

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

NEPR

Received:

Jun 25, 2024

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IN RE: REVIEW OF LUMA’S INITIAL
BUDGETS

CASE NO.: NEPR-MI-2021-0004

SUBJECT: Motion in Compliance with Bench Orders Entered During the June 21st Technical Conference, and Submitting Amended Responses to ROI-LUMA-MI-2021-0004-20240612-PREB-012 and ROI-LUMA-MI-2021-0004-20240612-PREB-033 and Amended Version of June 21st Technical Conference Presentation

**MOTION IN COMPLIANCE WITH BENCH ORDERS ENTERED DURING THE JUNE 21st
TECHNICAL CONFERENCE, AND SUBMITTING AMENDED RESPONSES TO ROI-LUMA-MI-
2021-0004-20240612-PREB-012 AND ROI-LUMA-MI-2021-0004-20240612-PREB-033 AND AMENDED
VERSION OF JUNE 21st TECHNICAL CONFERENCE PRESENTATION**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC (“ManagementCo”), and LUMA Energy ServCo, LLC (“ServCo”), (jointly referred to as “LUMA”), and respectfully state and submit the following:

I. Introduction

1. On May 24, 2024, LUMA submitted to the Puerto Rico Energy Bureau (“Energy Bureau”), the proposed budget for the Transmission and Distribution System (“T&D Budgets”), developed by LUMA. *See Request for Approval of T&D Budgets and Submission of GenCo Budgets for FY2025 and Budget Allocations for the Electric Power System*, filed by LUMA (“FY2025 Budget Submission”). The FY2025 Budget Submission also included the budget proposal for the legacy thermal generation units (the “GenCo Budget”), developed by Genera, and the budget allocation approved by the Puerto Rico Public-Private Partnerships Authority (“P3A”) for the hydroelectric generating units and the public irrigation facilities (“HydroCo Budget”), and

the allocation for the Puerto Rico Electric Power Authority (“PREPA”) and its subsidiaries (“HoldCo Budget”).

2. On June 12, 2024, this Energy Bureau issued a Resolution and Order with the subject *Establishment of FY 2025 Budgets, Requirement of Information (“ROI”), and Procedural Calendar* (“June 12th Order”), whereby it set a Procedural Calendar to consider the FY2025 Budget Submission.

3. In the June 12th Order, this Energy Bureau issued Requests for Information (“June 12th RFIs”) to LUMA and Genera and set a procedural calendar pursuant to which the parties were convened to a Technical Conference to be held on June 20, 2024 (“June 20th Technical Conference”). *See* June 12th Order, p. 3-4, and Attachment A. This Energy Bureau directed that responses to the June 12th RFIs were due on June 17, 2024. *See id.*, p. 4. In the June 12th Order, this Energy Bureau also granted the parties three (3) business days, until June 17, 2024, to submit the work papers that support the proposed T&D Budgets, and until June 18th to submit their presentations for the June 20th Technical Conference. *See id.*, p. 3.

4. On June 15, 2024, LUMA filed an *Informative Motion on LUMA’s Workpapers and Urgent Request for Extension*. Therein, LUMA informed that it had submitted all supporting workpapers with the FY2025 Budget Submission. Regarding the June 12th RFIs, LUMA requested until June 19, 2024, to submit its responses.

5. On June 18, 2024, LUMA and Genera filed a joint motion requesting that the Energy Bureau reschedule the June 20th Technical Conference and extend the time to file the presentations for the Technical Conference. *See Joint Request for Continuance of Technical Conference and to Extend Time to File Presentations for the Technical Conference*.

6. In a Resolution and Order dated June 18, 2024, this Energy Bureau re-scheduled the Technical Conference to discuss the FY2025 Budget Submission for June 21, 2024, granted LUMA and Genera until June 19th to file their responses to the June 12th RFIs, and determined that the parties shall file their presentations on June 21st (“June 18th Order”).

7. In compliance with the June 12th Order, as modified by the June 18th Order, LUMA filed its *Motion Submitting Responses to Requests for Information in Connection with FY2025 T&D Budgets and Request for Confidential Treatment*, dated June 19, 2024, whereby it submitted its responses to the RFIs issued to LUMA as a part of Attachment A to the June 12th Order (“June 19th Motion”). Shortly thereafter, on June 20, 2024, in compliance with the Energy Bureau’s Policy on Management of Confidential Information, CEPR-MI-2016-0009, issued on August 31, 2016, as amended on September 21, 2016 (“Energy Bureau’s Policy on Management of Confidential Information”), LUMA filed a *Memorandum of Law in Support of Confidential Treatment of Attachments Submitted as part of Responses to Requests of Information Filed on June 19, 2024*, in support of its request to file and maintain certain documents submitted with the June 19th Motion under seal of confidentiality.

8. Upon further review of its responses to ROI-LUMA-MI-2021-0004-20240612-PREB-012 and ROI-LUMA-MI-2021-0004-20240612-PREB-033, LUMA has identified the need to clarify certain matters.

9. Specifically, as to ROI-LUMA-MI-2021-0004-20240612-PREB-012– when filing the June 19th Motion– LUMA unintentionally omitted the ROI-LUMA-MI-2021-0004-20240612-PREB-012-Attachment1 that is referenced in the response to the Requirement of Information No. 12. In view of the foregoing, LUMA respectfully submits ROI-LUMA-MI-2021-0004-20240612-PREB-012-Attachment1 as *Exhibit I* to the present Motion.

10. Regarding ROI-LUMA-MI-2021-0004-20240612-PREB-033, LUMA respectfully submits an amended response to the Request for Information No. 33, subpart (a) (second bullet) for purposes of clarifying that the worksheet referenced therein was submitted to the P3A –and not to the PREB– during the FY2024 Budget Allocation Process. *See Exhibit 2.*

11. Furthermore, pursuant to the June 18th Order, on June 21, 2024, LUMA filed its *Motion Submitting Presentation for June 21st Technical Conference*. Upon additional review, LUMA has also identified the need to submit an amended version of its presentation for the June 21st Technical Conference, containing corrections to the FY2025 P3A Approved Budget Allocation for GenCo & HoldCo’s Budget Submission, based on their supporting workbooks. *See Exhibit 3, p. 7.*

12. Moreover, the Virtual Technical Conference was held on June 21, 2024 from 10:00 a.m. until past 6:30 p.m. Thirteen (13) members of LUMA’s workforce, in charge of different aspects of LUMA’s operations and organization, appeared and were sworn in to answer questions from this Energy Bureau and its consultants, from 10:00 a.m. up to approximately 1:30 p.m. Upon concluding its line of questioning regarding the T&D Budgets for FY2025, this Energy Bureau issued bench orders for LUMA to provide additional information on Vegetation Management and “Other Income” for FY2025.

13. In compliance with the bench orders issued during the Virtual Technical Conference held in this proceeding on June 21, 2024, LUMA hereby submits its responses to the questions posed by the Energy Bureau. *See Exhibit 4.*

WHEREFORE, LUMA respectfully requests this Energy Bureau **take notice** of the above, **accept** its amended responses to ROI-LUMA-MI-2021-0004-20240612-PREB-012 and ROI-LUMA-MI-2021-0004-20240612-PREB-033, as well as the amended version of its

presentation for the June 21st Technical Conference, **accept** the responses to the bench orders that are submitted as *Exhibit 4* herewith, and **deem** that LUMA complied with the bench orders with requests for information issued during the June 21, 2024 Virtual Technical Conference.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 25th day of June, 2024

I hereby certify that this motion was filed using the electronic filing system of this Energy Bureau. I also certify that a copy of this motion will be notified to the Puerto Rico Electric Power Authority, through its attorneys of record: Mirelis Valle-Cancel, mvalle@gmlex.net and Alexis G. Rivera Medina, arivera@gmlex.net and to Genera PR LLC through: Jorge Fernandez-Reboredo, jfr@sbgllaw.com, Alejandro López Rodríguez, alopez@sbgllaw.com, legal@genera-pr.com and regulatory@genera-pr.com.



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Exhibit 1
ROI-LUMA-MI-2021-0004-20240612-PREB-012-Attachment1
(To be submitted via email)

Exhibit 2
Amended Response to ROI-LUMA-MI-2021-0004-20240612-PREB-033

Review of LUMA's Proposed Consolidated FY2025 Budgets

NEPR-MI-2021-0004

Response: ROI-LUMA-MI-2021-0004-20240612-PREB-033

SUBJECT

Additional Available Funding

REQUEST

LUMA states in Exhibit 1 at p. 6 that the P3 Authority identified \$90 million in Other Income to supplement base rate revenues. Of this, \$54 million was allocated to LUMA to cover expenses incurred, with the remaining \$36 million distributed amongst all entities and \$700,000 directly allocated to GenCo.

- a. Identify the amounts of the specific components that generate the funds for Other Income.
- b. Explain how the allocation among the parties was determined, including the specific reasons for the allocations and components of the referenced expenses incurred.
- c. How has LUMA been more "effective and efficient" in collecting Other Income? Please quantify.
- d. Provide a comparison of the proposed FY 2025 Budget for other income by line item with the approved FY 2024 Budgets for other income, and the FY2023 actuals of other income.
 - a. This request is to be provided by line-item component.
 - b. Fully explain and support each variance

RESPONSE

- a. Please refer to spreadsheet *ROI-LUMA-MI-2021-0004-20240612-PREB-033_Attachment1*. The spreadsheet contains 4 worksheets (tabs):
 - FY2025 Other Income - based on FY2024 actuals from Jul 2023 through Mar 2024. The monthly averages of the actuals were then utilized to forecast Apr 2024 to Jun 2024.
 - FY2024 Other Income. This is the worksheet that was submitted to the P3A during the FY2024 Budget Allocation process. The amounts were based on actuals from Jul 2022 through Jan 2023. The monthly averages of the actuals were then utilized to forecast Feb 2023 to Jun 2023.
 - FY2023 – Other Income – these are full FY2023 actuals.
 - Variance Analysis—contains variance by line item between FY2024 and FY2023, as well as between FY2025 and FY2024.
- b. Within the same worksheets (tabs) referenced for response #1, please refer to Column T within each tab for the allocation rationale utilized for each line item. It details the decision for the allocations to each entity. Additionally, the budget allocation process involves a series of meetings to review these allocations each year with P3A, Genera, PREPA, and LUMA. This process ensures that all entities and parties participate, provide input, review, and approve the allocations as presented.

RESPONSE TO JUNE 12, 2024, REQUEST

- c. Since Commencement, LUMA has significantly enhanced its revenue/income collection processes, resulting in increased effectiveness across the organization at improving Other Income. By implementing billing systems improvements and streamlining processes, LUMA has improved tracking and collection of Other Income. These strategic improvements have strengthened the financial position of LUMA and benefited PREPA and Genera while also allowing LUMA to better serve its customers. It is important to note that Other Income allocated to LUMA reflects an increase in FY2025 as LUMA identified that certain costs, such as Bank Fees and Processing Fees, were not properly allocated to GridCo in the FY2024 Budget Allocation process and was accounted for accurately this fiscal year.

As noted in the referenced document (*ROI-LUMA-MI-2021-0004-20240612-PREB-033_Attachment1*), Other Income is comprised of nine (9) categories – with Interest Income, Late Payment Charges, and Miscellaneous Service Revenue making up 96% of the total dollars. While LUMA has made improvements across all categories, we'll focus our response on these three categories.

As it relates to Interest Income, the current high interest rate environment has resulted in higher cash earnings across all accounts. Interest income is the result of the current market environment, and after costs (i.e., bank fees paid by LUMA are recuperated), all entities are equally benefiting.

As it relates to Late Payment Charges, LUMA's Customer Experience department (and within it, the Revenue Protection team) has instituted various improvements that have more effectively targeted Late Payment collections across all customer classes. This includes service calls and email follow-ups to past-due customers after 30, 60, and 90 days. If late payments are not addressed, customers receive disconnection notices 30 days and 48 hours prior to disconnection. Furthermore, LUMA has instituted more payment options than previously available to customers and has fully automated the severance process in the Oracle CC&B system. Since Commencement, LUMA has focused on improving the collections process from end-to-end.

The Miscellaneous Services Revenue is composed of a variety of services including, but not limited to, fees for Tranches and Renewable projects, Disconnection fees, Third Party Attachment fees, Net Metering related fees, and other ancillary fees, such as miscellaneous charges, real estate rent, and administrative charges. Regarding Disconnection fees, it is important to note that PREPA did not collect these fees, as it did not disconnect customers. As of October 2023, LUMA began collecting such fees from commercial and industrial customers. By January 2024 it began collecting these fees from residential customers as well. This, in combination with improvements to the collections process, has ensured that these fees are consistently applied and collected throughout the year. Regarding Third Party Attachments, LUMA has implemented an automated billing process to bill and collect fees from the Telecommunication providers and other providers that utilize LUMA's poles. Regarding Tranches & Renewables, these fees have picked up significantly as renewable energy companies ramp up their renewable projects. As for Net Metering and other fees, LUMA has been able to implement a customer portal where clients can view their invoices, make payments, and track usage, simplifying how this income stream is managed.

Overall, LUMA has demonstrated that the process and system improvements it has implemented have significantly enhanced the collection of other income sources. By applying these improvements, LUMA has accelerated payment cycles and increased overall financial stability. These enhancements have benefited LUMA, PREPA, and Genera and LUMA will continue to seek more ways to continually improve the processes surrounding Other Income.

- d. Please refer to response #1. The worksheets in *ROI-LUMA-MI-2021-0004-20240612-PREB-033_Attachment1* include the details.

Exhibit 3
Amended June 21st Technical Conference Presentation



FY2025 Annual Budgets Technical Conference

NEPR-MI-2021-0004

June 21, 2024





Agenda

- Summary & Scope
- O&M Budget Review
- Capital Budget Review



Summary



Key Outcomes for the People of Puerto Rico

Prioritize Safety

- Investing significantly to prioritize safety, directly impacting the safety of employees and the people of Puerto Rico

Improve Customer Satisfaction

- Customers will continue to receive an improved customer experience and increased service reliability

System Rebuild and Resiliency

- To remain focused on rebuilding and transforming the T&D System to improve its resiliency, LUMA will be facilitating the deployment of significant federal funding

Operational Excellence

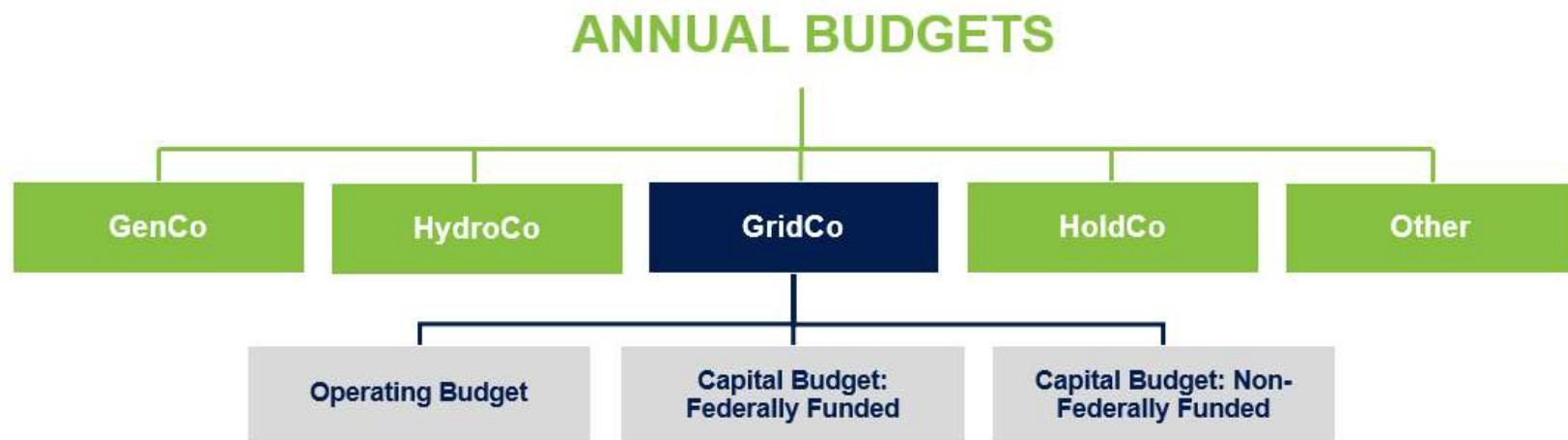
- Driving for operational excellence through systematic approaches to management, project delivery and business operations, as well as providing customers with an increased understanding of electric utility operations

Sustainable Energy Transformation

- Laying the groundwork, as well as incorporating solutions, for grid modernization, digital transformation, and renewable energy



Annual Budget Scope



LUMA Key Activities

Operating



- LUMA Departments
 - Customer Experience
 - Operations
 - Utility Transformation
 - Support Services

Capital



*Area of boxes not indicative of budget amount

- Portfolios
 - Customer Experience
 - Distribution
 - Transmission
 - Substation
 - Control Center and Buildings
 - Enabling
 - Support Services



Consolidated System Budget

Summary

OpEx

CapEx

\$, millions	FY2025 P3A Approved Budget Allocation	FY2025 Budgets as filed by LUMA, Genera & PREPA	Variance ¹
Transmission & Distribution			
GridCo Operating Expenditures	568,320	568,320	-
GridCo Non-Federally Funded Capital Expenditures	123,685	123,685	-
Transmission & Distribution Total²	692,005	692,005	-
T&D Federally Funded Capital Expenditures	1,207,157	1,207,157	-
Generation			
GenCo Operating and Capital Expenditures	301,274	319,244	(17,970)
HydroCo Operating and Capital Expenditures	14,527	26,175	(11,648)
Generation Total	315,801	345,419	(29,618)
HoldCo Operating and Capital Expenditures	33,038	62,634	(29,596)
Other			
LUMA Fee	134,736	134,736	-
Genera PR Fee	24,325	24,325	-
Bad Debts	59,529	59,529	-
Bankruptcy and Advisor Costs	56,418	56,418	-
Other Total	275,008	275,008	-
Total Non-Federally Funded T&D and Generation Expenditures	1,315,852	1,375,066	(59,214)

Note:

¹ Variance reflects the difference between P3A budget allocation and the budgets filed by the different entities.

² T&D Expenditures include a 2% reserve for excess expenditures, but T&D Operating Expenditures do not include Shared Services for GenCo, HydroCo, or HoldCo.



OpEx Budget



Annual Budget Basis & Assumptions

- Estimates based on a bottom-up exercise, using an activity-based budgeting approach
- Annual Budgets are consistent with methodologies used in recent fiscal plans
- FY2025 budget base assumptions include:
 - Salary & Wages: Current LUMA employee salaries were preloaded from our HR Systems; and then used to project labor requirements
 - LUMA has informed its estimates based on LUMA's operations and learnings, while using our subject matter expertise and market estimates built on existing contracts
- The Annual Budgets are completed and informed based on a particular point in time; as such, they cannot reasonably contemplate further information that may arise in the future, or if additional requirements are determined which are not already contemplated

FY2025 T&D Operating Budget

<i>\$, millions</i>	Budget FY2025
Labor	
Salaries, Wages and Benefits	268,755
Total Labor	268,755
Non-Labor	
Materials & Supplies	30,927
Transportation, Per Diem, and Mileage	15,800
Property & Casualty Insurance	22,671
Security	7,982
IT Service Agreements	29,509
Utilities & Rents	9,604
Legal Services	9,577
Communications Expenses	1,435
Professional & Technical Outsourced Services	100,131
Vegetation Management	50,000
Other Miscellaneous Expenses	10,786
Total Non-Labor / Other Operating Expense	288,422
Subtotal Labor and Non-Labor/Other Operating Expenses	557,177
2% Reserve Excess Expenditures	11,144
Total Operating Expense	\$568,321



Improvement Programs: Capital Budget



Total Capital Expenditures

(\$, millions)

Portfolios	Federal Funded	Non-Federal Funded	FY2025 Capital Budget
Customer Service	351,551	25,161	376,711
Distribution	273,922	35,437	309,358
Transmission	113,792	5,863	119,655
Substations	118,960	19,770	138,730
Control Center & Buildings	28,923	3,536	32,459
Enabling	278,590	22,658	301,248
Support Services	17,750	8,836	26,586
Subtotal	1,183,487	121,259	1,304,747
2% Reserve for Excess Expenditures	23,670	2,425	26,095
Total Capital Expenditures	1,207,157	123,685	1,330,842
Total Amount of CapEx to be Funded by Federal Cost Share ¹	120,716	-	120,716

Notes:

¹ Line item has been included as per the February 27, 2023, Order from the Energy Bureau. This amount reflects the total funding to be provided by the Commonwealth of Puerto Rico and does not reflect additional costs on top of LUMA's Federally Funded Capital Expenditures.



Thank You



Exhibit 4
Responses to Bench Orders Entered During the June 21st Technical Conference

Annual Budgets for Fiscal Year 2025

NEPR-MI-2021-0004

Response: TC-ROI-LUMA-MI-2021-0004-20240621-PREB-0001

SUBJECT

Vegetation Management

REQUEST

Provide the breakdown in detail of the Transmission, Distribution, and Substation for the 115 & 38 kV in terms of the percentage cleared.

RESPONSE

LUMA has indicated the importance of vegetation management initiatives, reflected in the program's increased budget over the last two years. Since commencement, LUMA has performed vegetation management across the distribution and transmission system, including performing vegetation clearing and herbicide treatment within substation fences. In terms of reclamation, 541 of 13,302 miles (4%) of distribution, 456 of 1,423 miles (32%) of 38kV, and 161 of 680 miles (24%) of 115kV have been cleared. In addition, 410 miles (100%) of the 230kV system has been reclaimed by the end of FY2024. All 341 substations have been cleared and we are currently on the 6th cycle treatment. LUMA has also performed corrective and reactive work on an equivalent of 3,000-line miles; however, this work cannot be seen as reclamation as this type of work did not cover a complete circuit or rights-of-way but was spot work focusing on imminent or emergency situations. Since commencement the following percentages have been cleared (reclaimed):

Category	Type	Percent Cleared
Transmission	115kV	24%
	38kV	32%
Distribution Voltages	-	4%
Substation	-	100%

Annual Budgets for Fiscal Year 2025

NEPR-MI-2021-0004

Response: TC-ROI-LUMA-MI-2021-0004-20240621-PREB-0002

SUBJECT

Vegetation Management

REQUEST

Activities that encompass the Federally Funded Island-Wide VM initiative, that was approved by PREB in May 2023. Present a table with the following information:

- How many PWs have been put in front of FEMA?
- When were they put in front of FEMA?
- When is the expected completion date and current status associated with those PWs?
- Provide those PWs to PREB.

RESPONSE

As part of the vegetation program, LUMA has submitted 31 projects to FEMA and COR3 and has received an obligation for one of the projects targeting the Region of San Juan. LUMA continues to work with COR3 and FEMA for the obligation of the remaining projects. Upon obligation of funds, LUMA will receive Project Worksheets (PWs) from FEMA and will continue to file them with PREB under docket NEPR-MI-2021-0002. Please note that given project completion start and end dates are contingent on FEMA providing obligation, dates cannot be estimated by LUMA. Below is a table with the dates for each individual project and their status.

FAASt #	PW#	Project Name	Initial DSOW Submission	Obligated
723883	11696 ¹	FAASt [Region 1 -San Juan Group A] (Vegetation)	7/18/2023	Yes
727694	TBD	FAASt [Region 4 -Caguas Group C] (Vegetation)	7/31/2023	No
727692	TBD	FAASt [Region 4 -Caguas Group A] (Vegetation)	7/31/2023	No
727691	TBD	FAASt [Region 1 -San Juan Group C] (Vegetation)	7/31/2023	No
727659	TBD	FAASt [Region 2 Arecibo Transmission - 115kV] (Vegetation)	7/31/2023	No
727657	TBD	FAASt [Region 5 Mayaguez Transmission - 115kV] (Vegetation)	7/31/2023	No
727608	TBD	FAASt [Region 1 San Juan Transmission - 115kV] (Vegetation)	7/31/2023	No
727606	TBD	FAASt [Region 4 Caguas Transmission - 115kV] (Vegetation)	7/31/2023	No
727572	TBD	FAASt [Region 3 -Bayamon Group A] (Vegetation)	7/31/2023	No
727562	TBD	FAASt [Region 5 -Mayaguez Group C] (Vegetation)	7/31/2023	No

¹ PW was submitted to PREB on June 14, 2024, under docket number NEPR-MI-2021-0002

RESPONSES TO JUNE 21, 2024 TECHNICAL CONFERENCE REQUESTS

FAASt #	PW#	Project Name	Initial DSOW Submission	Obligated
727558	TBD	FAASt [Region 3 -Bayamon Group C] (Vegetation)	7/31/2023	No
727540	TBD	FAASt [Region 2 -Arecibo Group C] (Vegetation)	7/31/2023	No
727531	TBD	FAASt [Region 6 -Ponce Group A] (Vegetation)	7/31/2023	No
727530	TBD	FAASt [Region 6 -Ponce Group C] (Vegetation)	7/31/2023	No
727529	TBD	FAASt [Region 6 Ponce Transmission - 115kV] (Vegetation)	7/31/2023	No
727522	TBD	FAASt [Region 3 Bayamon Transmission - 115kV] (Vegetation)	7/31/2023	No
728832	TBD	FAASt [Region 5 -Mayaguez Group A] (Vegetation)	7/31/2023	No
728827	TBD	FAASt [Region 2 -Arecibo Group A] (Vegetation)	7/31/2023	No
740406	TBD	FAASt [Region 1-San Juan Group B] (Vegetation)	12/11/2023	No
740408	TBD	FAASt [Region 3-Bayamon Group B] (Vegetation)	12/11/2023	No
740409	TBD	FAASt [Region 4-Caguas Group B] (Vegetation)	12/11/2023	No
740410	TBD	FAASt [Region 2-Arecibo Group B] (Vegetation)	12/11/2023	No
740411	TBD	FAASt [Region 5-Mayaguez Group B] (Vegetation)	12/11/2023	No
740414	TBD	FAASt [Region 6-Ponce Group B] (Vegetation)	12/19/2023	No
741097	TBD	FAASt [Region 1 San Juan Subs/Telecom] (Vegetation)	12/19/2023	No
741098	TBD	FAASt [Region 3 Bayamon Subs/Telecom] (Vegetation)	12/19/2023	No
741100	TBD	FAASt [Region 4 Caguas Subs/Telecom] (Vegetation)	12/19/2023	No
741101	TBD	FAASt [Region 2 Arecibo Subs/Telecom] (Vegetation)	12/19/2023	No
741102	TBD	FAASt [Region 5 Mayaguez Subs/Telecom] (Vegetation)	12/19/2023	No
741104	TBD	FAASt [Region 6 Ponce Subs/Telecom] (Vegetation)	12/18/2023	No
741105	TBD	FAASt [All Regions TL - 230kV] (Vegetation)	12/18/2023	No

Annual Budgets for Fiscal Year 2025

NEPR-MI-2021-0004

Response: TC-ROI-LUMA-MI-2021-0004-20240621-PREB-0003

SUBJECT

Vegetation Management

REQUEST

Were there any VM expenditures that could be attributed to Hurricane Fiona and if so, when did LUMA request reimbursements from the Fiona grant? What is the status of those reimbursements?

RESPONSE

Yes, there were vegetation expenditures attributed to Hurricane Fiona. LUMA began formulating projects for vegetation associated with Fiona in March of 2023. These projects are not yet obligated, and LUMA continues to work with COR3 and FEMA to proceed with reimbursement.

Annual Budgets for Fiscal Year 2025

NEPR-MI-2021-0004

Response: TC-ROI-LUMA-MI-2021-0004-20240621-PREB-0004

SUBJECT

Other Income

REQUEST

Regarding the \$90 million of Other Income – provide the TPA revenues that are included within that FY2025 Other Income Forecast.

RESPONSE

The \$90 million of Other Income includes estimated Third Party Attachment revenues totaling \$943,467. This amount has been allocated under the Miscellaneous Service Revenue category for FY2025.

Annual Budgets for Fiscal Year 2025

NEPR-MI-2021-0004

Response: TC-ROI-LUMA-MI-2021-0004-20240621-PREB-0005

SUBJECT

Other Income - Supplemental Studies

REQUEST

Regarding the \$90 million of Other Income - provide the Supplemental Studies revenues that are included within the FY2025 Other Income forecast.

RESPONSE

The \$90 million of Other Income includes estimated Net Metering-Supplemental Studies revenues totaling \$590,000. This amount has been allocated under the Miscellaneous Service Revenue category for FY2025. These revenues pertain to studies that will be conducted under the net metering program specifically to cover the respective costs.