

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

IN RE:

LUMA'S ACCELERATED STORAGE
ADDITION PROGRAM

CASE NO. NEPR-MI-2024-0002**SUBJECT:** Compliance with Resolution and Order of June 16, 2025, and Request for Confidential Treatment

**MOTION IN COMPLIANCE WITH RESOLUTION AND ORDER OF JUNE 16, 2025
AND REQUEST FOR CONFIDENTIAL TREATMENT**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC ("ManagementCo"), and **LUMA Energy Servco, LLC** ("ServCo") (jointly referred to as "LUMA"), through the undersigned counsel, and respectfully states and requests the following:

I. Introduction

The Accelerated Storage Addition Program ("ASAP") is a program developed by LUMA and approved by the Puerto Rico Energy Bureau ("Energy Bureau") proposing the accelerated integration of Battery Energy Storage Systems ("BESS") to the Puerto Rico electrical system to be dispatched to provide time shift services, voltage and frequency support and other ancillary services resulting in improved system reliability, reduction of load shedding events and lower costs to customers. This program involves providing a standard offer ("SO") for adding BESS capacity at qualified independent power producer ("IPPs") facilities using two types of SO Agreements: the SO1 Agreement, offered to existing IPPs already operating and injecting energy into the grid, and the SO2 Agreement, offered to other IPPs with power purchase and operating agreements with the

Puerto Rico Electric Power Authority (“PREPA”) that are not yet operating and are in various stages of development.

As of this date, LUMA has: (i) finalized the form of SO1 Agreements with four existing IPP participants and these have been approved by the Energy Bureau; (ii) distributed the SO1 Agreement template to the remaining potential SO1 participants, (iii) offered the SO2 Agreement template approved by the Energy Bureau to all 31 potential SO2 participants; and (iv) obtained approval from the Energy Bureau of LUMA’s ASAP Implementation Program Plan and proposed cost recovery mechanism.

In compliance with an Energy Bureau Resolution and Order of June 16, 2025, LUMA is herein providing an update to the Energy Bureau relating to the interconnection studies of the SO2 projects, ASAP interconnection process cost information, and a status report of the SO1 projects, among others. LUMA also informs that it will be submitting a quarterly report on the implementation of ASAP within thirty (30) days from the end of the quarter as directed by the Energy Bureau in a Resolution and Order of March 5, 2025.

II. Relevant Background and Procedural History

1. On November 1, 2024, the Energy Bureau issued a Resolution and Order approving four (4) draft SO1 Agreements proposed by LUMA¹ for ASAP.

2. On November 12, 2024, LUMA informed that it had submitted three SO1 Agreements to PREPA for approval and requested additional time to finalize the fourth SO1 Agreement (“Fourth SO1 Agreement”). *See Motion to Submit Information on Three Finalized Standard Offer Agreements in Compliance with Resolution and Order of November 1, 2024, and*

¹ LUMA had submitted the SO1 Agreements by *Motion in Compliance with Resolution and Order of October 11, 2024 and Request for Confidential Treatment* filed on October 18, 2024.

Request for Extension to Submit Finalized Fourth Agreement, Clarification on Next Steps, and Confidential Treatment.

3. On December 3, 2024, LUMA informed that it had distributed the SO1 Agreement to the remaining nine SO1 participants on November 19, 2024. *See Motion to Respond to Order to Show Cause of November 22, 2024, Request for Extension to Submit Standard Offer Agreement for Fourth Participant, and Request for Confidential Treatment*, pp. 6 and 18.

4. On December 19, 2024, LUMA submitted to the Energy Bureau a draft of the proposed SO2 Agreement for ASAP. *See Motion to Submit Proposed Standard Offer Phase 2 Agreement in Compliance with Resolution and Order of December 4, 2024, And Request for Confidential Treatment.*

5. On December 23, 2024, LUMA submitted to the Energy Bureau the finalized version of the Fourth SO1 Agreement. *See Motion to Submit Proposed Final SO1 Agreement with Fourth Participant in Compliance with Resolution and Order of December 4, 2024, and Request for Confidentiality.*

6. On January 14, 2025, the Energy Bureau issued a Resolution and Order (“January 14th Order”) authorizing the terms of the SO2 Agreement and ordering LUMA to distribute the SO2 Agreements to potential participants and provide, on or before January 31, 2025, an estimate of specific interconnection costs and supporting documentation. *See January 14th Order*, p. 3.

7. On January 14, 2025, the Energy Bureau issued another Resolution and Order in which it approved the Fourth SO1 Agreement.

8. On January 31, 2025, LUMA informed that, on January 15, 2025, LUMA had distributed the SO2 Agreement to potential participants. *See Informative Motion and to Submit Estimate of Costs for ASAP in Compliance with Resolution and Order of January 14, 2025, and*

Request for Confidential Treatment (“January 31st Motion”), pp. 2 and 11. In addition, LUMA submitted a preliminary ASAP Implementation Program Plan and cost recovery mechanism. *See id.*, pp. 11-12 and Exhibit 1.

9. On February 7, 2025, LUMA filed the master template of the SO2 Agreement (“SO2 Master Template Agreement”) and informed that a definite number on the interconnection costs for SO2 projects could not be provided until each of the specific sites was visited and the feasibility study was completed. *See Motion to Submit ASAP SO2 Master Template Agreement in Compliance with Resolution and Order of January 14, 2025, and Update on ASAP Program Implementation and Request for Confidential Treatment.*

10. On February 11, 2025, the Energy Bureau issued a Resolution and Order (“February 11th Order”) in which it conditionally approved the SO2 Master Template Agreement noting that the final approval of the SO2 projects “is subject to the completion of the interconnection feasibility studies and the evaluation of costs associated with interconnection works”. *See* February 11th Order, p. 2. In addition, the Energy Bureau ordered LUMA to “provide all cost information (incurred and projected) as soon as it becomes available”, explaining that once “it receives this information, it will assess whether the agreed prices align with the public interest and are reasonable” and “will then issue further determinations, including any necessary steps involving [PREPA] and the [FOMB] approval process”. *See id.*

11. On February 28, 2025, LUMA filed the final version of the ASAP Implementation Program Plan, a companion cost recovery procedure, and an ASAP status update. *See Motion to Submit Program Implementation Plan and Associated Documents, Request for Approval of ASAP Cost Recovery Mechanism, and Request for Confidential Treatment* (“February 28th Motion”), pp. 2, 3, 11-13 and Exhibits 1, 2 and 3. LUMA also provided an estimated budget for ASAP and

proposed that the costs incurred up and until February 28, 2025 be submitted for recovery through the Power Purchase Cost Adjustment (“PPCA”) process in Case No. NEPR-MI-2020-0001, *In re: Puerto Rico Electric Power Authority Permanent Rate* (“Permanent Rate Docket”) in the factors filing due on March 17, 2025 and that the forecasted ASAP costs be submitted for recovery through the quarterly PPCA factors filing in that docket, subject to later reconciliation based on actual expenditures. *See id.*, pp. 3, 14-15 and Exhibit 3, Table 3.

12. On March 5, 2025, the Energy Bureau issued a Resolution and Order (“March 5th Order”) in which it approved the ASAP Implementation Program Plan and companion document; authorized LUMA to use the PPCA rider as a cost recovery mechanism for ASAP until December 2025, commencing with the March 17, 2025 PPCA filing; and directed LUMA to justify all ASAP expenses in PPCA filings. *See id.*, pp. 2-3. In addition, the Energy Bureau ordered LUMA to submit: (i) any changes in the ASAP Implementation Program Plan for the Energy Bureau’s review and approval, (ii) any changes to the estimated expenditures to implement ASAP and (iii) a quarterly report discussing in detail the progress of ASAP implementation. *See id.*

13. In accordance with the March 5th Order, on March 17, 2025, LUMA submitted in the Permanent Rate Docket the ASAP implementation costs up to February 28, 2025 and the projected expenses for the period from April to June 2025 for recovery in the PPCA quarterly filing, with an explanation of the actual costs incurred and the justification of the forecasted costs. *See Motion Submitting FCA and PPCA Reconciliations for December 2024 through February 2025, Submission of FCA, PPCA and FOS Calculated Factors, and Request for Confidential Treatment* (“March 17th Permanent Rate Motion”) in case NEPR-MI-2020-0001, pp. 2, 12-13 and Exhibit 1.

14. On March 28, 2025, the Energy Bureau issued a Resolution and Order in the Permanent Rate Docket in which, among others, it approved the previously incurred ASAP implementation costs for expenditures before February 28, 2025 and projected expenses from April to June 2025, both of which were submitted by LUMA in the March 17th Permanent Rate Motion. *See Resolución y Orden, Asunto: Determinación sobre los Factores de las Cláusulas de Ajuste Trimestral para el periodo del 1 de abril de 2025 al 30 de junio de 2025*, Caso Núm. NEPR-MI-2020-0001, In re: Tarifa Permanente de la Autoridad de Energía Eléctrica de Puerto Rico, pp. 3 and 8.

15. On June 16, 2025, LUMA submitted in the Permanent Rate Docket the projected ASAP expenses for the period from July to September 2025 for recovery in the PPCA quarterly filing and justification for these costs. *See Motion Submitting FCA and PPCA Reconciliations for March through May 2025 and Updated Annual Reconciliation and Submission of FCA, PPCA and FOS Annual Calculated Factors and Request for Confidential Treatment* (“June 16th Permanent Rate Motion”) in case NEPR-MI-2020-0001, pp. 12-13 and Exhibit 1. LUMA also informed on the expenditures incurred from March 1, 2025 to April 30, 2025 for the ongoing development of the ASAP program and provided a description of these activities. *See id.*

16. On June 16, 2025, the Energy Bureau issued a Resolution and Order (“June 16th Order”) in the instant proceeding in which it ordered LUMA to provide, within five (5) days from the notification of the June 16th Order, “all **interconnection studies** conducted to date; a detailed report on the current status of any pending interconnection studies; a clear timeline for the completion of outstanding studies; and all available cost **information**, including detailed estimates, incurred costs, supporting documentation, associated with the interconnection process and a detailed status report of all the Phase 1 projects”. *See* June 16th Order, p. 2 (emphasis in the

original). The Energy Bureau highlighted that in the February 11th Order it had conditionally approved the SO2 Master Template Agreement warning that “the final approval of the Phase 2 Projects was subject to completing the interconnection feasibility studies and evaluation of costs associated with interconnection works” and had ordered LUMA to “submit all cost information (incurred and projected) as soon as it became available to assess whether agreed upon prices align with the public interest and are reasonable”. *See* June 16th Order, p. 2. The Energy Bureau further noted that, as of the June 16th Order, LUMA had “not provided the relevant information nor any update regarding status or progress”. *See id.*, p. 3.

III. Submittal of Information

17. LUMA submits herein the information required by the June 16th Order. *See Exhibits 1, 2 and 3*. Specifically, *Exhibit 1* herein includes a detailed report on the current status of the interconnection studies and an estimated timeline to complete these studies, program costs invoiced to date, as well as a detailed status report on all SO1 projects. As described in the procedural history, on March 17, 2025 and June 16, 2025, LUMA submitted to the Energy Bureau in the Permanent Rate Docket, via the March 17th Permanent Rate Motion and the June 16th Permanent Rate Motion, filings providing the costs incurred and forecasted for ASAP implementation for purposes of recovery and reconciliation through the PPCA, along with detailed descriptions of incurred and forecasted costs. Attached, as *Exhibit 2* and *Exhibit 3*, is copy of these motions and the relevant Exhibits thereto referring to ASAP. These filings contain the relevant available information for costs incurred up to April 28, 2025, and costs forecasted for the quarter from July to September 2025 and supporting explanation. The costs incurred for the period from

May to June 2025 will be submitted in the next filing, as is commonly done, for reconciliation purposes.

18. LUMA also informs that, in compliance with the March 5th Order, LUMA will be submitting a quarterly report discussing in detail the progress of ASAP implementation and associated costs. LUMA proposes to submit this report within thirty (30) days from the end of the quarter.

IV. Request for Confidentiality

19. LUMA respectfully requests the honorable Energy Bureau to maintain *Exhibits 1, 2 and 3* herein confidential as containing validated trade secret information under applicable laws and regulations, including 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 ("Policy on Confidential Information"). LUMA will be submitting, within the next ten (10) days, a Memorandum of Law in support of this request for confidential treatment, in compliance with the Policy on Confidential Information.

WHEREFORE, LUMA respectfully requests that this Energy Bureau **take notice** of the aforementioned; and accept this motion and *Exhibits 1, 2 and 3* herein in compliance with the June 16th Order; and grant LUMA's request for confidential treatment of *Exhibits 1, 2 and 3* herein, noting that LUMA will be submitting a Memorandum of Law in support of such request within the next ten (10) days.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 23rd day of June 2025.

We hereby certify that this motion was filed using the electronic filing system of this Energy Bureau and we will send a courtesy copy of this motion to hriviera@jrsp.pr.gov; arivera@gmlex.com; oramos@pmalaw.com; and agraitfe@agraitlawpr.com.



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Exhibit 1

ASAP Interconnection Studies and Costs Update

[Submitted under Seal of Confidentiality]

Exhibit 2

PPCA Quarterly Filing of March 18, 2025

[Submitted under Seal of Confidentiality]

Exhibit 3

PPCA Quarterly Filing of June 16, 2025

[Submitted under Seal of Confidentiality]