

**GOVERNMENT OF PUERTO RICO  
PUBLIC SERVICE REGULATORY BOARD  
PUERTO RICO ENERGY BUREAU**

**IN RE:** DEMAND RESPONSE PLAN REVIEW,  
IMPLEMENTATION, AND MONITORING

**CASE NO:** NEPR-MI-2021-0006

**SUBJECT:** Notice of Revised Transition Period  
Plan Schedule, Workshop, and Plan Template.

**RESOLUTION AND ORDER**

**I. Introduction**

On December 10, 2020, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") adopted the Regulation for Demand Response.<sup>1</sup> Regulation 9246 entered into effect on January 21, 2021 and requires that the Puerto Rico Electric Power Authority ("PREPA") or its successor, LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly, "LUMA"), file a Three-Year Demand Response Plan within six months of its effective date.

On March 24, 2021, PREPA filed a document titled *Motion to Request a Pre-Filing Technical Conference Regarding PREPA's Three Year Demand Response Plan* ("March 24 Request"), to request a technical conference regarding the Three-Year DR Plan. The resulting technical conference was held on June 15, 2021. On June 14, 2021, LUMA filed a document titled *Motion Submitting Revised Presentation for Technical Conference Scheduled for June 15, 2021* ("June 14 Motion") which included a presentation, subsequently delivered at the technical conference, that describes a multi-phase approach to developing a demand response plan. The presentation also makes a case for the coordination of energy efficiency and demand response planning and program execution.

On April 22, 2021, the Energy Bureau issued a Resolution ("April 22 Resolution") in which it issued the Proposed Regulation for Energy Efficiency.<sup>2</sup> Numerous parties submitted comments and reply comments regarding that proposed regulation.

On December 13, 2021, LUMA filed a document titled *Motion Submitting LUMA's Comments and Suggestions* ("December 13 Comments")<sup>3</sup> that included recommendations and requests regarding the Puerto Rico Test for cost-effectiveness screening, the development of avoided costs, and coordination of various proceedings.

On December 14, 2021, the Energy Bureau issued a Resolution and Order ("December 14 Order")<sup>4</sup> that clarified the process for stakeholder review and participation in the development of avoided costs for use in the Puerto Rico Test and issued a data request to LUMA and PREPA in support of development of avoided costs. The December 14 Order scheduled a Technical Conference for February 8, 2022, as part of the review process for the Avoided Cost Study.

On January 5, 2022, LUMA filed a document titled *Motion Submitting LUMA's Responses to Data Requests of Attachment A to December 14<sup>th</sup> Resolution and Order and Requesting*

<sup>1</sup> Regulation for Demand Response, December 21, 2020 ("Regulation 9246").

<sup>2</sup> Resolution, In Re: Regulation for Energy Efficiency, Case No. NEPR-MI-2021-0005, April 22, 2021.

<sup>3</sup> Motion Submitting LUMA's Comments and Suggestions, In re. Puerto Rico Test for Demand Response and Energy Efficiency, Case No. NEPR-MI-2021-0009, December 13, 2021.

<sup>4</sup> Resolution and Order, In Re: Puerto Rico Test for Demand Response and Energy Efficiency, Case No. NEPR-MI-2021-0009, December 14, 2021.



*Clarifications and Request for Confidential Treatment* ("January 5 Response"),<sup>5</sup> accompanying a response to the Energy Bureau's December 14 Order including the data request. Through the January 5 Response, LUMA requested clarification regarding whether the December 14 Order incorporated a response to the December 13 Comments. LUMA also reminded the Energy Bureau of LUMA's earlier filings regarding the timing and coordination of the Three-Year Plans for Energy Efficiency and Demand Response.

On January 21, 2022, the Energy Bureau published the final version of the Regulation for Energy Efficiency ("EE Regulation"), upon submission of that Regulation to the Puerto Rico State Department.

The primary purpose of this Resolution and Order is to detail three actions that directly follow from the EE Regulation. These actions are 1) to establish a schedule for the filing of the first Three-Year DR Plan to coincide with the Transition Period Plan and the start of energy efficiency programs; 2) to invite all stakeholders to participate in a workshop to be held on **February 28, 2022** at 10:00 a.m., regarding the process for developing and implementing the Three-Year DR Plan and its association with the Transition Period Plan; and 3) to provide a template for the Transition Period Plan under Section 2.02(C)(4) of the EE Regulation.

A related purpose of this Resolution and Order is to address those aspects of LUMA's presentation included in the June 14 Motion, December 13 Comments, and January 5 Response that relate to the coordination of various processes to implement the EE Regulation and Regulation for Demand Response. The Energy Bureau is simultaneously issuing an order in Case No. NEPR-MI-2021-0009 that addresses other aspects of LUMA's December 13 Comments and January 5 Response.

## II. Including Energy Efficiency in this Proceeding

Section 4.02(D) of the EE Regulation explicitly states that LUMA will design and implement integrated Energy Efficiency ("EE") and Demand Response ("DR") programs, that the planning processes for EE and DR should be consistent and coordinated, and that LUMA can combine the planning processes and documents for EE and DR. In its June 14 Motion, LUMA states a desire for such coordination. To best effectuate coordinated EE and DR planning, the Energy Bureau is expanding the scope of the instant proceeding to include EE alongside DR. The Energy Bureau will use this proceeding for actions related to developing the first Three-Year DR Plan and the Transition Period Plan for EE. When those plans are filed with the Energy Bureau, the Energy Bureau anticipates closing this proceeding and opening a separate proceeding for their formal consideration.

## III. Revised Schedule

The EE Regulation requires LUMA to file, on or before **March 1, 2022**, a Transition Period Plan, covering EE programs to be offered from **July 1, 2022, to June 30, 2024**. In recognition of unforeseen delays in the issuance of the EE Regulation, the Energy Bureau is amending the deadline to file the proposed Transition Period Plan, and the expected start date of the resulting programs. The Energy Bureau **ORDERS** LUMA to submit a proposed Transition Period Plan on or before **June 6, 2022**. The proposed Transition Period Plan shall cover the period from **October 1, 2022, to June 30, 2024**. LUMA shall begin implementing the Transition Period Plan no later than October 1, 2022, unless otherwise ordered by the Energy Bureau. As allowed by Section 2.01(C)(1) of the EE Regulation, LUMA may begin quick-start program implementation prior to **October 1, 2022**.

The Energy Bureau will open an appropriate new proceeding to evaluate the Transition Period Plan when it is filed.

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<sup>5</sup> Motion Submitting LUMA's Responses to Data Requests of Attachment A to December 14<sup>th</sup> Resolution and Order and Requesting Clarifications and Request for Confidential Treatment, In re: Puerto Rico Test for Demand Response and Energy Efficiency, Case No. NEPR-MI-2021-0009, January 5, 2022.

The Energy Bureau sees no reason at this time to amend the schedule laid out in the EE Regulation for the first Three-Year EE Plan, which is due on **March 1, 2024**.

During the June 15, 2021, Technical Conference, and in its comments regarding the EE Regulation,<sup>6</sup> LUMA stated that the implementation of energy efficiency and demand response programs should be coordinated, and that integrated planning processes should be conducted for both types of distributed resources. The Energy Bureau agrees that the planning processes should be conducted in an integrated manner, and therefore the schedules for demand response should be aligned with those for energy efficiency.

Under Section 3.02(C)(1) of the DR Regulation, the Energy Bureau has the authority to establish the filing deadline for the Three-Year DR Plan. The Energy Bureau thereby **ORDERS** LUMA to file the first Three-Year DR Plan on or before **June 6, 2022**, and the second Three-Year DR Plan on or before **March 1, 2024**. The first Three-Year DR Plan shall cover a period of less than three years, namely **October 1, 2022, to June 30, 2024**.

#### IV. Technical Workshop

There are several simultaneous actions taking place related to the development of a robust pathway to implementing all cost-effective energy efficiency and demand response. These actions include:

- The development of the Puerto Rico Test for cost-effectiveness screening, as required by Section 4.02 of the DR Regulation and Section 5.02 of the EE Regulation, and the associated Avoided Cost Study (the subjects of Case No. NEPR-MI-2021-0009)
- The solicitation of a consultant to conduct market baseline and potential studies or energy efficiency, as required by Sections 3.02(A) and 3.02(B) of the EE Regulation
- LUMA's ongoing efforts to prepare for demand response, as discussed during the June 15, 2021, Technical Conference
- LUMA's actions to prepare a Transition Period Plan for energy efficiency and demand response, as required by the EE Regulation and Section II of this Resolution and Order

In the interest of maximizing coordination and optimizing effort across these different actions, the Energy Bureau invites all interested stakeholders in EE and DR to attend a Workshop, to be held on **February 28, 2022, at 10:00 a.m.** In recognition of the health dangers presented by COVID-19, the Workshop will be held in a virtual meeting room using Microsoft Teams. Interested parties should email [secretaria@jrsp.pr.gov](mailto:secretaria@jrsp.pr.gov) to obtain the link and instructions for participation. The Workshop will also be streamed on the Energy Bureau's YouTube channel.

The Energy Bureau will publish the agenda for the workshop in advance. LUMA should prepare to present, during the workshop, its current plans for the development and launch of quick-start EE and DR programs, as well as the other types of activities it is planning to undertake during the Transition Period to facilitate the ramp-up of EE and DR programs and development of the EE and DR workforce.

#### V. Transition Period Plan Template

Sections 2.02(C)(4) and 4.02(F) of the EE Regulation allow the Energy Bureau to develop and issue templates for planning documents related to the Transition Period Plan and Three-


<sup>6</sup> Motion Submitting Comments to Proposed Regulation for Energy Efficiency, In re: Regulation for Energy Efficiency, Case No. NEPR-MI-2021-0005, June 28, 2021. Available at: <https://energia.pr.gov/wp-content/uploads/sites/7/2021/06/Motion-Submitting-Comments-to-Proposed-Regulation-for-Energy-Efficiency-NEPR-MI-2021-0005-1.pdf>. Last visited January 20, 2022.



Year EE Plans. The Energy Bureau has developed such templates for use in the Transition Period Plan. These documents are included as **Appendix A** to this Resolution and Order. The Energy Bureau **ORDERS** LUMA to use the structure detailed in these template documents, and to provide all information laid out in these documents, when developing and filing its Transition Period Plan.

The Energy Bureau **WARNS** PREPA and LUMA that noncompliance with the Energy Bureau's orders or applicable legal requirements may carry the imposition on administrative fines of up to twenty-five thousand dollars (\$25,000.00) per day, per violation and/or other sanction that the Energy Bureau may deem appropriate.

Be it notified and published.

  
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Edison Avilés Deliz  
Chairman

  
\_\_\_\_\_  
Ángel R. Rivera de la Cruz  
Associate Commissioner

  
\_\_\_\_\_  
Lillian Mateo Santos  
Associate Commissioner

  
\_\_\_\_\_  
Ferdinand A. Ramos Soegaard  
Associate Commissioner

  
\_\_\_\_\_  
Sylvia B. Ugarte Araujo  
Associate Commissioner

**CERTIFICATION**

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on January 31, 2022. I also certify that February 1<sup>st</sup>, 2022 a copy of this Resolution and Order was notified by electronic mail to the following: margarita.mercado@us.dlapiper.com, kbolanos@diazvaz.law and jmarrero@diazvaz.law. I also certify that today, February 1<sup>st</sup>, 2022, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau.

I sign this in San Juan, Puerto Rico, today February 1<sup>st</sup>, 2022.

  
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Sonia Seda Gaztambide  
Clerk



## **Energy Efficiency Transition Period Plan Template for Puerto Rico**

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### **Contents**

- Transmittal Letter
  - Table of Contents
1. Overview of Transition Period Program Plan
  2. Energy Efficiency Transition Period Portfolio and Program Summary: Tables and Charts
  3. Program Descriptions
  4. Program Management and Implementation Strategies
  5. Reporting and Tracking Systems
  6. Quality Assurance and Evaluation, Measurement, and Verification
  7. Funding Sources and Cost Recovery Mechanism
  8. Plan Compliance Information and Other Key Issues



## Energy Efficiency Transition Period Program Plan

**A. Transmittal Letter** - with reference to statutory and regulatory requirements and PREPA contact that PREB should contact for more information.

**B. Table of Contents** - including lists of tables and figures.

### 1. Overview of Energy Efficiency Transition Period Program Plan (~5 pages)

*(The objective of this section is to provide a high-level overview of the Transition Period Plan for Energy Efficiency)*

- 1.1. Summary description of Transition Period Plan, Plan objectives, individual programs, and how Transition Period Plan fits with the utility's overall strategy to achieve energy efficiency goals and supports the development of programs in the first "full" three-year planning period to follow.
- 1.2. Summary description of process used to develop the Transition Period Plan and key assumptions used in preparing the Plan (e.g., consultations with stakeholders in the design and development of pilot and quick start programs).
- 1.3. Summary tables of savings goals and budget for individual Transition Period programs by market sector (see Tables 1 and 2).<sup>1</sup>
- 1.4. Summary of proposed funding source(s) and program implementation schedule.
- 1.5. Summary description of proposed performance targets for the portfolio.

### 2. Energy Efficiency Transition Period Portfolio/Program Summary: Tables and Charts

*(The objective of this section is to provide a quantitative overview of the entire Transition Period Plan. The audience will be those who want to see the "numbers", but not all the details.)*

- 2.1. Summary information on Residential, Commercial/Industrial, Low-Income, Small Business, Government/Public Sector programs: Annual and Lifetime electricity savings and peak demand savings (see Table 3).<sup>2</sup>
- 2.2. Summary information on Budgets for each program, including a definition of each budget category (see Table 4).

### 3. Program Descriptions (2 to 3 pages per program)

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<sup>1</sup> Tables (and Charts) referenced in the template outline are located in a separate master spreadsheet (TO BE DEVELOPED by LUMA based on the attached Word file).

<sup>2</sup> A *project* is an activity or course of action involving one or multiple energy efficiency measures, at a single facility or site. A *program* is a group of projects, with similar characteristics and installed in similar applications. The *portfolio* consists of all programs in the residential and, commercial/industrial/agriculture market sectors. Programs that target low-income customers should be summarized (and are a subset of the residential market sector). Small business and government/public customers are a subset of commercial/Industrial market sector programs and should be described separately. Governmental/Public sector includes Federal, State, Municipal, and Local Government customers.



*(The objective of this section is to provide detailed descriptions of each proposed program to be implemented during Transition Period)*

- 3.1. Discuss criteria and process used for selection of programs:
- 3.2. For each Transition Period program include formatted descriptions organized under the following headings:
  - Program Category (i.e., Program Title/Name, Type (e.g., pilot, quick start, other EE program)
  - Program Description (e.g., services to be provided, eligible measures, implementation, and incentive strategy, including rationale for level and type of incentive)
  - Program Theory and Objectives (e.g., how program will achieve objectives)
  - Target customer population
  - Barriers (e.g., anticipated implementation barriers and how they will be addressed, risks)
    - Including marketing strategy, how PREPA will identify target customers,
  - Estimated Program Costs (include table with program budget by year)
  - Program time frame (e.g., start date with key schedule milestones)
  - Benefits: Estimated energy and peak demand savings targets for each program and the basis for these savings estimates (e.g., estimated participation by customers, deemed savings, deemed calculation methods); include tables with planned participants, total gross annual lifetime energy, peak demand savings, and lifetime gross GHG savings.
  - Identification of Evaluation, Measurement, and Verification (EM&V) procedures that will be implemented to determine whether program achieved its stated objectives
  - Other information deemed appropriate

#### **4. Program Management and Implementation Strategies (~5 pages)**

*(The objective of this section is to provide detailed description of how PREPA plans to manage and implement programs)*

- 4.1. Overview of Management and Implementation Strategies:
  - 4.1.1. Describe PREPA's strategic approach in developing the Transition Period Plan, including development of program metrics, communications, budgeting and financial management, program implementation, procurement, and program tracking and reporting. Include organization chart for PREPA management team responsible for implementing the Transition Period Plan.
  - 4.1.2. Describe the types of services to be provided by Program Implementers (e.g., PREPA, LUMA, and any consultant or vendor employed by PREPA/LUMA to implement EE programs; describe proposed process to select contractors/vendors). Indicate which organizations will provide which services.<sup>3</sup>
  - 4.1.3. Describe how PREPA plans to address human resource and contractor resource constraints to ensure that adequate personnel and contractors are available to implement the Transition Period Program Plan successfully.
  - 4.1.4. Provide implementation schedules with milestones and describe "early warning systems" that will be utilized to indicate progress towards achieving performance targets and whether they are likely to be met.

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<sup>3</sup> Examples of services to be offered by Program Implementers may include marketing, customer recruiting, technical assistance, demonstration projects, audits and/or installation of new efficiency measures, verification of installations, and program evaluation.



- 4.1.5. Describe approach to overseeing the performance of Program Implementers (e.g., vendors, contractors) and how they can be managed to achieve results, within budget, and ensure customer satisfaction.

## 5. Reporting and Tracking Systems (~5 pages)

*(Objective of this section is to provide detailed description of reporting and the critical data management and tracking systems that PREPA will need in order to implement programs and which PREB and EM&V contractor may need to access.)*

### 5.1. Reporting:

- 5.1.1. List Quarterly and Annual Reports that would be provided to PREB, the schedule for their delivery, and the intended contents.
- 5.1.2. Describe data on Transition Period programs (e.g., installed measures and costs for projects) that would be available (including format and time frame of availability) for PREB review and audit.<sup>4</sup>

### 5.2. Project Management Tracking Systems:

- 5.2.1. Provide brief overview of the data tracking system for managing and reporting measure, project, and program activities, status and performance during the Transition Period.
- 5.2.2. Describe the software and data exchange format, and database structure PREPA will use for tracking participant and savings data. Provide examples of data fields captured.
- 5.2.3. Describe access and mechanism for access by PREB and EM&V contractor.

## 6. Quality Assurance and Evaluation, Measurement and Verification (~5 pages)

*(Objective of this section is to provide detailed description of how PREPA's quality assurance/quality control and verification process will be conducted and how this will integrate with EM&V contractor activities)*

### 6.1. Quality Assurance/Quality Control:

- 6.1.1. Describe PREPA's overall approach to quality assurance and quality control.
  - 6.1.2. Describe procedures for measure and project installation verification, quality assurance and control, and savings documentation.
  - 6.1.3. Describe process for collecting and addressing participating customer, contractor, and trade ally feedback (e.g., suggestions and complaints).
- 6.2. Describe any planned evaluations and how results will be used to improve programs. This includes the estimated budget for each planned evaluation as included in Table 4.
  - 6.3. Describe strategy for coordinating with the EM&V contractor.

## 7. Funding Sources and Cost Recovery (~2-3 pages with tables)

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<sup>4</sup> This should include information on measures, projects, programs, and portfolios.





*(Objective of this section is to provide detailed description of proposed funding sources and cost recovery mechanism)*

7.1. Describe PREPA's proposed funding sources and approach to cost recovery (see Table 5).

## **8. Plan Compliance Information and Other Key Issues (~ 5–8 pages)**

*(Objective of this section is to highlight specific areas or issues in Transition Period Plan that PREB can readily review. Examples include miscellaneous compliance items required in legislation and key policy issues that PREB wants PREPA to be aware of in their Transition Program Plan.)*

8.1. Key Compliance and/or EE Policy Issues.

- 8.1.1. Describe how the Transition Period Plan will contribute to achieving Puerto Rico's long-term energy efficiency savings goals.
- 8.1.2. Describe PREPA's approach to market transformation, building the capacity of the energy efficiency services industry (e.g. contractors, vendors, architects/engineers), and using energy efficiency to provide grid services and achieve demand flexibility and resilience.
- 8.1.3. Describe how the individual Transition Period Programs will leverage and utilize other financial resources, including funds from other public and private sector energy efficiency programs.
- 8.1.4. Describe how the Transition Period programs will address consumer education on energy efficiency, conservation and demand response measures/strategies and solar and solar photovoltaic systems.
- 8.1.5. Describe how the Transition Period efficiency programs will be coordinated with demand response programs.
- 8.1.6. Describe how the utility will provide the public with information about the results from the Transition Period programs.

## **Tables for PREPA Transition Period Plan**

### **Contents**

- The attached WORD file presents a draft of potential tables that should be included in the Transition Period Plan: (See Attached WORD file).
- PREPA may create a master excel spreadsheet that can be uploaded on the PREB website. PREPA are directed to develop and/or use the master spreadsheet when populating the following tables (OPTIONAL).
- **Table 1: Energy and Peak Demand Savings by Market Sector for Transition Period Programs**
- **Table 2: Program Budget by Market Sector for Transition Period Programs**
- **Table 3: Energy and Peak Demand Savings for Transition Period: Individual Programs**
- **Table 4: Program Budget for Transition Period: Individual Programs and Activities**



▪ **Table 5: Funding Sources and Cost Recovery**

**Chart 1: Gantt Chart of Program Schedule Summary**

- Chart will be formatted to fit on one 8½ - 11 page
- It will use color to differentiate schedule items
- The chart will include:
  - Start and completion dates for the launch and close of each Transition Period EE program
  - Dates at which PREPA will provide annual program reports to PREB



**Table 1: Energy and Peak Demand Savings by Market Sector for Transition Period Programs**

| Market Sector  | Program Year 2022                     | Program Year 2022                  | Program Year 2022        | Program Year 2023                | Program Year 2023                  | Program Year 2023        |
|--|---------------------------------------|------------------------------------|--------------------------|----------------------------------|------------------------------------|--------------------------|
|  | Annual Year Electricity Savings (MWh) | Lifetime Electricity Savings (MWh) | Peak Demand Savings (kW) | Annual Electricity Savings (MWh) | Lifetime Electricity Savings (MWh) | Peak Demand Savings (kW) |
| <b>Residential Sector</b>                                      |                                       |                                    |                          |                                  |                                    |                          |
| Low-Income (as subset of Residential)                          |                                       |                                    |                          |                                  |                                    |                          |
| <b>Commercial, Industrial and Agriculture (C&amp;I) Sector</b> |                                       |                                    |                          |                                  |                                    |                          |
| Small Business (as subset of C&I)                              |                                       |                                    |                          |                                  |                                    |                          |
| Government/Public (as subset of C&I)                           |                                       |                                    |                          |                                  |                                    |                          |
| <b>Portfolio of Programs: Total</b>                            |                                       |                                    |                          |                                  |                                    |                          |

Notes:

- 1) Report gross electricity and peak demand savings in year 1 and 2 of program and for lifetime savings.
- 2) Low-Income: Programs that target low-income customers are a subset of residential market sector and should be reported separately.
- 3) Small Business and Government/Public: Programs that target small business and government/public sector customers are a subset of the commercial/industrial/agriculture market sector and should be reported separately.



**Table 2: Program Budget by Market Sector for Transition Period Programs**

| Market Sector  | Program Year 2022                                       | Program Year 2022                           | Program Year 2022                          | Program Year 2023                                       | Program Year 2023              | Program Year 2023                          |
|--|---|---|--|---|--------------------------------|--|
|  | Program Implementation Budget (Million \$) <sup>1</sup> | Participant costs (Million \$) <sup>2</sup> | Utility Performance Incentive (Million \$) | Program Implementation Budget (Million \$) <sup>1</sup> | Participant costs (Million \$) | Utility Performance Incentive (Million \$) |
| <b>Residential Sector</b>                            |   |   |  |   |                                |  |
| • Low-Income   |   |   |  |   |                                |  |
| <b>Commercial/Industrial and Agricultural Sector</b> |   |   |  |   |                                |  |
| • Small Business                                     |   |   |  |   |                                |  |
| • Government/Public                                  |   |   |  |   |                                |  |
| <b>Portfolio of Programs: Total</b>                  |   |   |  |   |                                |  |

1. Program Implementation budget include administration, rebates to customers or contractors, marketing, and EM&V
2. Participant costs include customer share of total project costs; costs incurred by customers to implement measures in a project.
3. Low-Income: Programs that target low-income customers are a subset of residential market sector and should be reported separately
4. Small Business and Government/Public: Programs that target small business and government/public sector customers are a subset of the commercial/industrial/agriculture market sector and should be reported separately.



**Table 3: Energy and Peak Demand Savings for Transition Period: Individual Programs**

| <b>Individual Program</b> | <b>Program Year 2022</b>                           | <b>Program Year 2022</b>                  | <b>Program Year 2022</b>        | <b>Program Year 2023</b>                           | <b>Program Year 2023</b>                  | <b>Program Year 2023</b>        |
|---------------------------|--|---|---------------------------------|--|---|---------------------------------|
|                           | <b>First-Year Annual Electricity Savings (MWh)</b> | <b>Lifetime Electricity Savings (MWh)</b> | <b>Peak Demand Savings (kW)</b> | <b>First Year Annual Electricity Savings (MWh)</b> | <b>Lifetime Electricity Savings (MWh)</b> | <b>Peak Demand Savings (kW)</b> |
| <b>Program 1</b>          |  |   |                                 |  |   |                                 |
| <b>Program 2</b>          |  |   |                                 |  |   |                                 |
| <b>Program 3</b>          |  |   |                                 |  |   |                                 |
|                           |  |   |                                 |  |   |                                 |
|                           |  |   |                                 |  |   |                                 |
|                           |  |   |                                 |  |   |                                 |
|                           |  |   |                                 |  |   |                                 |

Notes:

Energy Savings – Report First Year Annual and Lifetime energy savings in year 1 and 2 of program (Gross Savings)

Peak Demand Savings – Gross savings in year 1 and 2 of program.



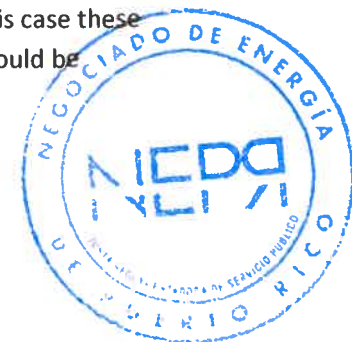
**Table 4: Program Budget for Transition Period: Individual Programs and Activities**

| Plan Year 2022              | Pgm Planning and Administration (PP&A) | Participant Incentives | Marketing | Sales, TA and Training | EVM&V | Utility Performance Incentive | Total Program Budget |
|-----------------------------|--|------------------------|-----------|------------------------|-------|-------------------------------|----------------------|
| Residential Sector          |  |                        |           |                        |       |                               |                      |
| Program 1                   | \$                                     | \$                     | \$        | \$                     | \$    | \$                            | \$                   |
| Program 2                   |  |                        |           |                        |       |                               |                      |
| C&I Sector                  |  |                        | \$        |                        |       |                               | \$                   |
| Program 3                   |  |                        |           |                        |       |                               |                      |
| Program 4                   |  |                        |           |                        |       |                               |                      |
| Total Portfolio of Programs |  |                        |           |                        |       |                               |                      |

Notes:

- 1) Program Planning and Administration includes internal labor (for FTEs working on EE programs), employee expenses, materials, and overhead, vendor-related expenses and legal
- 2) Participant Incentives includes rebates to customers, interest rate buy-downs, mid-stream/up-stream incentives, below-market financing
- 3) Marketing included funds spent by PREPA on marketing programs
- 4) Sales, Technical Assistance & Training includes funds spent on actions like contractor/vendor training, industry technical assistance
- 5) Evaluation, Measurement, and Verification (EM&V) includes costs of market assessment, impact and process evaluations
- 6) Performance Incentive – include proposed maximum performance incentive that could be earned by PREPA (LUMA)

It is possible that some programs may be non-resource acquisition programs (i.e., residential marketing, C&I marketing). In this case these programs would not have budgets for all these categories. However, cross-cutting budgets like labor, marketing, and EM&V could be allocated across all applicable programs, or across programs within a specific market sector.



**Table 5: Funding Sources and Cost Recovery**

| Market Sector                | A) Total Planned Program Budget | B) Funds from External Sources | C) Allocation of funds from existing rates and other programmatic revenues (e.g. loan repayment) | D) Incremental ratepayer funds required from EE rider |
|------------------------------|---------------------------------|--------------------------------|--|---|
| Residential                  | \$                              | \$                             | \$   | \$  |
| • Low-Income                 | \$                              | \$                             | \$   | \$  |
| Commercial & Industrial      | \$                              | \$                             | \$   | \$  |
| • Small Business             | \$                              | \$                             | \$   | \$  |
| • Government                 | \$                              | \$                             | \$   | \$  |
| Portfolio of Programs: Total | \$                              | \$                             | \$   | \$  |

**Notes**

- 1) Programs that target low-income customers are a subset of residential programs
- 2) Programs that target small business and government/public sector customers are a subset of the commercial/industrial/agriculture market sector and should be reported separately
- 3) Total Planned Program Budget:  $(A) = (B)+(C)+(D)$
- 4) Planned Budget for Programs – Total projected budget for programs in market sector, including funds provided by external funding sources and utility ratepayers.
- 5) Funds from External Sources could be funds provided by taxpayers (e.g., federal grants, loan funds)
- 6) Allocation of funds from existing utility rates and other programmatic revenues (e.g., loan repayments from a revolving loan fund)
- 7) Incremental ratepayer funds required from an EE rider that are collected from utility ratepayers

