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# Monthly Report

Report #: RPT-P3A-012

For the period ending May 2021

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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 May 31, 2021. 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 May, LUMA completed all necessary preparatory work to enable a successful transition of operations on June 1, 2021 – a culmination of the work undertaken over the past 11-months.

Work in May included significant hiring and onboarding activities, employee training, and considerable regulatory activities including multiple technical hearings. Our work also required significant attention on dealing with work disruptions and in turn undertaking additional and necessary security measures to ensure the security of personnel and assets. Our preparatory work also required a tremendous effort, beyond expectations, to establish appropriate office space for employees as of June 1.

The month concluded with the satisfaction of Conditions Precedent to enable LUMA Energy to begin Interim Service Period under the OMA and Supplemental Terms Agreement of the OMA.

Upon the completion of the Front-End Transition Period as outlined above, the Interim Service Period began on June 1, 2021. As such, this is the final Front-End Transition Period monthly report and has been adjusted accordingly.

The following is a summary of the key achievements for the month of May and is presented based on achievement of critical workstreams necessary to achieve commencement. Additional achievements and details of LUMA's work can be found in Appendix A – Handover Checklist.

##### a. Human Resources

- Continued our recruitment efforts including interviewing and issuing job offers.
- Preparation for commencement day onboarding program for all new hires and PREPA transfers.
- Continued to request clear and concise communication of pension and redeployment information to PREPA employees.

##### b. Health, Safety, Environment & Quality

- Continued efforts toward supporting and implementing COVID-19 protocols and vaccination strategy.

- Held the LUMA Emergency Response Plan Tabletop Exercise, walking through the plan and identifying roles and requirements.
- Implemented Intellex system for post-commencement incident data capture and reporting.
- c. Internal & Stakeholder Communications
  - Finalized communication plan for commencement.
  - Announced community investment partnerships.
  - Finalized functionality of web portal and mobile app in preparation for commencement.
- d. Operational and Customer Experience
  - Established Customer Experience locations and prepared facilities for commencement.
  - Engaged new hires on Customer Experience training for day one preparedness.
  - Continued skills assessments of PREPA lineworkers, low-voltage workers, substation technicians, and telecom technicians.
  - Continued development of manuals, policies, procedures, operational forms, templates, and workflows, for day one use within Operations and at interface points with other LUMA departments.
- e. Finance and Accounting
  - Completed the stand-up of all financial systems required for commencement.
  - Completed input into the fiscal plan for submission to FOMB
  - Finalized the consolidated Federal and Non-Federal Funding Procurement Manual through engagement with P3A and COR3.
- f. Information and Operational Technology
  - Started the implementation of cutover plans, including securing approval to configure LUMA's package with PREPA's environment, as well as securing LUMA devices.
  - Progressed on CC&B and EBS integrations in preparation for final cutover.
  - Inputted approximately 2,000 employees into Workday from iCIMS and began employee onboarding with personal updates, benefits, pay and tax elections being completed.
  - Completed UAT testing of all integrations and configuration changes for Workday Payroll in preparation for commencement.
- g. Regulatory, Commercial and Legal
  - Participated in several PREB technical hearings. Received PREB approval of LUMA's Initial Budgets including Terms of Service, and System Operations Principles.
  - Finalized the Shared Services Agreement with PREPA and P3A.
  - Agreed to the GridCo-GenCo Guidelines with PREPA and P3A that will be the framework for the GridCo-GenCo PPOA/Operating Agreement.
  - Satisfaction of necessary Conditions Precedent and entry into the Interim Period as per the OMA and Supplemental Terms Agreement.

## II. 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 May.

## B. COMMERCIAL REPORT

### I. Completed FET 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
4.2(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)	Complete
4.2(m)	Operator's representations in Section 19.2 and Guarantors representations in Guarantee shall remain true and correct on the Service Commencement Date – Operator to deliver certificate of authorized officer to that effect.	LUMA (Operator)	Complete
4.3(d)(ii)	After the date ManagementCo submits the Initial Budgets to PREB for its approval, if Owner and Administrator determine that an amendment or new System Contract or Generation Supply Contract is necessary, the Parties shall follow the process in clause (i) above; provided that as part of such consultation process (A) the Parties shall review the impact of any such amendment or new System Contract and Generation Supply Contract on the Initial Budgets and (B) ManagementCo shall, as soon as practicable following receipt of Owner's notice of such requirement, prepare and submit to Administrator any proposed amendment to the Initial Budgets arising therefrom. Following delivery of such proposed amendment, the Parties shall follow the same process for such amendment to the Initial Budget that was followed for the Initial Budgets as set out in Section 4.2(e) (ManagementCo Responsibilities – Initial Budgets);	LUMA (Operator) PREPA (Owner) P3A (Administrator)	Complete
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)	Complete
4.4(a)	ManagementCo, Administrator and Owner shall coordinate identifying the Governmental Approvals required for the commencement on the Service Commencement Date.	LUMA (Operator) P3A (Administrator) PREPA (Owner)	Complete
4.5(f)	Owner shall have engaged a qualified environmental consultant, and such consultant shall have prepared and issued a final baseline environmental study reasonably identifying Pre-Existing	PREPA (Owner)	Complete

Section	Description	Responsible Party	Status
	Environmental Conditions that present a risk of material liability (the “Baseline Environmental Study”)		
4.5(i)	Owner shall have, or shall have access to, adequate funding for Capital Costs for the first three (3) years of the Term, as such Capital Costs are detailed in the Initial Budgets approved by the Parties.	PREPA (Owner)	Complete
4.5(s)	The Parties shall mutually develop and negotiate in good faith a shared services agreement consistent with the provisions set forth in Annex VI (GenCo Shared Services) (the “Shared Services Agreement”), which agreement shall provide the terms and conditions pursuant to which Operator, as agent of Owner, shall provide the GenCo Shared Services to GenCo until the Legacy Generation Assets are retired or until certain of GenCo’s operations, including the operating, administrative and/or maintenance functions related to the Legacy Generation Assets, are transferred to one or more private partners, the term of which agreement not to exceed three (3) years from its effective date (unless otherwise extended with the consent of Operator).	LUMA (Operator) P3A (Administrator) PREPA (Owner)	Complete
4.5(u)	Each of Operator, Owner, Administrator and the FOMB shall have duly executed a FOMB Protocol Agreement in form and substance satisfactory to the Parties.	LUMA (Operator) P3A (Administrator) PREPA (Owner)	Complete
STA s. 2.3(f)	Owner shall have received a Supplemental Agreement Tax Opinion and ManagementCo shall have received a Supplemental Agreement Reliance Letter, at the expense of Owner or Administrator;	PREPA (Owner) or P3 (Administrator)	Complete
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)	Complete
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)	Complete
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)	Complete
4.7(a)	(a) ManagementCo shall provide Administrator with prompt written notice (with a copy to PREB), including a completed Handover Checklist, at such time as ManagementCo determines it	LUMA (Operator)	Complete

Section	Description	Responsible Party	Status
	has satisfactorily completed all items on the Handover Checklist and is therefore ready to perform all O&M Services under this Agreement.		
STA s. 2.3(c)	A number of Owner Employees and Other Employees necessary for Operator to perform the Interim Period Services shall have accepted offers to commence employment as ServCo Employees beginning on the Interim Period Service Commencement Date;	LUMA (Operator)	Complete
STA s. 2.3(c)	Owner shall have provided communications to all Owner Employees regarding Owner's pension obligations going forward reasonably acceptable to Owner and Operator.	PREPA (Owner)	Complete

## II. Partially Completed FET OMA Obligations

Section	Description	Responsible Party	Status
4.1(b)(i)	Each of Owner and Administrator shall take all such actions as may reasonably necessary to enable or assist ManagementCo in providing the Front-End Transition Services, including (i) providing ManagementCo's Representatives with a designated space and facilities at Owner's principal offices for their use throughout the Front-End Transition Period.	PREPA (Owner) P3A (Administrator)	Partially Completed
4.2(d)	ManagementCo shall submit to Administrator certificates of insurance (COI) for all Required Insurance to be effective as of the Service Commencement Date.	LUMA (Operator)	Partially Completed (Necessary COI for commencement completed)
4.3(c)	From and after the Effective Date, but in any event by the date that is one hundred eighty (180) days following the Effective Date, ManagementCo, Administrator and Owner shall together (i) identify all material existing System Contracts and all Generation Supply Contracts and provide ManagementCo and Administrator with copies thereof and (ii) identify which of the material existing System Contracts and Generation Supply Contracts do not comply with the Federal Funding Requirements and provide ManagementCo and Administrator with a list thereof.	PREPA (Owner)	Partially Completed (4.3(c)(ii) not completed)
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) and with respect to such Generation Supply Contract in the manner contemplated by Section 5.13(a) 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) and Section 5.13.	PREPA (Owner)	Partially Completed (No clear written notice provided)
STA s. 2.3(d)	Owner shall have provided Operator with written notice of the System Contracts and Generation Supply Contracts that have been assumed and those that have been rejected as at the Interim Period Service Commencement Date;		

Section	Description	Responsible Party	Status
4.5(q)	PREPA Reorganization. A final plan for the reorganization of PREPA into GenCo and GridCo shall have been approved by the applicable Governmental Bodies, and the GridCo-GenCo PPOA shall have become effective.	PREPA (Owner) P3A (Administrator)	This item was waived by the Parties and still must be completed

### III. OMA Regulatory Approvals

Section	Description	Responsible Party	Status
4.2(e)	<u>Initial Budgets</u> . ...PREB shall review, and approve, deny or propose modifications to, such proposed Initial Budgets in accordance with Applicable Law. ManagementCo shall be required to respond promptly to any changes or modifications from PREB to the proposed Initial Budgets and submit any updates to the proposed Initial Budgets to PREB for its approval.	PREB	Complete
4.1(g)	<u>Liability Waiver</u> ("Terms of Service"). In connection with the submission of the Initial Budgets to PREB, the Parties agree to apply for inclusion in the Rate Order that the associated tariff or terms of service...	PREB	Complete
4.1(d)(iii)	<u>System Remediation Plan</u> ...PREB shall review and approve, deny or propose modifications to the proposed System Remediation Plan. Operator shall be required to respond promptly to any changes or modifications from PREB to the System Remediation Plan and submit any updates to the proposed System Remediation Plan to PREB for its approval.	PREB	Filed 02/24/21 Pending PREB approval
4.1(h)	<u>System Operation Principles</u> ...PREB shall review and approve, deny or propose modifications to the proposed System Operation Principles. ManagementCo shall be required to respond promptly to any changes or modifications from PREB to the proposed System Operation Principles and submit any updates to the proposed System Operation Principles to PREB for its approval.	PREB	Complete
4.2(f)	<u>Performance Metrics</u> ...PREB shall review, and approve, deny or propose modifications to, such proposed revised Annex IX (Performance Metrics) in accordance with Applicable Law. ManagementCo shall be required to respond promptly to any changes or modifications from PREB to the proposed revised Annex IX (Performance Metrics) and submit any updates to the proposed revised Annex IX (Performance Metrics) to PREB for its approval.	PREB	Filed 02/25/21 Pending PREB approval

### C. FINANCIAL PROGRESS REPORT

In accordance with s.4.6(d), LUMA has submitted the invoice for the FET Service Fee for the month of May 2021. A summary of the invoice amounts is included below.

#### I. Monthly invoice summary

FET COSTS	
Department	Amount
Capital Programs	\$ 129,325
Communications	\$ 81,850
Corporate Services	\$ 650,108
Customer Service	\$ 3,324,490
Executives	\$ 78,963
Financial Mgmt.	\$ 915,265
HSE & Quality	\$ 477,485
Human Resources	\$ 258,730
Integration Mgmt. Office	\$ 333,158
IT / OT	\$ 533,233
Legal	\$ 126,613
Operations	\$ 1,046,028
Regulatory	\$ 563,455
Utility Transformation	\$ 2,248,930
<b>TOTAL</b>	<b>\$ 10,767,630</b>

	FET Hourly Costs	Additional Costs & Expenses	Sub-Total	FET Fixed Fee	Total
Previously invoiced	\$ 41,843,320	\$ 37,350,766	\$ 79,194,086	\$ 51,500,000	\$ 130,694,086
Current invoice	\$ 10,767,630	\$ 9,100,508	\$ 19,868,138	\$ 8,500,000	\$ 28,368,138
Total invoiced to date	\$ 52,610,950	\$ 46,451,275	\$ 99,062,225	\$ 60,000,000	\$ 159,062,225
Forecast to complete			\$ 4,887,775	\$ -	\$ 4,887,775
Proposal			\$ 76,351,931	\$ 60,000,000	\$ 136,351,931
Variance					\$ 27,598,069
					20.2%

**D. SUBMISSIONS****I. Transmittals—Current Month May 2021**

Name	Description	Sending Org.	Receiving Org.	LUMA Dept.	Created
LUMA-FOMB-T-00003	April 2021 Monthly Status Report	LUMA	FOMB	IMO	5-May-21
LUMA-P3A-T-00136	Interview Deadline Letter	LUMA	P3A	IMO	11-May-21
LUMA-P3A-T-00140	HOC 02.05 Environmental Exposure Management Plan - For Information	LUMA	P3A	IMO	9-May-21
LUMA-P3A-T-00146	HOC 08.07 Training Plan - For Information	LUMA	P3A	IMO	8-May-21
LUMA-P3A-T-00147	HOC 08.09 Occupational Health and Wellness Plan - For Information	LUMA	P3A	IMO	10-May-21
LUMA-P3A-T-00164	HOC 05.07 Commencement Cutover Planning - For Information	LUMA	P3A	IMO	4-May-21
LUMA-P3A-T-00166	HOC 10.02 Real Estate and Facilities Handover Plan - For Information	LUMA	P3A	IMO	4-May-21
LUMA-P3A-T-00167	April 2021 Monthly Invoice & Report	LUMA	P3A	IMO	5-May-21
LUMA-P3A-T-00168	April 2021 Monthly Status Report	LUMA	P3A	IMO	5-May-21
LUMA-P3A-T-00169	April 2021 Renewed Certificates	LUMA	P3A	IMO	5-May-21
LUMA-P3A-T-00172	Request to PREPA for Access to Key Fleet Applications	LUMA	P3A	IMO	7-May-21
LUMA-P3A-T-00173	Notice of Completion of Handover Checklist	LUMA	P3A	IMO	10-May-21
LUMA-P3A-T-00177	PREPA Authorization - DRS Access Request Form to COR3	LUMA	P3A	IMO	25-May-21
LUMA-P3A-T-00178	HOC 12.04 Back-End Transition Plan Revised	LUMA	P3A	IMO	25-May-21
LUMA-P3A-T-00179	Supplemental Terms Agreement Section 2.3c	LUMA	P3A	IMO	25-May-21
LUMA-P3A-T-00180	4.5 Month FETS Estimate April 2021 (w Actuals)	LUMA	P3A	IMO	25-May-21
LUMA-P3A-T-00181	List of Material Contractors 2021-05-26	LUMA	P3A	IMO	26-May-21
LUMA-P3A-T-00182	PREPA Authorization - Commercial Vehicle Usage	LUMA	P3A	IMO	26-May-21
LUMA-P3A-T-00183	PREPA Authorization - USFS Lease for PREPA Facilities in National Forest	LUMA	P3A	IMO	26-May-21
LUMA-P3A-T-00184	System Contracts and Generation Supply Contracts	LUMA	P3A	IMO	27-May-21
LUMA-P3A-T-00185	Demarcation of the T&D System and Insurance Specifications	LUMA	P3A	IMO	28-May-21
LUMA-P3A-T-00186	4.5 Month FETS Estimate May 2021	LUMA	P3A	IMO	29-May-21
LUMA-P3A-TGC-00170	P3A / LUMA April 26, 2021 Meeting Notes	LUMA	P3A	IMO	5-May-21
LUMA-P3A-TGC-00171	P3A / LUMA May 10, 2021 Meeting Agenda	LUMA	P3A	IMO	5-May-21
LUMA-P3A-TGC-00175	P3A / LUMA May 11, 2021 Meeting Notes	LUMA	P3A	IMO	21-May-21
LUMA-PREB-T-00027	April 2021 Monthly Status Report	LUMA	PREB	IMO	5-May-21

Name	Description	Sending Org.	Receiving Org.	LUMA Dept.	Created
LUMA-PREP-TGC-00130	PREPA / LUMA Biweekly Meeting Notes 2021-04-20	LUMA	PREPA	IMO	19-May-21
LUMA-PREP-T-00137	April 2021 Monthly Status Report	LUMA	PREPA	IMO	5-May-21
LUMA-PREP-T-00138	Outstanding RFIs as of 2021-05-06	LUMA	PREPA	IMO	6-May-21
LUMA-PREP-T-00139	PREPA Authorization for DTOP Fleet Management Access	LUMA	PREPA	IMO	7-May-21
LUMA-PREP-T-00140	PREPA Authorization for AutoExpreso Access	LUMA	PREPA	IMO	7-May-21
LUMA-PREP-T-00141	March 26, 2021 S&L Codes and Standards Submittal w LUMA Comments	LUMA	PREPA	UT	7-May-21
LUMA-PREP-T-00142	April 16, 2021 S&L Codes and Standards Submittals w LUMA Comments	LUMA	PREPA	UT	12-May-21
LUMA-PREP-T-00143	Outstanding RFIs as of 2021-05-13	LUMA	PREPA	IMO	13-May-21
LUMA-PREP-T-00144	1.5% Tax Invoice	LUMA	PREPA	IMO	17-May-21
LUMA-PREP-TGC-00145	PREPA / LUMA Biweekly Meeting Agenda 2021-05-19	LUMA	PREPA	IMO	19-May-21
LUMA-PREP-T-00146	Outstanding RFIs as of 2021-05-20	LUMA	PREPA	IMO	20-May-21
LUMA-PREP-TGC-00147	Outstanding issues	LUMA	PREPA	IMO	20-May-21
LUMA-PREP-T-00149	PREPA Authorization - DRS Access Request Form to COR3	LUMA	PREPA	IMO	25-May-21
LUMA-PREP-T-00150	PREPA Authorization - Commercial Vehicle Usage	LUMA	PREPA	IMO	26-May-21
LUMA-PREP-T-00151	PREPA Authorization - USFS Lease for PREPA Facilities in National Forest	LUMA	PREPA	IMO	26-May-21
P3A-LUMA-T-00030	System Contracts - Microsoft Caribbean, Inc.	P3A	LUMA	IMO	11-May-21

## II. Requests for Information (RFIs)–Current Month May 2021

Name	Description	Sending Org.	Receiving Org.	LUMA Depart.	Date Submitted	Requested Response Date	Actual Response Date	Status
LUMA-PREP-RFI-00532	Kronos machines	LUMA	PREPA	IT/OT	5-May-21	6-May-21		Open
LUMA-PREP-RFI-00533	Printers	LUMA	PREPA	IT/OT	5-May-21	6-May-21		Open
LUMA-PREP-RFI-00534	GIS Shapefiles for all Lines	LUMA	PREPA	UT	10-May-21	21-May-21	10-May-21	Closed
LUMA-PREP-RFI-00535	District Substation Feeder Relay Settings	LUMA	PREPA	Operations	12-May-21	12-May-21	17-May-21	Closed
LUMA-PREP-RFI-00536	Database of Substation Major Equipment	LUMA	PREPA	Operations	12-May-21	12-May-21	17-May-21	Closed
LUMA-PREP-RFI-00537	PREPA vehicle Titles and Registrations	LUMA	PREPA	Operations	13-May-21	21-May-21		Open
LUMA-PREP-RFI-00538	SONET/TDM network	LUMA	PREPA	IT/OT	14-May-21	17-May-21	26-May-21	Closed
LUMA-PREP-RFI-00539	Substations	LUMA	PREPA	Operations	17-May-21	17-May-21		Open

## APPENDIX A – HANDOVER CHECKLIST

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
1	General & Transition Management	<p>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.</p> <p>This overall deliverable captures efforts that are not reasonably attributable to specific Handover Checklist items given the general management nature of the work.</p>	100%	<p>The work in May 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> <p>In addition to the general management efforts noted above, there are more specific activities that were completed:</p> <ul style="list-style-type: none"> <li>- Completed LUMA wide commencement readiness assessments. This work is an iterative process undertaken until commencement that focused on mitigation of key risk areas including interdependencies between departments.</li> <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>- Continued efforts expended to manage areas related to the requirements of the COVID 19 pandemic.</li> <li>- Held LUMA wide ERP training session consistent with the NIMS/ICS structure.</li> <li>- Coordination of efforts to complete and document Conditions Precedent including the submission of the Notice of Service Commencement Date.</li> <li>- Significant effort to obtain and setup permanent office space c/w furniture, etc. This preparatory work required a tremendous effort, beyond expectations, to establish appropriate office space for employees as of June 1.</li> <li>- A significant attention on dealing with work disruptions and in turn undertaking additional and necessary security measures to ensure the security of personnel and assets.</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Worked on the post Commencement plan for all permits including review of actions for FCC and FAA licenses and permits going forward.</li> <li>- Received necessary governmental approvals prior to Commencement.</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
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.	100%	<ul style="list-style-type: none"> <li>- Continued to manage the Requests for Information &amp; responses related to gap assessments.</li> <li>- This HOC item has been completed.</li> </ul>
1.03	PREB Rate Order Filing (Initial Budgets and Liability Waiver approvals)	Activities to gain P3A and regulatory (PREB) approvals for Initial Budgets.	100%	<ul style="list-style-type: none"> <li>- Completed Technical Conferences with PREB and provided all information required to receive a Resolution and Order from PREB on Initial Budgets and Liability Waiver which was received on May 31, 2021.</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
<b>2.03</b>	<b>Development and Implementation of Additional Takeover plans</b>			
2.0301	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.	100%	<ul style="list-style-type: none"> <li>- Continued recruitment effort for Control Centers.</li> <li>- Supported the ongoing development of the System Operating Principles procedures in collaboration with LUMA's Regulatory team.</li> <li>- Continued work on the modernization plan, completed the EMS business requirement gathering and the Control Center facilities requirements.</li> <li>- Completed the Control Center Transition Plan.</li> <li>- Supporting PREB technical conferences.</li> <li>- This HOC item has been completed.</li> </ul>
2.0302	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.	100%	<ul style="list-style-type: none"> <li>- Continued detailed review of day 1 requirements and further work on cutover plan; including, coordinating licensing and hardware requirements for software solutions with IT/OT.</li> <li>- Planning for commencement; including: printing JHA forms, printing inspections forms, and printing PPE forms.</li> <li>- Prepared onboarding presentations for commencement orientation sessions.</li> <li>- Continued submission of job offers.</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
2.0303	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 high quality standards while incorporating Puerto Rico's unique operating needs. Fundamental principles include safety, customer centricity, affordability, reliability, resilience and sustainability.	100%	<ul style="list-style-type: none"> <li>- Completed the Emergency Response Plan including Restoration, Earthquake and Fire Annexes.</li> <li>- Held meeting with Secretary of Public Safety and Commissioner of PREMB.</li> <li>- Internal LUMA Tabletop Exercise held aligned with ERP and Restoration Annex.</li> <li>- This HOC item has been completed.</li> </ul> <p>(Work on this deliverable is conducted in conjunction with the Handover Checklist items 2.04 and 9.02).</p>
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.	100%	<ul style="list-style-type: none"> <li>- Continued detailed review of day 1 requirements and further work on cutover plan.</li> <li>- Planning for commencement; including: preparing onboarding presentations and printing vehicle inspection forms.</li> <li>- Continued submission of job offers to exempt employees.</li> <li>- This HOC item has been completed.</li> </ul>
2.0305	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.	100%	<ul style="list-style-type: none"> <li>- Completed Asset management plan.</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Conducted assessment of Low Voltage Technicians using both knowledge (written) and skills (hands-on) with the TransBanker.</li> <li>- Continued logistic meetings with Human Resources and Operations as needed to evaluate in real time the number of applicants, resource needs for conducting the assessments, etc.</li> <li>- This HOC item has been completed.</li> </ul> <p>(Work on this deliverable is conducted in conjunction with the Handover Checklist item 8.07)</p>
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.	100%	<ul style="list-style-type: none"> <li>- Completed Safety Management Plan.</li> <li>- Completed design with HSEQ IT software (Intelex).</li> <li>- Released Intelex HSE Platform.</li> <li>- Completed HSE onboarding material</li> <li>- Completed draft of COVID protocol for Day 1.</li> <li>- Completed Public Safety Program.</li> <li>- Team members trained in ICS modules.</li> <li>- Completed the Job Hazard Analysis form and booklets for Day 1</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
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.	100%	<ul style="list-style-type: none"> <li>- Completed Engineering Take Over Plan</li> <li>- Completed the review of PREPA standards developed by S&amp;L.</li> <li>- Completed the alignment with PREPA and their consultants on the 10 yr. projects.</li> <li>- Completed work with PREPA and their consultants on alignment with SOWs submitted to FEMA.</li> <li>- Recommended PREPA to extend the A/E contracts.</li> <li>- Continue the development of the maintenance practices standards.</li> <li>- New Customer Services: Finalizing the updated process.</li> <li>- Developing materials strategy.</li> <li>- Training and set-up of the Outage Management System and the work management system – OMS, iNet Dispatcher, STORMS and G-ELECTRIC</li> <li>- This HOC item has been completed.</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..	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Continued extending job offers.</li> <li>- Continued development of operational forms, templates, and processes.</li> <li>- Continued detailed review of day 1 requirements and further work on cutover plan.</li> <li>- Prepared onboarding presentations for commencement orientation sessions.</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Continued development of the Standard Operating Procedure document for LUMA Operations.</li> <li>- Continue to work on IT program workflows and processes for execution of field work.</li> <li>- Continue detailed review of day 1 requirements and further work on cutover plan for Operational Excellence.</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Continue review of Day 1 requirements and cutover plans; including resource allocation and cross-operational vegetation management support.</li> <li>- Prepared onboarding presentations for commencement orientation sessions.</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
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> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Transferred the lead for engagement with federal agencies on long-term planning from PREPA to LUMA.</li> <li>- Finalized recruitment for commencement.</li> <li>- Completed waste management strategy for commencement and prioritized procurement needs for operational wastes.</li> <li>- Work concluded on the PREPA Baseline Environmental Study. Reviewed all 337 environmental assessments.</li> <li>- Completed the Environmental Exposure Management Plan, consisting of an overview of site conditions, an exposure management plan for substations, and 86 specific plans for sites with recognized environmental conditions.</li> <li>- Finalized publication of all environmental policies and procedures and included in a comprehensive HSE Manual for operations.</li> <li>- This HOC item has been completed.</li> </ul>
<b>3</b>	<b>System Remediation Plan Milestones</b>			
3.01	Remediation Plan Proposal	This deliverable consists of developing a remediation plan outline and methodology.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
3.02	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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
3.03	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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
3.04	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	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
3.05	Approval of System Remediation Plan	Activities to gain P3A and regulatory (PREB) approvals for System Remediation Plan	100%	<ul style="list-style-type: none"> <li>- Completed Technical Conferences with PREB and provided all information required from PREB on System Remediation Plan.</li> <li>- This HOC item has been completed.</li> </ul>
<b>4</b>	<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.	100%	<ul style="list-style-type: none"> <li>- Finalized initial seating plan.</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
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 ServCo. 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.	100%	<ul style="list-style-type: none"> <li>- Completed governance process review, approval and translation completed Process/Procedure/Policy documents.</li> <li>- Coordinating with IT/OT and HSEQ to transition documents to appropriate LUMA-PR SharePoint site.</li> <li>- This HOC item has been completed.</li> </ul>
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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Significant effort to onboard all new call center employees in preparation for June 1.</li> <li>- Analyzing results of Employee Customer Experience and verbatims to identify improvement opportunities.</li> <li>- On-going recruitment efforts.</li> <li>- Working with procurement for the transition of Customer Experience contracts needed by LUMA.</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
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.	100%	<ul style="list-style-type: none"> <li>- Conducted testing of initial computer equipment for new LUMA employees at CIM.</li> <li>- Conducted User Acceptance Testing (UAT1) of Genesys system.</li> <li>- Completed Business Requirement updates for Plan A – LUMA Bill Design.</li> <li>- Completed E-bill Notification readiness for Commencement.</li> <li>- Conducted cycle completion and testing of Mi LUMA and smart phone app.</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Completed working with Operations and Customer Experience Billing Services team to execute the Integration plan at Commencement.</li> <li>- Completed plan for Service Order process when moving from Customer Experience PREPA teams to LUMA Operations teams.</li> <li>- This HOC item has been completed.</li> </ul>
<b>5</b>	<b>IT</b>			
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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</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%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
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)	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
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%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
5.07	Commencement Cutover Planning	This deliverable includes activities to prepare for Commencement Cutover during Transition.	100%	<ul style="list-style-type: none"> <li>- Finalized project Cutover Plans and rollup/milestone reporting process.</li> <li>- Finalized Cutover process and communicated to teams.</li> <li>- Held review and approved configuration in PREPA's EBS and Kronos Production with PREPA CIO.</li> <li>- Held joint Change Advisory Board (CAB) meeting with LUMA and PREPA to approve the changes to Production.</li> <li>- Continued implementing LUMA End User identity access management process.</li> <li>- Prepared execution of Cutover Plans for all projects: Workday, Kronos, EBS HCM and Financials, MiLUMA, Cust Mobile App, Genesys Contact Center, LumaPR.com, and Asset Suite integrations.</li> <li>- Established Hypercare Support and escalation procedures.</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
<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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</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).	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul> <p>(Work on this deliverable was conducted in conjunction with the Handover Checklist items 6.01 and 6.05)</p>
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.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</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 ServCo; design, configure and test LUMA ServCo's financial systems; gain approval of LUMA ServCo's Chart of Accounts; and design and implement processes for finance actuals and reporting.	100%	<ul style="list-style-type: none"> <li>- Configured Oracle EBS production environment for company 07 - LUMA in order to transact business at Commencement.</li> <li>- Held training sessions covering Oracle EBS organization structure and associated processes and accounts to be used.</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
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.	100%	<ul style="list-style-type: none"> <li>- Continued to support Regulatory with obtaining approval of the Initial Budgets filing.</li> <li>- Attended and supported Technical Sessions with the PREB on Initial Budget filing.</li> <li>- Responded to PREB Information Requests.</li> <li>- Preparing for commencement by preparing budgets for Oracle upload and preparing reporting processes.</li> <li>- This HOC item has been completed.</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 ServCo and work with PREPA to set up the service bank accounts required for Commencement, as described in the OMA agreement.	100%	<ul style="list-style-type: none"> <li>- Signers added and tokens received.</li> <li>- This HOC item has been Completed.</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.	100%	<p>Workday Payroll (also captured in HOC 6.07):</p> <ul style="list-style-type: none"> <li>- Completed UAT of all integrations and configuration changes.</li> <li>- Completed configuration of the production environment.</li> <li>- Employee migration to EBS and Kronos is in progress in tranches.</li> <li>- Pre-prod payroll testing was completed with timecards from Kronos.</li> <li>- Workday to Active Directory integration is configured, tested, and in production.</li> </ul> <p>Kronos &amp; EBS</p> <ul style="list-style-type: none"> <li>- Performed final testing activities.</li> <li>- Configured EBS Production for LUMA operations.</li> <li>- Confirmed / Verified setup in Production.</li> </ul> <p>- This HOC item has been completed.</p>
6.08	Establishing a Delegation of Authority Matrix and Process	This deliverable establishes a Delegation of Authority Matrix and Process for LUMA ServCo. Delegation of Authority to set Requisition (financial approval) and Purchase Order approval limits in the ERP System.	100%	<ul style="list-style-type: none"> <li>- Finalized Delegation of Authority documentation.</li> <li>- This HOC item has been completed.</li> </ul>
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).	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
<b>7</b>	<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.	100%	<ul style="list-style-type: none"> <li>- Conducted discussions regarding understanding of planned LUMA system integrations, internal labor, chart of accounts, and procurement.</li> <li>- Conducted discussions and efforts regarding implementation of GrantWise.</li> <li>- Ongoing discussions regarding FEMA PA policies and procedures and integration of Federal Funds within the Capital Programs Activities.</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
7.02	Policies and Procedures	This deliverable includes the development of policies and procedures in line with governance framework.	100%	<ul style="list-style-type: none"> <li>- Continued integration of policies and procedures with LUMA financial System and GrantWise design and configurations for ultimate deployment.</li> <li>- Continued advancement and alignment of grant management processes related to project creation, invoice to pay and requests for payments.</li> <li>- Continued Capital Programs coordination.</li> <li>- This HOC item has been completed.</li> </ul>
7.03	Staffing Plan	This deliverable includes developing the staffing plan for federal funding group consistent with DRFFMG.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
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	<ul style="list-style-type: none"> <li>- Work associated with 7.04 is included in HOC items 2.0303, 2.04 and 9.02.</li> <li>- This HOC item has been completed.</li> </ul>
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.	100%	<ul style="list-style-type: none"> <li>- Ongoing technical assistance with Capital Programs and other LUMA departments related to FEMA Public Assistance, FEMA mitigation and HUD CDBG-DR and MIT programs. Topics included: FAAST (428) project formulation strategies, mitigation strategies (FEMA 404/406 and HUD CDBG-MIT) including discussions on RSM Means and BCA concepts and strategies. Discussions also focused on eligibility and environmental historic preservation.</li> <li>- Continued efforts and discussions regarding integration and implementation of GrantWise.</li> <li>- This HOC item has been completed.</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> <li>- This HOC item has been completed.</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 7.07 is included in HOC 7.05</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Continued ongoing technical assistance related to the federal procurement process. Review of certain contracts anticipated to be utilized under future emergency conditions and streetlights. Developing tools and enablers to be utilized during the review of procurements.</li> <li>- This HOC item has been completed.</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>- Reporting has been consolidated under 8.02 Recruiting and Staffing.</li> <li>- This HOC item 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.	100%	<ul style="list-style-type: none"> <li>- Conducted interviews ~5,600 interviews to date, and extended over 2,600 offer letters.</li> <li>- Candidates continued onboarding which included drug screening, background checks, and physical assessments (when necessary).</li> <li>- Onboarding presentations prepared for ~1,700 employees at locations in PR.</li> <li>- Contingency planned and coordinated Puerto Rican Convention Center for mass onboarding event on June 1.</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
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.	100%	- This HOC item has been completed.
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	- Reporting has been consolidated under 8.02 Recruiting and Staffing. - This HOC item has been completed.
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.	100%	- Continues hiring and onboarding of LUMA Employees into Workday. - Continued cutover activities for Payroll and Absence in Workday. - Completed Standard Operating Procedures documentation with regards to systems and workflows. - This HOC item has been completed.
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.	100%	- Established working protocols with PREPA Corporate Comms for management of transition communications. - Finalized Social Media guidelines to manage brand and customer service messages in collaboration with Customer Experience department. - Developed and launched public communication campaign to inform customers of LUMA contact points prior to commencement. - Finalized and deployed multimedia advertising campaign (TV, radio, billboards, print, digital and social media). - Developed commencement communications plan for LUMA CEO. - Readied employee welcome kits for commencement with support of vendor. - Supported and participated in 2 central government press conferences. - This HOC item has been completed.
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.	100%	- Completed Workforce Development Training Plan. - Development of Mentoring strategy and training plan for 40 new dispatchers with no industry or previous dispatch experience. - This HOC item has been completed.
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.	100%	- This HOC item has been completed.

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
8.09	Occupational Health and Wellness	This deliverable involves implementing a confidential Employee Assistance Program through our medical provider.	100%	- Completed the Occupational Health and Wellness plan - This HOC item has been completed.
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.	100%	- Completed Compliance Plan - This HOC item has been completed.
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.	100%	- Completed the Engagement Plan - This HOC item has been completed.  Work on this deliverable is conducted in conjunction with the Handover Checklist item 8.02)
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.	100%	- Completed the Community Investment plan. - This HOC item has been completed.
<b>9</b>	<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.	100%	- Finalized Shared Services Agreement and exhibit of work to be performed. - Met with various PREPA personnel to communicate details of Shared Services agreement. - This HOC item has been completed.
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.	Refer to 2.030	- Work on this deliverable is conducted in conjunction with the Handover Checklist items 2.0303 and 2.04. - This HOC item has been completed
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.	100%	- Completed the Procurement Manual. - This HOC item has been completed.
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.	100%	- Transition of work to Corporate Services Department security team ongoing. - This HOC item has been completed.
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.	100%	- Completed final changes to Datta Security Plan. - This HOC item has been completed.  (Work on this deliverable is conducted in conjunction with the Handover Checklist items 5.04)
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	- Reporting has been consolidated under VM plan 2.0312. - This HOC item has been completed.

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
9.07	System Operation Principles Regulatory Approval	This deliverable consists of activities to gain P3A and regulatory (PREB) approvals for System Operation Principles	100%	<ul style="list-style-type: none"> <li>- Completed Technical Conferences with PREB and provided all information required to receive a Resolution and Order from PREB on System Operation Principles which was received on May 31, 2021.</li> <li>- This HOC item has been completed.</li> </ul>
<b>10</b>	<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 ManagementCo contracts.	100%	<ul style="list-style-type: none"> <li>- Refer to 9.03</li> <li>- This HOC item has been completed.</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.	100%	<ul style="list-style-type: none"> <li>- Completion of property health assessments.</li> <li>- Completion and submission of Handover check list document.</li> <li>- This HOC item has been completed.</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 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.	100%	<ul style="list-style-type: none"> <li>- Continue work on transferring existing contracts including seeking contract extensions from PREPA Governing Board and FOMB.</li> <li>- This HOC item has been completed.</li> </ul>
<b>11</b>	<b>Back-End Transition Plan</b>			
11.01	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	<ul style="list-style-type: none"> <li>- Reporting has been consolidate under 12.04 Back End Transition Plan.</li> <li>- This HOC item has been completed.</li> </ul>
<b>12</b>	<b>Front-End Transition Plan (Additional Requirements)</b>			
12.01	Confirmation of Acceptable Operator Security	This deliverable ensures confirmation of the requirement to confirm Operator Security prior to Commencement.	100%	<ul style="list-style-type: none"> <li>- Operator Security Secured.</li> <li>- This HOC item has been completed.</li> </ul>
12.02	Required Insurance	This deliverable ensures placement of insurance program and business process reviews as required in the O&M agreement for ServCo, 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.	100%	<ul style="list-style-type: none"> <li>- Certificates of Insurance provided and waiver requirements defined.</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
12.03	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.	100%	<ul style="list-style-type: none"> <li>- Planning for post commencement activities related to Dockets NEPR-MI-2019-0007 &amp; NEPR-AP-2020-0025.</li> <li>- Analysis and Summary of PREB May 21, 2021 Resolution and Order NEPR-MI-2019-0007.</li> <li>- This HOC item has been completed.</li> </ul>
12.04	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 submission to the Administrator for its information and approval.	100%	<ul style="list-style-type: none"> <li>- This HOC item has been completed.</li> </ul>
12.05	Representations	Section Heading for Owner and Operator Representations set forth in Sections 12.06 and 12.08 of Handover Checklist	N/A	<ul style="list-style-type: none"> <li>- Heading only. No activity required.</li> </ul>
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.	100%	<ul style="list-style-type: none"> <li>- Completed as part of 12.10 Conditions Precedent to Service Commencement Date</li> <li>- This HOC item has been completed.</li> </ul>
12.07	Section 4.3: Owner and Administrator Responsibilities	PREPA's and P3A's conditions precedent to Service Commencement	N/A	<ul style="list-style-type: none"> <li>- No activity to report. This work was performed by Administrator and/or Owner.</li> </ul>
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.	N/A	<ul style="list-style-type: none"> <li>- No activity to report. This work was performed by the Owner.</li> </ul>
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	<ul style="list-style-type: none"> <li>- Reporting has been consolidated to 1.01 Government Approvals.</li> <li>- This HOC item has been completed.</li> </ul>

ID	Full description	Deliverable Description	Status % complete	Summary of key work performed this month
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.	100%	<p>Continued to work on and provide legal support to satisfy remaining open condition precedent activities to Interim Period Service commencement under the OMA and the Supplemental Terms Agreement ("STA") including the following:</p> <ul style="list-style-type: none"> <li>- Worked on and finalized the Shared Services Agreement and shared services to be provided with PREPA and the P3A.</li> <li>- Negotiated and finalized the FOMB Protocol Agreement with FOMB.</li> <li>- Worked with P3A and COR3 to consolidate the Federally Funded Procurement Manual and the Non-Federally Funded Procurement Manual into one Procurement Manual and obtain their respective approval of same.</li> <li>- Negotiated and agreed GridCo-GenCo Guidelines with PREPA and the P3A that will be the framework for the GridCo-GenCo PPOA/Operating Agreement.</li> <li>- Reviewed and advised regarding the terms of service liability waiver approved by the PREB that differs from that requested by LUMA and required under the OMA.</li> <li>- Reviewed, revised and delivered Operator's Officer Certificate regarding representations and warranties in the OMA and the STA and confirmation that the Guaranties remain in full force and effect.</li> <li>- Review, revise and deliver Guarantor's Officer Certificate regarding certain representations and warranties in the Guaranties.</li> <li>- Work with LUMA Risk to deliver certificates of insurance for insurance required under the OMA.</li> <li>- This HOC item has been completed.</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	100%	- Completed on May 31, 2021.
12.12	Service Commencement Begins	Satisfaction of all Service Commencement Date Conditions under Section 4.5 of the OMA	100%	- Service Commencement started June 1, 2021.