

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

NEPR

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IN RE:
ENERGY EFFICIENCY AND DEMAND
RESPONSE TRANSITION PERIOD
PLAN

CASE NO.: NEPR-MI-2022-0001

SUBJECT: Motion to File FY24 Q2
TPP Quarterly Report

MOTION TO SUBMIT FY24 Q1 TPP QUARTERLY REPORT

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 request the following:

I. Relevant Procedural History and Background

1. On February 16, 2023, this Energy Bureau issued a Resolution and Order (the “February 16th Resolution and Order”) in which it considered, amended and approved the proposed Energy Efficiency (“EE”) and Demand Response (“DR”) Transition Period Plan submitted by LUMA on June 21, 2022¹ (“Proposed TPP”; as approved, the “TPP”), containing the EE and DR Programs to be implemented by LUMA during a transition period and associated budgets for Fiscal Years (“FY”) 2023 and 2024, among others.

2. In the February 16th Resolution and Order, the Energy Bureau established requirements and deadlines related to various TPP activities, as well as reporting requirements. See February 16th Resolution and Order on pages 18, 20 and 21 and Tables 1 and 2. The Energy

¹ See *Motion Submitting Proposed EE/DR Transition Period Plan* and its *Exhibit 1* filed on June 21, 2022 in Case No. NEPR-MI-2021-0006, *In Re: Demand Response Plan Review, Implementation, and Monitoring*.

Bureau noted that the Proposed TPP provided for quarterly reports to be filed within sixty (60) days from the end of the quarter (*see id.* at page 18) and ordered LUMA to adopt the updated reporting schedule in Table 1 of the February 16th Resolution and Order (“Table 1”) (*see id.* at page 18). Table 1 included deadlines for submitting quarterly reports (“TPP Quarterly Reports”) for Fiscal Years 2023 (“FY2023”) and 2024 (“FY24”) which essentially remained at sixty (60) days from the end of each quarter², specifically establishing the deadlines for quarterly reporting for FY24 of November 23, 2023, March 29, 2024³, May 29, 2024 and August 29, 2024 for the first quarter (“Q1”), second quarter (“Q2”), third quarter and fourth quarter (“Q4”), respectively. *See id.* The Energy Bureau also ordered LUMA to review and provide input on the Energy Bureau’s data reporting templates for the TPP Quarterly Reports and TPP Annual Reports and “until such time as the reporting templates are available, report on all metrics identified in Section 6 of the Proposed TPP”. *See id.* at page 19.

3. This Energy Bureau issued Resolutions and Orders on April 3, 2023, June 15, 2023, and August 11, 2023, which modified certain deadlines or milestones for TPP activities established in the February 16th Resolution and Order. However, the TPP quarterly reporting deadlines and requirements discussed above remained unchanged.

4. On August 29, 2023, LUMA submitted the 2023 Fiscal Year Q4 TPP Quarterly Report, in compliance with the February 16th Resolution and Order. *See Motion to Submit FY 2023 Q4 TPP Report* of that date.

² This timeline meets the reporting requirements of the Regulation on Energy Efficiency, Regulation 9637, which provides that quarterly reports on the implementation of the Transition Period Plan must be filed within sixty (60) day of the end of the quarter. *See* Regulation 9637, Section 2.02(E)(1)(a). The deadline for filing the second quarterly report for the 2024 Fiscal Year included in Table 1 indicates that this report is due on a date that extends beyond the mentioned sixty (60)-day period, which LUMA understands is a typographical error.

³ Given the sixty (60)-day quarterly report filing timeline proposed in the Proposed TPP and established in Regulation 9637, this date appears to be a typographical error and should be February 29, 2024.

5. On October 30, 2023, LUMA filed a motion requesting this Energy Bureau to extend for an additional fiscal year the TPP and to extend by one-year certain deadlines in the TPP, with the same cadence of quarterly and annual reporting as in the TPP and associated one-year delays in other milestones. *See Request to Extend by One Additional Year the Deadline to File the Three-Year Plan, Concomitant Deadlines and Extend the Term of the Transition Period Plan for An Additional Fiscal Year* (“October 30th Motion”) of that date, pages 15-16 and Exhibit 1.

6. On November 29, 2023, the Energy Bureau issued a Resolution and Order (“November 29th Order”) in which the Energy Bureau granted LUMA’s request to extend the TPP by one year, to June 30, 2025. *See* November 29th Order on page 7. In addition, the Energy Bureau ordered LUMA to file by December 8, 2023 a revised TPP and submit certain specified information.

7. On November 29, 2023, LUMA submitted the FY24 Q1 Quarterly TPP Report, in compliance with the February 16th Resolution and Order. *See Motion to Submit FY 2024 Q1 TPP Report* of that date.

8. On December 20, 2023, LUMA submitted to the Energy Bureau the revised version of the TPP (“Revised TPP”) and the information requested under the November 29th Resolution and Order⁴. *See Motion to Submit Revised TPP and Other Information Requested Under the Resolution and Order of November 29, 2023* filed on December 20, 2023. The Revised TPP maintains the same requirements pertaining to the TPP Quarterly Reports, while extending these to FY2025. *See id.* Exhibit 1, Section 6.0.

9. As of this date, this Energy Bureau has not issued reporting templates.

⁴ The deadline to submit the revised TPP and other information required under the November 29th Resolution and Order was extended by the Energy Bureau by Resolution and Order of December 12, 2023 in attention to a request for extension filed by LUMA on December 7, 2023 (*see Request for Extension to Comply with the Order for LUMA to Provide Information Under the Resolution and Order of November 29, 2023* filed by LUMA on December 7, 2023).

II. Submittal of FY24 Q2 TPP Quarterly Report

10. In compliance with the February 16th Resolution and Order, LUMA herein submits its FY24 Q2 TPP Quarterly Report reporting on the progress of the TPP as set forth in Section 6 of the TPP. *See Exhibit 1.*

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and **accept** the FY24 Q2 TPP Quarterly Report in compliance with the requirements set forth in the February 16th Resolution and Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 29th day of February 2024.

We hereby certify that we filed this Motion using the electronic filing system of this Energy Bureau and that we will send an electronic copy of this Motion to the attorney for PREPA at lionel.santa@prepa.pr.gov; the Independent Office for Consumer Protection at hrivera@jrsp.pr.gov; and agraitfe@agraitlawpr.com, info@sesapr.org, bfrench@veic.org, shanson@veic.org, evand@sunrun.com, jordgraham@tesla.com, forest@cleanenergy.org, customerservice@sunnova.com, javrua@sesapr.org, pjcleanenergy@gmail.com, and mrios@arroyorioslaw.com.



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Exhibit 1

FY 24 TPP Q2 Quarterly Report

Energy Efficiency and Demand Response Transition Period Plan: FY2024 Q2 Report

October through December 2023

Content

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Introduction



Introduction

LUMA is pleased to submit its most recent Energy Efficiency and Demand Response Transition Period Plan Quarterly Report in accordance with the *Regulation for Energy Efficiency*, as adopted pursuant to the provisions of Act 57-2014 as amended, known as the *Puerto Rico Energy Transformation and RELIEF Act* ("Act 57-2014") and Act 38-2017, as amended, known as the *Uniform Administrative Procedure Act of the Government of Puerto Rico*.

LUMA is committed to working with the Puerto Rico Energy Bureau (Energy Bureau) to build a more reliable, and resilient energy system for the people of Puerto Rico. As the grid operator, LUMA is responsible for helping to implement Puerto Rico's public energy policy, including key customer initiatives such as Energy Efficiency (EE) and Demand Response (DR) Programs, which are required by law and mandated by the Energy Bureau.

The information included in this report represents the period between October 1, 2023, through December 30, 2023. LUMA has prepared this report in accordance with the guidelines suggested in the Transition Period Plan submitted on June 21, 2022, and approved by the Energy Bureau on February 16, 2023. On December 20, 2023, LUMA submitted the Revised Transition Period Plan (Revised TPP) in compliance with the Energy Bureau's orders. The Revised TPP maintains the same requirements pertaining to the Quarterly Reports while extending these to FY25.



Progress



Progress – LUMA’s Key Activities and Achievements

- **October 2023**

- Aligned on initial incentivization approach \$/kWh for the Customer Battery Energy Sharing (“CBES”) program.
- Signed two work orders with the Energy Efficiency Implementation Contractor to start the development and launch of a **Quick-Start Rebate Program** and for the delivery of **10,000 free-of-cost Energy Efficiency Kits** for customers.

- **November 2023**

- Launched the CBES program with **5** third-party aggregators.
- Engaged with COR3 in pursuit of Department of Energy (DOE) supplemental funding for the CBES program.
- Completed a successful **test dispatch**, allowing the pilot program to officially begin leveraging distributed batteries as an energy resource during grid emergencies.

Progress – Customer Battery Energy Sharing



HISTORIC FIRST: LUMA LAUNCHES NEXT-GENERATION BATTERY ENERGY SHARING INITIATIVE TO IMPROVE SERVICE RELIABILITY ACROSS PUERTO RICO

LUMA's new reliability initiative will allow solar customers to share battery systems to increase stability and improve daily reliability across Puerto Rico

San Juan, Puerto Rico, November 2, 2023 – Today, LUMA announced the historic launch of its Customer Battery Energy Sharing (CBES) initiative, a battery emergency demand response program that will allow participating solar customers to share their battery energy reserves during peak demand periods to improve system reliability and reduce the need for fossil fuel generation.



LUMA sacará energía de las baterías de 6,500 clientes de medición neta para evitar relevos de carga

Conoce cómo funciona el programa que le paga a los prosumidores por inyectar carga a la red cuando hay momentos de alta demanda



El BEDR, según Michael Juarbe, gerente senior de relaciones gubernamentales de Sunnova, "da la oportunidad de que los clientes de Sunnova provean a la red eléctrica parte de la energía que tienen almacenada en la batería y, a su vez, sean compensados." (Archivo)

Durante este mes de octubre, LUMA Energy (<https://www.elnuevodia.com/topicos/luma-energy>) comenzará a suplementar la generación de electricidad disponible con la energía almacenada en las baterías de hasta 6,500 clientes de medición neta, que pondrán sus recursos voluntariamente a disposición del consorcio durante periodos de alta demanda.

Progress – LUMA's Key Activities and Achievements

- **December 2023**

- As of December, a total of **1,952 customers** had **enrolled** to participate in the CBES pilot program.
- A total of **12.5 MW in battery capacity** was available for Emergency Demand Response Events.

LUMA's recent accomplishments beyond this reporting period include:

- **January 2024**

- A total of **627 new customers** enrolled to participate in the CBES pilot program, contributing to a cumulative total of **2,579 enrolled customers** in the program.
- LUMA launched the **Home Efficiency Rebate Program** for Solar Water Heaters.

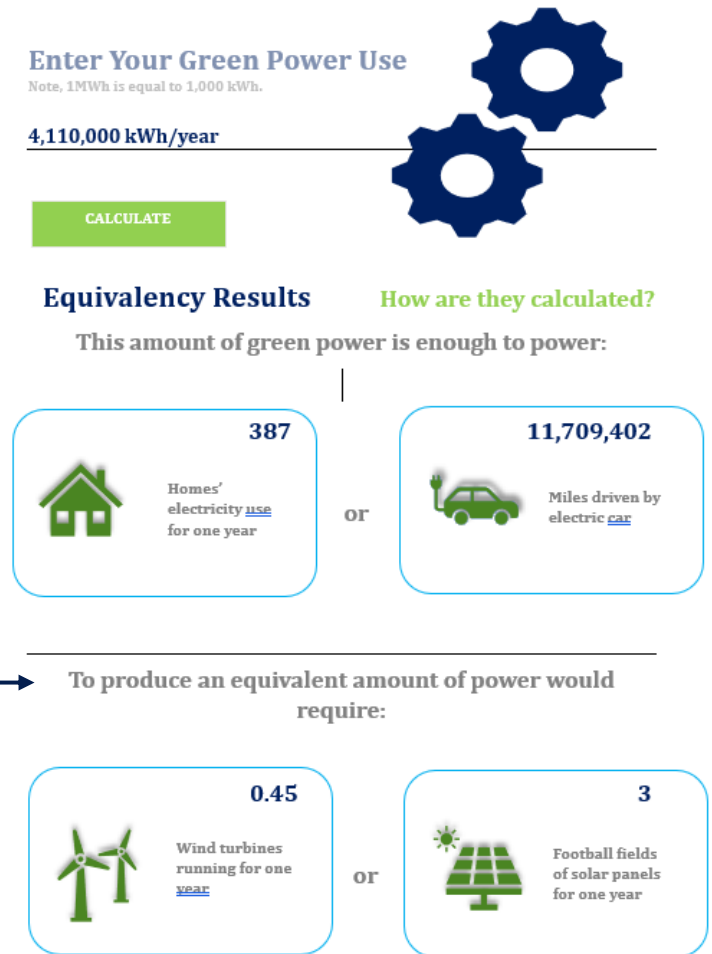
Progress – LUMA’s Key Activities and Achievements

• February 2024

- A total of **217 additional customers enrolled** to participate in the CBES pilot program, for a cumulative total of **2,796 enrolled customers** in the program.
- Total of **17.7 MW in battery capacity** was available for Emergency Demand Response Events.
- LUMA launched the EE Kit Program. A total of **10,000 customers** ordered the kits through the ordering website¹ within **24 hours**. Total kits distributed will result in a total amount of energy savings of **4,110 MWh**; or conservatively = **> *387 Homes Electricity Use per Year**.

1. <https://eekit.lumapr.com/default/welcome/>

2. Equivalency Calculator uses an average home electricity value of 10,632 kWh/US home/year, which is higher than the average Puerto Rican home/year – so it is likely this data is understated.



Additions to LUMA's web page: LUMA Energy Efficiency Kit

LUMA's Energy Efficiency Kits included the following measures:

- One (1) Advanced Power Strip (Tier-1)
- Six (6) 60w equivalent A19 LEDs
- One (1) High-Efficiency Showerhead
- Two (2) High-Efficiency Bathroom Aerators
- One (1) High-Efficiency Kitchen Aerator
- One (1) Dusk-to-Dawn LED Night Light
- One (1) 15-foot Pipe Insulation Wrap

<https://eekit.lumapr.com/default/welcome/>



Status



Status – LUMA's Activities and Achievements

Reporting Period

TPP Program		Initiatives	Description	Status
Q2	Program Management and Implementation Strategies Sec. 5.0	Implementation Contractor Onboarding	Implementation Contractor kickoff meeting completed	Completed October 2023
	Education and Outreach Program Sec. 4.2	Stakeholder Outreach	Active participation in SETPR meetings	Completed
	Funding Sources and Cost Recovery Sec. 8.0	Grant Funds Identification	Conversations with the State Office of Public Energy Policy, Fortaleza, DOE and others	In progress
	Street Light Conversion Program Sec. 4.5	Street Lighting Conversion Program	Repair or replace the streetlight infrastructure and upgrade to LED's	In progress
	Customer Battery Energy Sharing (CBES) Program Launch Sec. 4.4	Pilot Program	Use customer batteries to mitigate generation shortfalls	Complete

Status – LUMA’s Activities and Achievements Beyond the Reporting Period

TPP Program		Initiatives	Description	Status
Q3	Residential Rebate Program Sec. 4.3	Pilot Program	Provide customers a financial incentive for purchasing and installing eligible measures. First measure: Solar Water Heater	Launched January 2024
	Energy Efficiency Kits Program Sec. 4.6	Pilot Program	Provide a free mail-order “kit” containing typical energy efficiency measures and educational material.	Launched February 2024
	Business Energy Efficiency Rebates Sec. 4.7	Pilot Program	Provide customers a financial incentive for purchasing and installing additional eligible measures.	Planned launch March 2024

Performance and Enrollment



Performance – Energy and Peak Demand Savings

FY24 Q2		
Program	Electricity Savings (MWh)	Peak Demand Savings (MW)
Residential Rebates	-	-
In-Store Discount	-	-
EE Kits	-	-
Business Rebates	-	-
Customer Battery Energy Sharing	-	2.9
Education and Outreach	n/a	n/a
Total Portfolio		2.9

- The CBES Program for the residential sector was deployed three times during the reporting period.
- Given preparation and alignment in Q2 for corresponding Q3 program launches, significant Energy Efficiency & Demand savings are expected during the Q3 reporting period.



Performance and Enrollment - Demand Response Customer Battery Energy Sharing Program (CBES)

Customer Battery Energy Sharing Program FY24 Q2	
Enrolled Customers (#)	1,952
Enrolled Power per Event (MW)	12.5
Enrolled Energy per Event (MWh)*	23.2
Events Dispatched (#)	3
Average Customer Response (%)	69
Dispatched Battery Power per Event (MW)**	2.9
Dispatched Battery Energy per Event (MWh)***	5.7

* Considers battery reserve

** Based on three test events (11/7 = 2.07; 11/21 = 0.05; and 12/7 = 6.49 MW)

*** Based on three test events (11/7 = 4.15; 11/21 = 0.09; and 12/7 = 12.98 MWh)



Performance – Customer Education and Public Outreach

LUMA is actively communicating with customers and communities about energy efficiency tips and resources through different outreach channels, such as social media posts.

The following modifications to the existing webpage were completed after the reporting period:

- New additions to LUMA's website include the following sections:
 - Home Efficiency Rebate Program:
<https://lumapr.com/rebate-hogar-eficiente/>
 - LUMA Energy Kit:
<https://eekit.lumapr.com/default/welcome/>

Education and Outreach	Quantity
Events	Approximately 13 Events
Website traffic	Approximately 7,727 website views



Performance – Customer Education and Public Outreach

October & November 2023

LUMA participated in industry events such as the SESA Summit to inform and educate the community about the CBES and Energy Efficiency.

- The LUMA Energy educational brochure has been distributed at the following industry conventions and meetings:
 - ASORE (Association of Restaurants of Puerto Rico)
 - IRP Stakeholders Meetings
 - SESA Summit (Solar and Energy Storage Association)
- LUMA personnel had about thirteen public media appearances including LUMA press release, TV appearances, radio interviews, local newspaper interviews, online media coverage, etc.) to inform and educate about the launch of the Customer Battery Energy Sharing Program.

More customer incentive programs are being prepared for launch and will be accompanied by proactive media and outreach campaigns to continue to educate customers about energy savings opportunities and programs.




Performance – Customer Education and Public Outreach



Now on LUMA’s web page: Home Efficiency Rebate Program

LUMAPR.COM



SYSTEM INFORMATION ▾RESIDENTIAL ▾COMMERCIAL ▾SUPPLIERS ▾INDUSTRIALOUR OFFICES ▾ABOUT LUMA ▾

Home Efficiency Rebate Program

LUMA is committed to helping our customers make smart decisions about their home energy use. Through our Home Efficiency Rebate Program, customers can make their homes more energy efficient while reducing their monthly electric bills.

See the table below for equipment that is currently eligible for LUMA rebates. Additional eligible products will be added to this list to expand energy savings opportunities for residential customers.

Eligible Equipment	Equipment Rebate	Measure Information
Solar Water Heater	\$550	Your water heater accounts for about 30% of your home's energy use. New solar water heaters are eligible for the Home Efficiency Rebate Program.

<https://lumapr.com/rebate-hogar-eficiente/>



Performance – Support to Key Strategic Groups

- LUMA has continued its regular engagement with local government agencies such as the Department of Economic Development and Commerce (DEDC) and its Energy Policy Program (EPP) to collaborate on the creation and delivery of educational materials and joint outreach efforts.
- LUMA and DEDC have engaged in strategic discussions related to the launch of similar programs and how they may impact different communities and demographics. Opportunities to cross-promote are also under discussion.

DEPARTAMENTO DE DESARROLLO
ECONÓMICO Y COMERCIO
DDEC



NEPR-MI-2022-0001
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Performance- LUMA's Community Streetlight Initiative (CSIS) Energy Savings

- LUMA is installing 300,000 streetlights across Puerto Rico over the next 3 years to help improve safety for its customers and increase energy efficiency in its communities. **Over 90,000 streetlights** have been installed and **replacements increased 43%+ as compared to last quarter.**
- Every streetlight LUMA installs as part of the federally funded CSIS uses next-generation LED lights that use approximately **65% less energy** and can last four times longer than conventional streetlight bulbs.
- The Community Streetlight Initiative is an important energy efficiency effort that has short and long-term benefits for Puerto Rico.

Results for FY24 Q2

Period	Estimated Energy Savings (MWh)
FY24 Q2	392

Estimated Programs Costs



Estimated Energy Efficiency Programs Costs

For this reporting period, LUMA incurred in costs related to final design and development of the pilot programs including launch. Reported costs also include necessary modifications to the existing DR LUMA webpages to launch the pilot program and post events meetings.

Cross-cutting, Planning, Administration & Startup costs are related to the design and development of the EE Solar Water Heater Rebate program and EE Kits. Costs also include the necessary website modifications to the existing EE LUMA webpages to launch the new measures.

Program	Estimated Costs
Residential Program	
Residential Rebates	-
C&I Program	
Business Rebates	-
Emergency DR	*\$282,394
Economic DR	-
Education & Outreach	\$20,000
Cross-Cutting Planning, Administration & Startup costs	\$119,109

*Total amount includes accrued payments for a total of \$21,517 during this reporting period to aggregators

Energy Efficiency Rebates Processing

- The Home Efficiency Rebate Program was successfully launched in Q3. Participating customers have begun submitting rebate applications.
- The next quarterly report will include the number of rebate applications received and processed and other program implementation details.
- Ongoing work to coordinate with market partners to maximize penetration and distribution of measure incentives.



AET Offers Solar Water Heating Solutions Aligned with Luma Energy's \$550 Rebate Program



Alternate Energy Technologies
738 followers

+ Follow

February 21, 2024

Open Immersive Reader



Like



Comment



Share

16 • 2 comments



Next Steps



Next Steps

Program	Activity	Description
EE	Consumer Education	LUMA is working on the second launch of additional EE Kits for customers. LUMA will also continue to provide educational information through energy saving tips on energy bill, bill inserts and social media.
EE	Street Lighting Conversion Program	Work in Progress
EE	Identification of funds	Conversations with the DOE for a grant to fund additional participants into the CBES program are in progress.
EE	Business Pilot Programs	To be launched in FY24 Q3
EE	Demonstration Projects	LUMA in collaboration with the DDEC has started conversations to identify potential energy efficiency demonstration projects for disadvantaged communities.

Next Steps

Program	Activity	Description
EE/DR	Design and implementation of new pilot programs	LUMA is already working to add five additional residential rebate measures.
EE/DR	Interaction and support with key groups	Biweekly meetings with the DEDC will continue.
DR	Customer Battery Energy Sharing Program	Additional aggregator and participants enrollment will continue.

Conclusions & Recommendations



Conclusions and Recommendations

- Activities reported in FY24 Q2 were related to the final design and development of the pilot programs. The pilot programs were launched in FY24 Q3. Further and more in-depth results about measures and performance will be reported in the forthcoming quarterly report.
- LUMA looks forward to reporting on the launch of the Energy Kit and Home Efficiency Rebate Program as well as additional program launches & activities in the forthcoming quarterly report.
- In alignment with the purpose of the Transition Period, LUMA continues to adjust and modify its strategy to reflect the learnings acquired during this period. This will enable the development of a more comprehensive and effective 3-year EE-DR plan.