

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

**NEPR**  
**Received:**  
**Feb 18, 2025**  
**6:52 PM**

**IN RE:**

ENERGY EFFICIENCY AND DEMAND  
RESPONSE TRANSITION PERIOD PLAN

**CASE NO.:** NEPR-MI-2022-0001

**SUBJECT:** Submittal of February 2025 Report on  
the Development of the Pilot Backup Generators  
Demand Response Program

**MOTION TO SUBMIT FEBRUARY 2025 REPORT ON THE DEVELOPMENT OF THE  
PILOT BACKUP GENERATORS DEMAND RESPONSE PROGRAM**

**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. Introduction**

As the Transmission and Distribution system operator, LUMA is responsible for facilitating the implementation of 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 Puerto Rico Energy Bureau (“Energy Bureau”). Accordingly, LUMA has been implementing a Transition Period Plan (“TPP”) containing various quick-start or pilot EE and DR programs, which will be setting the stage for the design and implementation of larger scale, more permanent programs.

In compliance with a Resolution and Order issued on October 23, 2024, LUMA has been working on the development of a pilot Backup Generator DR Program which the Energy Bureau directed be in place before the summer of 2025. On January 15, 2025, the first required monthly report on these efforts was submitted before the Energy Bureau. LUMA is now submitting, as *Exhibit 1* to this Motion, the report for February 2025 on the development of this pilot program.

## **II. Relevant Background and Procedural History**

1. On June 21, 2022, LUMA filed with the Energy Bureau, in Case No. NEPR-MI-2021-0006, *In Re: Demand Response Plan Review, Implementation and Monitoring*, LUMA's proposed EE and DR Transition Period Plan ("Proposed TPP") containing the description and associated budgets of various quick-start EE and DR Programs to be implemented by LUMA during a two (2)-year Transition Period, which included, among the proposed DR programs, an Emergency DR Program and a Battery DR Program. *See Motion Submitting Proposed EE/DR Transition Period Plan* in Case No. NEPR-MI-2021-0006, *In Re: Demand Response Plan Review, Implementation and Monitoring* and its *Exhibit 1*.

2. On February 16, 2023, the Energy Bureau issued a Resolution and Order ("February 16<sup>th</sup> Order") considering, amending, and approving the Proposed TPP (the Proposed TPP, as approved by the Energy Bureau, the "TPP). Regarding the TPP's DR Programs, the Energy Bureau indicated that "LUMA's top priority shall be to work with third-party battery aggregators to develop and launch an emergency battery DR Program [now known as the Customer Battery Energy Sharing ("CBES" Program] in FY2023, as part of or paired with its proposed emergency DR program that utilizes backup generators and other load flexibility". *See* February 16<sup>th</sup> Order, p. 15. However, specific milestones were only established for the Battery DR Program. *See id.*, pp. 21-23, 29.

3. On August 29, 2023, LUMA submitted the quarterly report on the TPP for the fourth quarter (“Q4”) of Fiscal Year 2022-2023 in which it informed regarding the various TPP programs, including the CBES and the Backup Generator DR Program. Regarding the latter, informed that it had reached out to industrial customers regarding the proposed program but that based on feedback from participants, there were challenges to broad enrollment, which included the hours of operation available under existing air permits, noise pollution, and costs to modify permits. *See Motion to Submit FY2023 Q4 TPP Report*, Exhibit 1, p. 20.

4. On October 30, 2023, LUMA submitted the first report on the TPP for Fiscal Year 2023 in which it provided an update on the various TPP programs, including providing similar information as included in the Q4 report regarding the Backup Generator DR Program. *See id.* Exhibit 1, p. 21.

5. On November 29, 2023, the Energy Bureau issued a Resolution and Order (“November 29<sup>th</sup> Order”) determining to extend the TPP by one year, until June 30, 2025, and ordered LUMA to submit a revised TPP.<sup>1</sup>

6. On December 20, 2023, LUMA submitted to the Energy Bureau a revised version of the TPP which extended its term until June 2025. *See Motion to Submit Revised TPP and Other Information Requested Under the Resolution and Order of November 29, 2023, filed on December 20, 2023*, and its Exhibit 1.

7. On October 23, 2024, the Energy Bureau issued a Resolution and Order (“October 23<sup>rd</sup> Order”) in which, among other determinations, it determined to extend the TPP by an

---

<sup>1</sup> This determination was in attention to a request from LUMA of October 30, 2023 to extend the TPP for an additional fiscal year. *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.*

additional six months, until December 31, 2025<sup>2</sup>, and ordered LUMA to submit a revised TPP, as well as to develop and implement a program for the use of backup generators as a DR resource in emergency situations before the summer of 2025 and file monthly reports on the 15<sup>th</sup> of each month, beginning on January 15, 2025, detailing its efforts to design and implement the program. *See id.*, pp. 4-5.

8. On January 15, 2025, LUMA submitted its first monthly report on the development of the Backup Generators DR Program. *See Motion to Submit January 2025 Report on the Development of the Backup Generators Emergency Demand Response Program*. In this report LUMA informed that in 2023 and 2024 it had conducted outreach with industrial customers on this proposed pilot program; LUMA had received no indication of interest from these customers; and a key concern raised by the industrial customers was air permit limitations on the number of hours of operation for emergency backup purposes. Nonetheless, LUMA indicated that it planned to build upon these initial efforts, update the program design, and conduct new outreach to revisit program participation. *See id.* Exhibit 1. LUMA advised, however, that it did not expect formal enrollment in the program without a waiver of the mentioned air permitting restrictions. *See id.*

### **III. Submittal of Report on Development of Backup Generators DR Program**

9. In compliance with the October 23<sup>rd</sup> Order, LUMA submits with this Motion its report for February 2025 on the development of the Backup Generator DR Program. *See Exhibit 1* (the “Report”).

---

<sup>2</sup> This determination was in attention to a request from LUMA filed on September 16, 2024 to the effect that the TPP be extended given delays in completion of studies needed to prepare the Three-Year Plan. *See Informative Motion, Request for Clarification Regarding Delayed Timeline for Completion of Market Baseline and Potential Studies, And Request for Extension to Submit Draft Three-Year Plan and Associated Tasks and Deadlines*.

10. The attached Report provides information on the progress in reevaluating the program design and new outreach with stakeholders. LUMA notes that air permitting limitations continue to be a concern of stakeholders.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and **accept** the report included in *Exhibit 1* in compliance with the October 23<sup>rd</sup> Order with respect to the submittal of monthly reports on the development of the Backup Generator DR Program.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 18<sup>th</sup> day of January 2025.

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 the Independent Office for Consumer Protection at [hrivera@jrsp.pr.gov](mailto:hrivera@jrsp.pr.gov); PREPA at [arivera@gmlex.net](mailto:arivera@gmlex.net); and [mvalle@gmlex.net](mailto:mvalle@gmlex.net); and [agraitfe@agraitlawpr.com](mailto:agraitfe@agraitlawpr.com), [info@sesapr.org](mailto:info@sesapr.org), [bfrench@veic.org](mailto:bfrench@veic.org), [evand@sunrun.com](mailto:evand@sunrun.com), [jordgraham@tesla.com](mailto:jordgraham@tesla.com), [forest@cleanenergy.org](mailto:forest@cleanenergy.org), [customerservice@sunnova.com](mailto:customerservice@sunnova.com), [javrua@sesapr.org](mailto:javrua@sesapr.org), [pjcleanenergy@gmail.com](mailto:pjcleanenergy@gmail.com), and [mrios@arroyorioslaw.com](mailto:mrios@arroyorioslaw.com).



**DLA Piper (Puerto Rico) LLC**  
500 Calle de la Tanca, Suite 401  
San Juan, PR 00901-1969  
Tel. 787-945-9147  
Fax 939-697-6147

/s/ Laura T. Rozas  
Laura T. Rozas  
RUA No. 10,398  
[laura.rozas@us.dlapiper.com](mailto:laura.rozas@us.dlapiper.com)

*Exhibit 1*

*February 2025 Report on Backup Generator Demand Response Program*



**Demand Response:  
Backup Generator Demand Response Pilot  
Monthly Report  
NEPR-MI-2022-0001  
February 18, 2025**

# Backup Generator Demand Response Pilot Monthly Report

B On target
 Y Caution
 O Off plan
 G Complete

## Key Activity Summary

- Progress on internal alignment of pilot program design reevaluation. Additional internal discussions will be held to confirm technical and operational requirements of participating backup generators.
- Worked with LUMA's different business units to develop updated outreach email and survey to be sent in February.
- One-on-one meeting was held with a large industrial customer who expressed concerns about EPA and DRNA air permitting. Customer stated that one of the biggest value propositions for participating would be lead-time notice of potential grid events which would allow the facility more time to prepare.
- Meeting confirmed for February with industrial association of energy-intensive facilities to discuss main concerns and issues around running backup generators for grid emergency events.

## Key Milestones

Key Milestones	Date	Status
Continued alignment with internal departments for the re-launch of the Backup Generator Demand Response pilot	Ongoing	B
Refine and revise Backup Generator Demand Response pilot program terms and materials as necessary	Ongoing	B
Work with stakeholder to discuss limitations of EPA regulations for Backup Generators (BUGS)	3/1/2025	Y
Conduct outreach to target industrial customers to recruit and gather additional input	Ongoing	B
Program ready for events	6/1/2025	Y

## Risk / Issues:

- The risks and issues remain unchanged from the January 15, 2025, Monthly Report.





People First.  
Safety Always.

