeCo. Delegation of Authority to set Requisition (financial approval) and Purchase Order approval limits in the ERP System.	61-70%	- Developed draft Limits of Authority for inclusion in Non-Federal Funding Procurement Manual.
6.09	Processes & Procedures and Overall Internal Controls	This deliverable includes activities related to the understanding and assessment of PREPA's Internal Control Framework, including Entity Level Controls, management directives pertaining to the entire entity are carried out, and Transaction Level Controls (i.e. walkthroughs on key business processes).	81-90%	- Completed all the walkthroughs for the key business areas. - Record to Report; Revenue; Capital Assets and Procure to Pay. - Substantially completed the review of supporting evidence.
7	<b>FEMA Funds and Federal Funding Procurement Manual</b>			
7.01	Set Up Governance Framework	This deliverable includes the assessment and identification of gaps in the PREPA grant governance structure. Design a governance framework consistent with the Disaster Recovery Federal Funding Management Guide.	11-20%	- Continued the risk assessment and determined PREPA does not have a federal fund governance framework that meets the requirements of Title 2 CFR. - Began formulating solutions for financial management, grants management, and internal controls for the administration of all funding sources.
7.02	Policies and Procedures	This deliverable includes the development of policies and procedures in line with governance framework.	11-20%	- Obtained and reviewed PREPA's procedures and policies. Identified gaps, shortfalls, and risks in existing procedures and policies. - Determined that PREPA policies and procedures do not address federal funds requirements.
7.03	Staffing Plan	This deliverable includes developing the staffing plan for federal funding group consistent with DRFFMG.	91-100%	- No further updates were made to the initial staffing plan.
7.04	Surge Staffing	This deliverable includes establishing options for surge staffing to be implemented as part of emergency response and recovery.	Refer to 9.02	- Work associated with 7.04 is included in HOC 9.02

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
7.05	Project Worksheet Assessment (also covered under Section 4.3)	This deliverable includes the assessment of the current progress of project level details and the status of FEMA Project Worksheets (PW) and all of PREPA's federal funding activities, including all federal grants and other monies for disaster recovery.	31-40%	<ul style="list-style-type: none"> <li>- Substantially completed planning activities for PW Assessment and commenced PW Assessment execution activities. Evaluation includes PREPA's Irma and Maria Management Cost PWs which include force account labor, force account equipment and materials.</li> <li>- Gathered documentation for GIS interactive map of PREPA's assets with linked data on FEMA PA permanent restoration and 404 mitigation project information. This information will include known DDDs, MOR, FCE, and 404 grant application narratives.</li> <li>- Provided LUMA with FEMA PA related technical assistance for the Strategic Remediation Plan; Federal Funding sources and status; codes and standards; major outage event metrics; hazard mitigation.</li> <li>- Monitored at a high level PREPA-led "FEMA 10 Year Plan" for 428 project preparation process.</li> <li>- Prepared materials and presented for Planning Team which met twice during the month.</li> </ul>
7.06	Handoff of Project Worksheet Activity from COR3 and Vendors	This deliverable involves the transition of federal funding activities from PREPA and consultants to LUMA team, including cooperation with COR3 and all relevant agencies.	Refer to 7.05	<ul style="list-style-type: none"> <li>- Work associated with 7.06 is included in HOC 7.05</li> </ul>
7.07	Project Procurement Planning	Assess and identify gaps in the PREPA procurement process for federally funded activities.	Refer to 7.05	<ul style="list-style-type: none"> <li>- Work associated with 7.06 is included in HOC 7.05</li> </ul>
7.08	Drafting, Revising and Finalizing Federal Funding Procurement Manual	This deliverable involves completing Federally Funded Procurement Manual consistent with DRFFMG and as specified in OMA 4.1 e.	31-40%	<ul style="list-style-type: none"> <li>- Continued to gather and evaluate PREPA's existing procurement policies, procedures and protocols.</li> <li>- Commenced drafting the LUMA federal fund procurement policy and procedure.</li> </ul>
<b>8</b>	<b>Staffing for Front-End Transition Period</b>			
8.01	Draft, Revise and Finalize Operator Employment Requirements	This deliverable consists of determining the minimum employment requirements for LUMA employees by position.	100%	<ul style="list-style-type: none"> <li>- The effort for this activity was captured under item 8.02 Recruitment and Staffing. This specific deliverable has been completed.</li> </ul>
8.02	Recruiting and Staffing	This deliverable involves recruitment and staffing. Activities include the HR transition team coordinating with each department and completing interviews of all PREPA employees and external candidates; tracking of applicants; assisting with PREPA employee applications, coordinating interviews, and communicating status of applications; and Identifying staffing vacancies due to gaps and search for resources externally to fill out the proposed LUMA Organization including pre-employment screening.	31-40%	<ul style="list-style-type: none"> <li>- Onboarded 17 new recruiters. New recruiters began engaging with Department Heads and started recruitment planning.</li> <li>- Worked to determine potential offsite locations (e.g. shopping centers, hotels and local government offices) for interviews.</li> <li>- Planned Application Events postponed due Covid case; recruiters engaged all PREPA employees who had registered for the event virtually (~ 300 people). Worked to determine a new plan for events.</li> <li>- Posted approximately 300 positions. Completed 448 screening interviews with applicants.</li> <li>- Started 'Connects' software implementation for increased job application resources for PREPA employees.</li> </ul>

ID	Full description	Deliverable Description	October Status % Complete	Summary of key work performed in October
				<ul style="list-style-type: none"> <li>- Developed and refined recruitment metrics for reporting both internally and externally.</li> <li>- HR Team and recruiters engaged with PREPA employees to guide them through hiring process and general questions.</li> </ul>
8.03	Redesign and Staff New Organization	The core HR transition team will coordinate with each department to develop a comprehensive department specific People Strategy/Staffing plan that compliments overall business strategy. It will include getting a finalized number of roles needed in each department, finalizing job descriptions, selecting and implementing pre-hiring recruitment, assessment and evaluation criteria tools, as well as standing up these tools.	81-90%	<ul style="list-style-type: none"> <li>- Continued to refine LUMA's Organizational Structure including compiling and reviewing with Senior Leadership and Department Heads.</li> <li>- Continued to refine, translate into Spanish, and load into iCIMS recruiting software.</li> <li>- Continued working with departments on budgets as it relates to employee salaries.</li> <li>- Worked to create terms and conditions for each employee job profile.</li> </ul>
8.04	Proposed Recruitment and Staffing Plan	This deliverable consists of the core HR transition team coordinating with each department to develop a comprehensive department specific People Strategy/Staffing plan that compliments overall business strategy. This includes a list of positions needed by department, finalizing job descriptions, selecting and implementing pre-hiring recruitment, assessment and evaluation criteria tools, as well as standing up these tools.	Refer to 8.02	<ul style="list-style-type: none"> <li>- Reporting has been consolidated under 8.02 Recruiting and Staffing</li> </ul>
8.05	Stand Up Human Capital Management (HCM) System	This deliverable consists of the Integration of a Human Capital Management (HCM) system will significantly impact business operations by Improving HR Processes, Employee Engagement, Reporting and Security.	31-40%	<ul style="list-style-type: none"> <li>- Completed Customer Confirmation Sessions (CCS) for HCM, Benefits, and Learning.</li> <li>- Reviewed and modified sample test scenarios provided by Workday Unit Testing. Began Unit Testing in LUMA Foundation tenant for HCM, Benefits, and Learning.</li> <li>- Continued integrations with Health and Benefits service providers.</li> <li>- Investigated PREPA's Kronos current state to determine how LUMA's requirements can fit in without negative impact to either organization.</li> <li>- Kicked off HCM integration (Phase 1B) for Payroll functionality.</li> </ul>

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8.06	Communication Plan	This deliverable consists of establishing and implementing internal and external communications plans. On the internal side, the focus will be on continuously informing PREPA and LUMA employees through multiple avenues (e.g., one-on-one meetings, group sessions, town halls, newsletters, intranet updates, etc.) to answer employee questions and keep them updated on progress. On the external side, LUMA will strategically use media coverage, social media and advertising including digital, billboards, print and radio to introduce LUMA to the people of Puerto Rico.	31-40%	<ul style="list-style-type: none"> <li>- Continued to communicate our key messages through external channels (social media) and advertising (i.e. digital mediums, billboards, print and radio).</li> <li>- Launched the Careers, FAQ, and Job Postings sections of the LUMA website to start receiving applications from PREPA employees, and developed supporting print materials (i.e. posters, flyers to go with PREPA paystubs).</li> <li>- Finalized the site map for the full LUMA website and created a plan for site design, developing written content including receiving input from internal subject matter experts.</li> <li>- Launched a brief internal newsletter for LUMA employees to build LUMA's culture and keep employees informed which may impact their work.</li> </ul>
8.07	Training (Workforce Development) Plan	This deliverable involves creating a training development program for employees which involves establishing LUMA training policies, standards, practices, curriculum and facilities; onboarding and providing foundational awareness and training to all new and existing employees; and developing a defined career path with continuity of quality education and training.	31-40%	<ul style="list-style-type: none"> <li>- Tested the initial design and configuration of the Learning Management System (LMS) in Workday HCM. This included testing over 150 scenarios on a variety of functions in the LMS: security roles, creating content, courses, learning programs, taking courses as users, editing courses as Learning Administrator, testing a variety of content (media, videos, ppt, pdf, surveys, assessments), testing approval processes, conducting mass enrollments, dropping enrollments, etc.</li> <li>- Coordinated with LUMA department subject matter experts regarding their learning and training requirements to understand their expectations at Commencement for using Workday.</li> </ul> <p>(Work on this deliverable is conducted in conjunction with the Handover Checklist item 2.0306)</p>
8.08	Develop Employee Retirement Plan	This deliverable consists of the core HR Transition team, working collaboratively with the current HR key personnel at PREPA, to develop a comprehensive Total Rewards strategy. This includes the development of action plans and programs regarding the LUMA's new proposed Retirement Plan, Health & Welfare Benefits Plan, and Compensation approach.	71-80%	<ul style="list-style-type: none"> <li>- Received adjusted bids from vendors for Voluntary Plans and selected preferred vendors.</li> <li>- Defined and implemented the health plan funding process with Triple-I80:J80S.</li> <li>- Reviewed and gained approval from leadership on the welfare plans through Cigna. Implement funding arrangements with Cigna.</li> <li>- Finalized 401k Plan Document with Fidelity. Engaged investment advisor on 401K Plan. Developed Resolution for 401K Plan and Oversight Committee and prepared for submission to LUMA approvals.</li> <li>- Continued work on communication materials for Total Rewards for Onboarding of new employees.</li> </ul>
8.09	Occupational Health and Wellness	This deliverable involves implementing a confidential Employee Assistance Program through our medical provider.	51-60%	<ul style="list-style-type: none"> <li>- Continued assessment of the Occupation side of health clinic including nurses, locations/Access and costs.</li> </ul>

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8.10	Compliance Plan	This deliverable consists of the Core HR transition team to review and evaluate current employee policies, procedures and any applicable handbooks.	31-40%	<ul style="list-style-type: none"> <li>- Continued compliance review of new Job Descriptions for new Organization.</li> <li>- Some work on the development and review of core LUMA Policies.</li> </ul>
8.11	Engagement Plan	Implement an overall Employee Engagement Plan so employees can adjust to the new leadership and direction. We will define the company's culture, mission and core values, and ensure that employees understand they will have opportunities at LUMA. We will provide opportunities for employee engagement with employee events such as family picnics and volunteer opportunities in the community.	21-30%	<ul style="list-style-type: none"> <li>- Continued development of Employee communication materials for current and future LUMA hires.</li> <li>- Continued refinement of LUMA Employee messaging based on feedback from PREPA employees.</li> </ul>
8.12	Develop a Community Investment Plan	This deliverable consists of the development of a multi-year community investment program enabling LUMA to be a valued part of the Puerto Rican community. This activity includes LUMA partnering with select programs and organizations to contribute to the community in Puerto Rico and will involve engaging employees in the program(s) through donations and volunteer opportunities.	31-40%	<ul style="list-style-type: none"> <li>- Continued developing a comprehensive Community Investment Plan including researching and reaching out to Non-profit entities with whom we can partner.</li> </ul>
9	<b>Additional Front-End Transition Period Activities</b>			
9.01	Genco Shared Services Agreement Approval	This deliverable consists developing a plan for delivery of shared services as well as negotiating and executing a Shared Services Agreement.	31-40%	<ul style="list-style-type: none"> <li>- LUMA's Shared Services team held multiple meetings with LUMA Department Heads and team managers to work through details of services they are likely to provide to GenCo and enable teams to develop necessary cost estimates and contemplate cost allocation approaches.</li> </ul>
9.02	Emergency Response Plan Approval	This deliverable consists of obtaining internal approval of the Emergency Response Plan (ERP) prior to providing the plan to Administrator and PREB.	0-10%	<ul style="list-style-type: none"> <li>- Undertook planning and administrative activities related to the development of the ERP.</li> </ul> <p>(Work on this deliverable is conducted in conjunction with the Handover Checklist items 2.0303 and 2.04)</p>
9.03	Non-Federal Funding Procurement Manual Approval	This deliverable assesses existing reference materials from PREPA and additional requirements from LUMA to create the Non-Federal Funding Procurement Manual and submit to PREPA/P3 for review/approval.	41-50%	<ul style="list-style-type: none"> <li>- Continued deep dive discussions with PREPA constituents to identify current practices and reviewed internal policies and procedures for lifting of best practices.</li> <li>- Drafted the majority of remaining Non-Federal Funding Procurement Manual sections.</li> <li>- Met with Legal to understand impacts of relevant legislation &amp; regulations on updated processes &amp; procedures.</li> </ul>

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9.04	Physical Security Plan Approval	This deliverable consists of developing a Physical Security Plan that includes a list of assets that require physical security, a substation security assessment for each substation, a security gap assessment with an outline of remediation initiatives and solutions, and a comprehensive physical security plan.	51-60%	<ul style="list-style-type: none"> <li>- Continued efforts focused on defining Physical Security programs scopes and budgets for the SRP/Initial budgets including identifying projects potentially being funded through FEMA.</li> <li>- Continued Identifying and documenting major deficiencies through RFIs, interviews and site observations.</li> <li>- Continued the consolidation and organization of the information collected to be utilized in physical security plan.</li> <li>- Began work on defining minimum standards based on findings.</li> <li>- Worked on Physical security programs for the takeover Plan.</li> </ul>
9.05	Data Security Plan Approval	This deliverable consists of developing a Data Security Plan to ensure confidentiality and integrity of organizational data and obtaining the necessary approval prior to Commencement.	71-80%	<ul style="list-style-type: none"> <li>- Continued to gather the feedback of the Data Security Plan with key stakeholders and in conjunction with the Cybersecurity Plan</li> <li>- Validation and supplementing the Data Security Plan with industry resources/artifacts</li> </ul> <p>(Work on this deliverable is conducted in conjunction with the Handover Checklist items 5.04).</p>
9.06	Vegetation Management Plan Approval	This deliverable includes the approval of the Vegetation Management Plan through the appropriate LUMA and PREB review and approval requirements.	Refer to 2.0312	<ul style="list-style-type: none"> <li>- Reporting has been consolidated under VM plan 2.0312</li> </ul>
9.07	System Operation Principles Regulatory Approval	This deliverable consists of activities to gain P3A and regulatory (PREB) approvals for System Operation Principles	21-30%	<ul style="list-style-type: none"> <li>- Presented finding from gap assessment to PREB and discussions of next steps</li> </ul>
10	<b>Asset Acquisition (Supply Chain)</b>			
10.01	Evaluating Existing Procurement and Subcontracting Policies, Procedures and Systems	This deliverable includes evaluating existing procurement and subcontracting policies, procedures and systems; identify system contracts and generation supply contracts; review vendor services to facilities; sourcing and procurement work for LUMA ManageCo contracts.	51-60%	<ul style="list-style-type: none"> <li>- Completed deep dive sessions with PREPA Procurement to walk through detailed post award and emergency procurement processes.</li> </ul>
10.02	Assuming Responsibility for Securing Use of Assets, Facilities, IT / OT, etc.	This deliverable involves performing facility assessments on PREPA's leased and owned properties and determine continued use and occupancy of current facilities. Activities include reviewing occupancy information, reviewing the assets collected, determination of asset management system moving forward, performing asset studies, and the development of processes and procedures related to asset management moving into commencement.	31-40%	<p>Work on this deliverable is conducted in conjunction with the Handover Checklist items 2.0309</p> <ul style="list-style-type: none"> <li>- First draft of which properties to remain in the portfolio has been developed as well as the sites to be decommissioned. Created master stacking document.</li> <li>- Review and abstract of leases in process. Collaboration with PREPA counterparts to determine which leases to terminate.</li> <li>- Analysis and determination of outsourcing opportunities.</li> <li>- Undertook translation of facilities maintenance contracts.</li> <li>- Determined real estate requirements and commenced sourcing activities for Customer Service and System Operations facilities.</li> </ul>
10.03	Assuming Existing Subcontracts	This deliverable includes compiling a listing of all existing subcontracts, including executed copies of subcontract, and complete a gap analysis (expired, missing etc.) of	31-40%	<ul style="list-style-type: none"> <li>- Received listing of contracts from PREPA Legal. Worked through assigning contract listing to LUMA departments</li> <li>- Held meetings with Legal to plan for and direct development of</li> </ul>



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		subcontracts being assumed against the immediate needs of O&M of the T&D System, and develop processes and procedures for assuming the existing subcontracts.		post Commencement contract templates. - Continued meetings with PREPA to work towards joint procurement initiative (Bill Print & Delivery).
<b>11</b>	<b>Back-End Transition Plan</b>			
<b>11.01</b>	Develop Back-End Transition Plan	This deliverable includes developing a plan that will guide the process for LUMA transferring operations back to PREPA at the end of the contract term. This includes the development of departmental scopes, timelines and documentation to provide T&D System status and plans to support operational and commercial transfer. (Refer also to Handover Checklist item 12.04)	Refer to 12.04	- Reporting has been consolidate under 12.04 Back End Transition Plan
<b>12</b>	<b>Front-End Transition Plan (Additional Requirements)</b>			
<b>12.01</b>	Confirmation of Acceptable Operator Security	This deliverable ensures confirmation of the requirement to confirm Operator Security prior to Commencement.	0%	- This will mostly occur just prior to commencement.
<b>12.02</b>	Required Insurance	This deliverable ensures placement of insurance program and business process reviews as required in the O&M agreement for ServeCo, including claims reviews; prepare insurance package for LUMA Energy and deliver certificates, as required, i.e. workers' compensation (local content if applicable), employers' liability, fiduciary liability, and professional liability, according to the deliverable schedule.	0-10%	- Worked with PREPA's risk and insurance consultants to start to define work that will be needed to complete this HOC item.
<b>12.03</b>	Baseline Performance Levels	This deliverable involves the development of a methodology for accessing the quality of existing measurement data, a gap analysis of the assessment results against industry best practices with a plan to fill the identified gaps, as well as a plan for an interim performance metrics process to utilize at commencement, and a proposed annual target metric and improvement trajectory.	51-60%	- Developed an Excel-based interruption data analysis workbook that accepts the format of PREPA provided interruption data, calculated possible reliability performance metrics baselines compliant with IEEE Std. 1366-2012 for various scenarios of historical interruption data and developed preliminary reliability performance metrics baselines. - Identified gaps related to PREPA's calculations and reporting of reliability performance metrics as compared against industry best practices. - Facilitated a workshop of the LUMA Major Outage Events (MOE) Performance Metrics team. - Prepared for and met with PREB Consultants concerning a potential PREB resolution or order related to PREB consultant's Distribution Directives. - Began writing the draft Performance Metrics regulatory filing.
<b>12.04</b>	Back-End Transition Plan	This deliverable captures the internal review and approval of the Back-End Transition Plan subsequent to the completion of Handover Checklist item 11.01 prior to	31-40%	- Gathered and Incorporated comments from each department for their respective sections of the BET Plan. - Developed draft and for departmental review.

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		submission to the Administrator for its information and approval.		- Commence development of BET Plan schedule and cost estimates.
12.05	Representations	Section Heading for Owner and Operator Representations set forth in Sections 12.06 and 12.08 of Handover Checklist	-	- Heading only. No activity required.
12.06	Operator Representations and Warranties	All representations of (i) Operator in Section 19.2 of the OMA, and (ii) Guarantors in the Guarantees will be brought forward and certified as true and correct as of the Service Commencement Date.	0%	- No activity to report.
12.07	Section 4.3: Owner and Administrator Responsibilities	PREPA's and P3A's conditions precedent to Service Commencement	-	- No activity to report. (This is work performed by Administrator and/or Owner).
12.08	Owner Representations and Warranties	All representations of Owner in Section 19.1 of the OMA will be brought forward and certified as true and correct as of the Service Commencement Date. NOTE: Responsibility of Owner and Administrator under Section 4.3 of OMA.	-	- No activity to report. (This is work performed by the Owner).
12.09	Section 4.4 Governmental Approvals	This deliverable involves legal and regulatory work to (i) identify and transfer, assign or otherwise obtain all Governmental Approvals required to commence operations, and (ii) obtain a Tax Assurance from Puerto Rico Treasury Department	Refer to 1.01	- Reporting has been consolidate to 1.01 Government Approvals
12.10	Section 4.5: Conditions Precedent to Service Commencement Date	Legal work to fulfill and satisfy all conditions precedent to Service Commencement Date outlined in Section 4.5 of the OMA.	21-30%	Continued to provide legal support to numerous condition precedent activities within LUMA including the majority of the time in October on the following: <ul style="list-style-type: none"> <li>- Worked with LUMA Regulatory team on System Operation Principles and basic terms to be included in GenCo-GridCo PPOA, SOP and SSA.</li> <li>- Advanced the Liability Waiver.</li> <li>- Worked with P3 on PREPA Reorganization</li> </ul>
12.11	Section 4.7: Closing the Front-End Transition Period	Work with counsel for P3A to satisfy and confirm that all conditions precedent to Service Commencement Date and deliver appropriate documentation evidencing same	0%	- No action required at this time.
12.12	Service Commencement Begins	Satisfaction of all Service Commencement Date Conditions under Section 4.5 of the OMA	0%	- No action required at this time.