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

IN RE: PLAN PRIORITARIO PARA LA ESTABILIZACIÓN DE LA RED ELÉCTRICA	**CASE NO. NEPR-MI-2024-0005** **SUBJECT: Motion to Submit June 2025 Monthly Collaborative Report in Compliance with Resolution and Order of March 28, 2025**

MOTION TO SUBMIT JUNE 2025 MONTHLY COLLABORATIVE REPORT IN COMPLIANCE WITH RESOLUTION AND ORDER OF MARCH 28, 2025

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 state and request the following:

1. On March 28, 2025, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("March 28th Resolution") in which it ordered that, starting on April 27, 2025, LUMA, Genera and PREPA provide a monthly status report of the activities established in the Electrical System Priority Stabilization Plan approved by the Energy Bureau therein. *See* March 28th Resolution, p. 11. The Energy Bureau further directed that LUMA file these status reports as one (1) collaborative report, which should include, but not be limited to, a detailed discussion of each activity's progress and any potential implementation issues and proactive solutions to the same. *Id*.

2. In compliance with the March 28th Order, LUMA hereby submits, as *Exhibit 1*, the Monthly Collaborative Report on the Progress of the Electric System Priority Stabilization Plan for June 2025 ("The Monthly Report"). The Monthly Report outlines the key activities and

progress achieved by LUMA, PREPA, and Genera for the Electric System Priority Stabilization Plan.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned; **accept** *Exhibit 1* as the monthly status report required by the March 28th Order; and **deem** LUMA, Genera and PREPA in compliance with the March 28th Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 27th day of June 2025.

We hereby certify that we filed this Motion using the electronic filing system of this Energy Bureau and that electronic copies of this Motion will be notified via email to PREPA, through its counsel of record Mirelis Valle Cancel, mvalle@gmlex.net and Alexis Rivera, arivera@gmlex.net, and to Genera PR LLC, through its counsel of record Luis R. Roman-Negron, lrn@roman-negron.com; legal@genera-pr.com; regulatory@genera-pr.com.

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Exhibit 1

LUMA, Genera and PREPA's Monthly Report on the Progress of the Electric System Priority Stabilization Plan for June 2025

Monthly Report on the Progress of the Electric System Priority Stabilization Plan

NEPR-MI-2024-0005

June 27, 2025

Contents

1.0 Introduction

In accordance with the Resolution and Order dated March 28, 2025 ("March 28th Resolution"), issued by the Puerto Rico Energy Bureau (PREB) in Case No.: NEPR-MI-2024-0005 In Re: Electric System Priority Stabilization Plan, LUMA, the Puerto Rico Electric Power Authority (PREPA) and Genera PR, LLC (Genera) are required to provide a monthly status report regarding the stabilization activities set forth in the Electric System Priority Stabilization Plan approved therein. LUMA is tasked with filing these reports as a collaborative report. In compliance with the March 28 Resolution, this report outlines the key activities and progress achieved by LUMA, PREPA, and Genera for the Electric System Priority Stabilization Plan.

2.0 LUMA's Stabilization Activities

In compliance with the March 28th Resolution, this section outlines the key activities and progress achieved by LUMA for the Electric System Priority Stabilization Plan.

Targeted Vegetation Management Program

- 115 kV planned preventative work
  - L37700 Palo Seco a Bayamón TC - 61% completed
  - L37600 Palo Seco a Bayamón TC - 62% completed
  - L38700 Palo Seco a SJPP - 95% completed
  - L38600 Palo Seco a SJPP - 76% completed
  - L36100 Bayamón TC Monacillos - 75% completed
- 230 kV planned preventative work
  - L50700 AES a Yabucoa - 33% completed
- 38 kV planned preventative work
  - L1500 Once de Agosto Sect-Monte del Estado - 50% completed
  - L2000 Once de Agosto Sect-Monte del Estado - 50% completed
- Distribution Planned Work (hotspot circuits)
  - 9201-02 Arecibo - 100% completed
  - 9004-10 Arecibo - 100% completed
  - 7802-03 Mayagüez - 100% completed
  - 1607-03 San Juan - 100% completed

Complete Transmission Line Hardening & Maintenance

As part of the ongoing initiative to strengthen system reliability, several corrective and preventive maintenance activities were completed during the month of May. Five structures were addressed for insulation and hardware replacements on lines 13500, 7100, 500, and 37400. Additionally, two hot spots were repaired on lines 5600 and 7100, along with one switch. As part of the inspection process, four patrols were completed, successfully covering all 51 scheduled line segments. Vegetation management work was also performed on lines 7800 and 9400. Furthermore, two open jumpers were repaired on lines 1000 and 7100, and a broken conductor was repaired on line 500.

Work Completed on the Identified 51 Segments		
Work Completed	**May 2025**	**Year To Date**
Structures Impacted on I&H Replacement	5	226
Transmission Structures Replaced	0	7
Switches Repaired	1	27
Switches Replaced	0	3
Inspections Performed	4	64*
Hot Spots Corrected (P10s and P20s) Stats	2	35

** 13 lines have been re-patrolled for various reasons.*

"ASAP" Utility-Scale Battery Energy Storage System

Four Standard Offer 1 (SO1) agreements have been approved by the PREB, totaling 110 MW of battery energy storage system (BESS). Three of these have been approved by the Financial Oversight and Management Board for Puerto Rico (FOMB), submitted to the Puerto Rico Public-Private Partnerships Authority (P3A) by PREPA and are still awaiting P3A approval. The fourth participant's Standard Offer Agreement was approved by FOMB on June 13, 2025.

SO1 Agreements drafts have been developed for two additional Independent Power Producers (IPPs) who expressed interest, which could total 80 MW. These agreements are currently under review by the IPPs.

Sargent & Lundy (S&L) has been engaged to conduct engineering studies. These will include site visits and system impact and facility studies. The initial scope of work (ISOW), including site visits for two additional SO1 IPPs and the Memo of Findings (required for submission of the Standard Offer Agreements to the PREB), was completed by mid-June. The second part, which involves more detailed site visits and the completion of a Feasibility Study and Steady State Study, is in progress; site visits for SO1 participants are scheduled for the end of June. Technical requests for information (RFIs) required for engineering studies have been requested.

The preliminary draft of the Agreed Operating Procedures (AOP) was shared with SO1 participants for their feedback on May 23, 2025. Position papers are being drafted to provide clarity on other topics, such as pass-through cost adjustment process.

Install 4x25 MW Utility-Scale BESS

On June 6, 2025, Aguadilla and San Juan detailed scopes of work (DSOWs) were submitted to the Federal Emergency Management Agency (FEMA).

On June 9, 2025, FEMA sent LUMA a soft RFI related to the Manatí, Barceloneta, Aguadilla, and San Juan DSOW.

LUMA has completed procurement draft scopes for the engineering, procurement, and construction services needed for project execution and expects to issue the request for proposal (RFP) in the first quarter (Q1) of fiscal year 2026 (FY2026).

Dynamic Stability Study and Frequency Control Implementation

LUMA has successfully replicated several past events involving the underfrequency load shedding scheme (UFLS) in the simulation tool Power System Simulator for Engineering (PSSE) used to perform transmission studies, to assess the model performance in comparison with the actual field performance. LUMA is engaged with the national laboratories to review and jointly develop its updated UFLS scheme.

The automatic under frequency load shedding schemes implemented via distribution circuit, substation, and breaker relays have been compared with the model simulation tools to identify discrepancies and develop corrective actions to verify the field settings of relays required to perform UFLS. As part of the review and corrective actions, LUMA has identified components and relays requiring troubleshooting or replacement as described in the UFLS section of this document. LUMA has completed the following actions:

- Developed an overall table with different frequency blocks and expected protection performance. The expected behavior was compared with actual performance during recorded events.
- Aligned UFLS relay load blocks (how much load is planned to be shed at each frequency block) as set in substations with the simulation representation in the PSSE model.
- Developed a program design document to align on the planned performance required from the UFLS scheme.
- Revised the time-load relationships required to improve UFLS scheme performance consistent with the Electric Power Research Institute (EPRI) recommendations from June 14, 2024, event report.

LUMA has prepared a RFI and expects to coordinate with Genera and generator owners/operators on a plan and schedule for third-party services to perform generator testing. The deliverables requested in the RFI include a report documenting equipment, configuration and model parameters for each site that provides verified generator parameters, time constants, gains and controls "as-is" settings, and the PSSE dynamic model representation of each unit. LUMA expects to send the RFI by the first week of July.

Grid Protection & Control Upgrade Program

Wide Area Protection Coordination Study:

- **230 kV line protection**: All studies have been completed. The implementation is 65% complete. Under the revised plan, seven lines are completed, three lines have completed construction and

are awaiting commissioning, three lines have ongoing upgrades, and three lines are awaiting Aguirre protection, automation and control (PAC) upgrade pending FEMA obligation.

Relay upgrades at 230 kV Cambalache-Manatí completed and in-service. Both primary and secondary systems were upgraded. Developed a full plan for upgrades on the 230 kV including a risk assessment with immediate actions to reduce risks.

- **115 kV line protection**: All the studies have been completed. Ten percent of the work order packages have been issued. There has been no implementation to date.
- **38 kV line protection studies**: Model validation has been completed. Initial studies are focusing on areas surrounding upcoming projects beginning with projects at Cataño and six stations targeted for gas insulated switchgear (GIS) installations (Llorens Torres, Centro Medico, Tapia, Taft, Rio Grande Estates, and Egozcue). The Cataño recommendations for the 38 kV are planned for June 2025.

Underfrequency Load Shedding Scheme:

- The PAC project includes remediations to the existing program to improve performance. Performance improvement studies and recommendations are being developed for the UFLS program by System Planning. Once the study recommendations become available PAC will include them in the actions below.
- Eight relay replacements have been identified with targeted completion of replacements by June 2025. Engineering completed for five, construction in progress for two, and construction completed for one.
- A total of ten work orders for settings changes have been identified; nine have been completed and the one missing will be issued by the end of June.
- Seventy relays identified for further investigation/troubleshooting. 10 relay investigations completed. Findings have been reported to the study team. These 10 evaluations did not generate immediate corrective actions.
- Work is being conducted through nonfederal capital (NFC) budgets to expedite progress. Those portions that may be eligible for federal funding will be submitted as federally funded work is completed accordingly.

Remote Terminal Unit (RTU) Replacements:

- There are 193 RTU replacements identified.
    - 170 will be executed under FEMA in four groups (four unique obligations).
    - Twenty-three will be executed with NFC funds, to be completed in three separate fiscal years (FYs).
- One additional RTU was added to FY2025 since the last report. The additional RTU is already completed under the NFC budget.

Remote Terminal Unit (RTU) Replacements				
Group	**Planned**	**In Progress**	**Energized**	**Status**
FEMA Group 1	23	12	11	Obligated. Expected to be completed by July 2025. Installation of six RTUs is pending control house roof repairs at risk of delays.
FEMA Group 2	28	28	0	Pending obligation. Engineering has been completed for this group.
FEMA Group 3	103	0	0	Pending obligation.
FEMA Group 4	16	0	0	Pending scope of work.
NFC FY2025	6	0	6	One RTU added to the group and completed (Cambalache Gas Plant).
NFC FY2026	10	1	0	One project has completed engineering.
NFC FY2027	7	0	0	N/A
Total	**193**	**41**	**17**	**N/A**

Commence Priority Substation Rehabilitation/Rebuild Projects (Phase 1)

Three of the Priority Substation Rehabilitation/Rebuild Projects from Phase 1 have been completed. These completed projects and their start/finish dates are:

- Santa Isabel Transmission Center (TC) - 115/13.2 kV 56 MVA transformer: Engineering is complete; Installed and energized. Construction start/finish: July 2024/November 2024. **June 2025 update**: Remains complete and in service.
- Bayamón TC Autotransformer 230/115 kV: Engineering is complete; Installed and energized. Construction start/finish: November2023/July 2024. **June 2025 update**: Remains complete and in service.
- Hato Rey TC 115/13.2 kV 44 MVA transformer: Engineering is complete; Installed and energized. Construction start/finish: August 2024/November 2024. **June 2025 update**: Remains complete and in service.

Active Priority Substation Rehabilitation/Rebuild Projects from Phase 1 and their start/finish dates are provided below:

- Caguas TC bank 1 115/38 kV transformer: Engineering is complete; Construction start/finish: March 2025/August 2025. May 2025 update: the Caguas TC transformer arrived at the San Juan port. It is pending route review and permitting by the Puerto Rico Highways and Transportation Authority (PRHTA) to commence movement to the station where the foundation is prepared and ready to receive the unit. In coordination with PRHTA, delivery to the Caguas TC is targeted to occur by June 2025 and scheduled for installation and energization by August 2025. **June 2025 update**: The Caguas transformer was transported from the Port of San Juan to Caguas TC. The unit has been set on its pad inside Caguas TC. Construction start/finish: March 2025/August 2025.
- Monacillos TC 115/38 kV Bank 1 transformer: Engineering complete; Construction start/finish: September 2024/August 2025. May 2025 update: The Monacillos transformer has shipped from the manufacturer and is expected to arrive in San Juan by June 2025. **June 2025 update**: The Monacillos Bank 1 transformer arrived at the Port of San Juan on May 28, 2025. It was transported from the Port of San Juan to Monacillos TC and has been set on the transformer pad. Targeted energization delayed to September 2025 due to lead time associated with the required protection and control materials and the subsequent field wiring, termination, and testing activities that follow.
- Monacillos TC 115/38 kV Bank 3 transformer: Engineering is complete; Construction start/finish: September 2024/October 2025. May 2025 update: The Monacillos transformer has shipped from the manufacturer and is expected to arrive in San Juan by June 2025. **June 2025 update**: The Monacillos Bank 3 transformer arrived at the Port of San Juan on May 28, 2025. It was transported from the Port of San Juan to Monacillos TC and has been set on the transformer pad. Targeted energization is by October 2025.
- Monacillos TC 115/13.2 kV 1346 transformer: Engineering is complete; Construction start/finish: May 2024/June 2025. May 2025 update: The new Monacillos TC 115/13.2 kV 1346 transformer and feeders are targeted for energization by July 2025. The delay in energization is due to the interdependencies with the bank 1 and bank 3 construction. **June 2025 update**: The transformer was transported from the Port of San Juan to Monacillos TC and has been set on the transformer pad. Construction start/finish: May 2024/August 2025.
- Sabana Llana TC autotransformer 2 230/115 kV: Engineering is complete; Construction start/finish: April 2025/December 2025. May 2025 update: Project has been obligated for FEMA funding. Transformer manufacturing is complete and factory acceptance testing is complete with a satisfactory result. The unit is ready to ship from Brazil. The transformer vendor and LUMA are still pending approved transit permits from Puerto Rico Highways and Transportation Authority (PRHTA) for movement of the transformer to the substation. The unit will be shipped once an approved route is identified for permit. **June 2025 update**: Remains on track. Construction start/finish: April 2025/January 2026.
- Costa Sur autotransformer 1 230/115 kV: Engineering in progress; Construction start/finish: January2025/October 2025. May 2025 update: Initial factory acceptance testing was completed in

May 2025. LUMA did not accept the unit as the test results were inconsistent with design requirements. The vendor is required to develop a corrective action plan and remediation proposal with updated delivery schedule upon completion of a root cause investigation. A new delivery date will be established upon completion of the corrective action plan by the vendor. **June 2025 update**: Transformer vendor performing corrective actions to the new unit. Construction start/finish: January2025/March 2026.

- Bayamón TC transformer 115/38 kV: Engineering in progress; Construction start/finish: February 2025/October 2025. May 2025 update: The Bayamón TC Bank #1 115/38 kV 112 MVA is scheduled for factory acceptance testing in June 2025 with planned arrival by July 2025. Demolition of existing out-of-service transformer complete and civil construction prep underway to receive new unit. **June 2025 update**: Remains on track.
- Factor Sectionalizer 38/13.2 kV transformer: Engineering in progress; Construction start/finish: March 2025/February 2026. May 2025 Update: The Factor Sectionalizer 38/13.2-4.16 kV 22.4 MVA dual-voltage transformer is scheduled to arrive by November 2025. Vendor drawings are expected in May 2025 to finalize design. Demolition completed on out-of-service unit and accessories. **June 2025 update**: Remains on track.
- Llorens Torres metalclad replacement: Engineering in progress; Construction start/finish: June 2026/December 2027. Tapia Phase I work is a prerequisite to complete these repairs due to common load shared between both substations. On track. **June 2025 update**: Remains on track. Construction start/finish: November 2025/March 2026.
- Covadonga GIS switchgear: GIS building Roof Repairs Complete; Construction start/finish: September 2024/November 2025. Contract established with the original equipment manufacturer for repairs to the unit pending financing. Repair contract is anticipated to commence in May 2025 with completion of repairs by November 2025. **June 2025 update**: Remains on track.

The transformers described below were not in the original System Stabilization plan document but are also being planned for re-energization concurrently and are shown for visibility:

- Guánica TC 115/38 kV transformer replacement: Engineering in progress; Awaiting environmental permitting; Construction start/finish: June 2025/November 2025. May 2025 update: Construction start is delayed due to the substation being located in a Superfund site. Meeting held with the Environmental Protection Agency (EPA) in May 2025. EPA requests additional documentation and prerequisite activities prior to commencement of civil construction schedule pending EPA schedule review. **June 2025 update**: Site-specific Health and Safety Plan in development for EPA review and approval prior to commencement of civil works. Initial factory acceptance testing was completed in May 2025. LUMA did not accept the unit as the test results were inconsistent with design requirements. The vendor is required to develop a corrective action plan and remediation proposal with updated delivery schedule upon completion of a root cause investigation. A new delivery date will be established upon completion of the corrective action plan by the vendor.
- Maunabo TC 115/38 kV transformer: Engineering in progress; Construction start/finish: May 2025/November 2025. May 2025 update: The 112 MVA transformer is scheduled to arrive by

September 2025. Construction activities are underway in preparation for the transformer's arrival. **June 2025 update**: Remains on track.

- Fajardo Pueblo 2002 transformer replacement: Engineering in progress; Construction Start/Finish: May 2025/November 2025. May 2025 update: The transformer has been disassembled and is pending final civil package to place the new transformer on-site which is expected by June 2025. **June 2025 update**: Remains on track.

Complete Interconnection of Approved IPP Utility Scale LUMA Renewable Capacity Addition Solar Generation and Energy Storage

- The ESSAs for Pattern's Santa Isabel and Barceloneta projects are pending for signature by PREPA.
- On Tranche 4, Infinigen Isabela BESS contract is pending on IPP to provide Signing Conditions prior to contract execution by PREPA.
- On Tranche 2 projects, pending NTP from IPP on San Juan Solar (20 MW); pending IPP funding for Marisol Power (40 MW), and CS-UR Vega Baja (60 MW).
- Construction is at 79% for Salinas Sectionalizer (Ciro One/ Salinas Solar and BESS).
- Design of point of interconnection (POI) is 100% complete for Jobos Solar and BESS.
- Design of POI 30% progress under review for Yabucoa Solar.
- Still pending NTP from IPP for interconnection works: Guayama Solar, Caguas Energy Storage, Ponce Energy Storage, Penuelas Energy Storage, Tetris Power and Yabucoa Energy Park. NTP from IPP for interconnection works at Pattern Barceloneta expected by July 2025.
- RFP process ongoing for interconnection works on San German Solaner and Xzerta.

Development of Comprehensive Transmission Plan

LUMA is complying with the filing date for a Comprehensive Transmission Plan. LUMA's transmission planning study is planned to be filed with the Integrated Resource Plan (IRP) which has been rescheduled to a date in October 2025 or November 2025.

In November 2024, LUMA submitted the first interim filing of the IRP report to the PREB. This filing included the data required by the IRP Regulation 9021 that includes "the description of the existing transmission and distribution facilities, as well as the existing advanced grid technologies," and provides a description and summary of the transmission system and preliminary studies and findings, for which studies and project recommendations are developed.

Vegetation Clearing Program and Reclamation Efforts

Sixteen individual lines (eight distribution and eight transmission) submitted to FEMA on June 6, 2025, to expedite the FEMA review and approval process; prioritizing worst reliability feeders and wildfire at risk circuits.

Although LUMA does not have any transmission projects obligated, four distribution projects were obligated on April 28, 2025. All four of these projects are distribution nonsensitive high-density (high population) projects in the following regions: Caguas, Mayagüez, Ponce, and Arecibo. Work started in all four projects with 24 miles cleared through June 12, 2025:

- Caguas started on May 5
- Arecibo started on May 12
- Mayagüez started on May 27
- Ponce started on May 28

The fifth region (Bayamón: distribution nonsensitive high-density (high population) project is expected to be obligated by the end of July 2025. Over the next 90 days, LUMA will execute assessments and clearing in the four obligated projects working through our first working capital advancement (WCA) tranche (25% of project budget).

Importantly, given the Department of Energy (DOE) order to perform vegetation clearing to re-establish the right-of-way on 115 kV and 230 kV, LUMA is working with the Central Office for Recovery, Reconstruction and Resiliency (COR3) and FEMA to expedite all transmission projects as soon as possible. LUMA has worked to resubmit the outstanding transmission projects either in a new single line approach or within updated group projects.

Priority Substation Rehabilitation/Rebuild Projects (Phase 2)

- Cataño 1801: Engineering is complete. Expected construction start/finish: April 2025/June 2026 (on track). **June 2025 update**: On track.
- Aguirre BKRS T018: Engineering complete. Two 115 kV breakers replaced and energized; 115 kV breaker 40230 is on the pad but awaiting completion of intermediate PAC works for energization; One 230 kV breaker installed and energized. Eleven 115 kV and seven 230 kV breakers remain for installation. Expected construction start/finish: March 2023/November 2027 (on track). **June 2025 update**: Remains on track.
- Costa Sur BKRS P001: Engineering is complete. Five 230 kV breakers were replaced and energized and eight 230 kV breakers remain for installation. Expected construction start/finish: April 2024/November 2026 (on track). **June 2025 update**: Remains on track.
- EPC Monacillos TC Rebuild: Engineering status: Preliminary only as design will be completed by Engineering, Procurement, and Construction (EPC) contract. Construction start/finish: June 2026 (tentative timing dependent on EPC schedule)/July 2029 (tentative pending EPC bids and schedules). **June 2025 update**: Remains on track.
- EPC Sabana Llana TC: Engineering status: Preliminary only as design will be completed by EPC. Construction start/finish: June 2026 (tentative dependent on EPC schedule)/July 2029 (tentative pending EPC bids and schedules). **June 2025 update**: Remains on track.

- Centro Médico 1 and 2: Engineering in progress. Expected construction start/finish: October 2025/October 2027 (on track). **June 2025 update**: Remains on track.
- EPC San Juan SPTC: engineering status: Preliminary only as design will be completed by EPC. Construction Start/Finish: June 2026 (tentative depends on EPC schedule)/ July 2030 (tentative pending EPC bids and schedules). **June 2025 update**: Remains on track.
- Rio Grande Estates 2306: engineering status: Phase I complete; 38/13.2 kV 33 MVA Transformer is on the pad and breaker Installation complete. Phase I energization by August 2025 (on track). **June 2025 update**: Remains on track.
- Rio Grande Estates Phase II: Engineering in progress; pending FEMA obligation. Expected construction start/finish: September 2025/December 2026 (on track). **June 2025 update**: Remains on track.
- Cambalache TC Relocation: Engineering in progress; pending FEMA obligation. Expected construction start/finish: September 2026/January 2028 (not on track to original date - delayed to FY2028). **June 2025 update**: Remains on track.
- Tapia GIS Rebuild: Engineering status: Phase I in progress. Expected construction start/finish: June 2025/ February 2026. **June 2025 update**: Due to Llorens Torres changing scope from GIS to Metalclad, Tapia no longer requires a phased approach. Expected construction start/finish: June 2025/December 2026 for all phases.

Integration of Inverter Based Resources (IBR)

On June 20, 2025, LUMA filed updates to the Technical Bulletin 2024-001 for smart inverter settings. These updated settings come as part of a collaborative effort with the Smart Inverter Working Group (SIWG), which has been led by the PREB. Additionally, we have also met with the Solar and Energy Storage Association of Puerto Rico (SESA), the Electric Power Research Institute (EPRI), and other stakeholders to gather additional input and perspectives.

The updated document draws input from these groups, as well as system data and best practices in similar jurisdictions. By proposing changes to the smart inverter settings, LUMA strives to maximize the impact of the commercially available inverter technologies, as represented by interest groups and other technology vendors, and maintaining the safety, reliability, and operational integrity of the transmission and distribution system.

Enhanced Frequency Regulation and Reserve Practices

LUMA will integrate the initial BESS as an ancillary service for frequency control and spinning reserve. These systems will be dispatched under LUMA's new energy management system (EMS), which includes the automatic generation control (AGC) feature.

The frequency control and reserve monitoring are features existing under the AGC. The adequate implementation of EMS dispatch controls with the external BESS will provide additional frequency stabilization capacities and recalculation of spinning reserve, with the possibility of a decrease of online reserves.

Factory Acceptance Tests (FAT) for the new EMS were conducted between June 9 to June 19, 2025, with satisfactory results. Deployment of new hardware is expected to be completed by the end of August 2025. The new EMS is still expected to be in service by the end of the year.

Assessment and Transition to Long-Term Improvement

An update will be provided at the 24-month mark per the timeline provided in the March 28 Resolution.

3.0 Genera's Stabilization Activities

In compliance with the March 28th Resolution, this section includes the description provided by Genera of the key activities and progress achieved by Genera for the Electric System Priority Stabilization Plan.

Genera continues executing strategic projects and implementing short-term repairs and maintenance work on various plants and generators. Notwithstanding, the condition and performance of the aging plants has continued to deteriorate over the years. In search of solutions that allow for the system stabilization Genera respectfully submits the following progress update regarding the most recent key initiatives related to the short-term generation repairs, deployment of utility-scale BESS, flexible generation projects, and the critical component replacement program.

Short-term Generation Repairs: Aguirre Unit 2

Following a breakdown in early February, the unit generator rotor was sent to the General Electric workshop in Mexico for inspection, insulation replacement, repair, and general cleaning. The automatic voltage regulator (AVR) replacement has been completed, and the ABB start-up engineer arrived on site on June 10, 2025. The rotor was delivered on site on May 25, 2025. Generator repairs are expected to be completed by mid-June,2025, with equipment testing and the start-up process scheduled to begin on June 16, 2025, at an initial capacity of 320 MW.

The purchase order for the air preheater baskets was canceled due to contractual issues with the supplier. A new order is currently being processed; however, delivery is expected to take at least six months. Until the new baskets are installed, the unit will operate at 320 MW. Once installation is completed- anticipated by early 2026- the unit's capacity is expected to increase by at least 60 MW, reaching a total of 380 MW.

Short-term Generation Repairs: San Juan Unit 6

Repairs of the San Juan Unit 6 were completed, and the unit returned to service on May 10, 2025 — representing an advancement of three to four weeks ahead of the original schedule. The unit will be placed in service in combustion turbine (CT) mode, operating at approximately 145–150 MW, due to delays in awarding the steam turbine (ST) contract to MD&A. Installation of the steam turbine rotor will be completed after the end of the peak season in November 2025. In the interim, fixed bearings and brush-holders will be utilized.

Short- term Generation Repairs Costa Sur 5

Costa Sur Unit 5 environmental outage for maintenance and repairs finished on April 30, 2025. During the outage other repairs were undertaken including the replacement of air preheater baskets, trunnion, repair of the gas recirculating fan, replacement of several boiler tube panels, repair of expansion joints and ducts, inspection of the feedwater heaters, and inspection and testing of the NSS transformer. The unit is back in service.

Short-term Generation Repairs: Palo Seco Unit 4

The repair of Palo Seco Unit 4 began in August 2023 upon a catastrophic generator failure. The unit is currently undergoing major repairs, including work on the generator rotor, air preheaters, ducts, funnels, and expansion joints. In addition, boiler piping is being repaired, as well as maintenance and repairs on the induced draft and forced draft fans, among other auxiliary equipment. The unit is expected to return to service by mid-July, with a target date of July 19, 2025.

Deployment of 430MW of Utility Scale BESS

To align with the construction schedules proposed by contractors at Cambalache, Costa Sur, Vega Baja, and Aguirre, a change order was negotiated with Tesla to delay the delivery of batteries. Construction schedules for Cambalache, Vega Baja, Costa Sur, Aguirre, and Yabucoa have also been adjusted accordingly. The projected BESS equipment delivery and installation timelines for each site are as follows:

- Costa Sur: Delivery in Q1 2026; installation completion by Q3 2026
- Palo Seco: Delivery in Q2 2026; installation completion by Q2 2027
- Vega Baja: Delivery in Q1 2026; installation completion by Q2 2026
- Cambalache: Delivery in Q4 2025; installation completion by Q3 2026
- Aguirre: Delivery in Q2 2026; installation completion by Q1 2027
- Yabucoa: Delivery in Q2 2026; installation completion by Q3 2026

From a financial standpoint, the current contract amount stands at $533.5 million. The first payment to Tesla, totaling $147.5 million, was made in March 2025. The second payment of $120.5 million was issued in April 2025. A third payment, totaling $136.7 million, is scheduled for July 2025.

Weekly meetings are held with the Tesla Project Team to address technical and contractual matters, ensuring close coordination and timely resolution of project-related issues.

Deploy 244 MW of Flexible Generation

Siemens' project progress continues as scheduled. Equipment delivery is anticipated for the second quarter of 2026, with equipment installation expected to be completed by the first quarter of 2027. The current contract amount is $150.3 million. The first payment to Siemens, totaling $67.4 million, was made in January 2025, and the second payment of $38 million is scheduled for July 2025. Weekly meetings are being held with the Siemens team to address technical and contractual matters.

The contract with RG Engineering was approved on May 7, 2025. Equipment delivery is currently scheduled as follows:

- Jobos and Yabucoa: engine delivery expected in Q3 2026
    - Daguao: engine delivery expected in Q4 2026

Installation is projected to be completed in:

- Jobos: Q1 2027
- Yabucoa and Daguao: Q2 2027

These schedules were revised after confirming that the temporary de-rating of the equipment at Jobos and Daguao will allow interconnection with the existing transformers while awaiting delivery of new transformers. Additionally, the three-winding transformer required for Yabucoa is confirmed for timely delivery to meet the current installation timeline.

It is important to note that the above timelines are contingent upon the approval of decommissioning plans by Q4 2025. If approval is not granted by that time, the projected completion dates will need to be adjusted accordingly.

The total contract value for RG Engineering is $311.2 million. The first payment of $160.8 million was made in May 2025, and a second payment of $77.8 million is scheduled for November 2025.

Seek Environmental Waivers to Run the Three FT8 MOBILEPAC Units in Palo Seco on an Emergency Basis

- On April 16, 2025, an environmental waiver request was filed with the Environmental Protection Agency (EPA) and the Puerto Rico Department of Natural and Environmental Resources (DNER). Genera requested a waiver to use the Mobile Pac without water injection as the emissions control method.
- The waiver was filed during the emergency occurred during the Holy Week blackout. Notwithstanding, there was no need for the waiver since the units were not operated without water injection.
- It is worth mentioning that Genera never received a response from the EPA nor the DNER.

Critical Component Replacement Program

Critical components for the Costa Sur, Aguirre, Cambalache, San Juan, Palo Seco and Mayagüez power plants continues to be ordered. Several RFPs have been awarded or are pending approval from regulatory agencies, including P3A and FOMB. Estimated delivery timelines for components range from mid-2025 to mid-2026.

It is important to note that delivery schedules and pricing may be affected by ongoing global supply chain disruptions, including the impact of tariffs and international conflicts.

The table below outlines components that have been delivered or are near their delivery dates.

Name of the Plant	Description / Specifications	Contractor	Required Quantities	Estimated Total Cost	Actual Total Cost	RFP	Status based on Sub-Type	FOMB Since
Palo Seco 3&4	Set of open and close hardware	Mechanical Dynamic Analysis, LLC	1	$ 4,200,000.00	$ 627,174.00	4437/ 219624	FOMB	10/25/2024
Aguirre CC 2-3	Torque Converter	RG Engineering	1	$ 420,000.00	$ 115,000.00	220877	FOMB	2/27/2025
Costa Sur 5&6	Feedwater Heaters 6	Engineering Service INTL, LLC	2	$ 3,600,000.00	$ 2,444,000.00	221016	FOMB	2/20/2025
Costa Sur 5&6	Feedwater Heaters 7	Engineering Service INTL, LLC	2	$ 5,760,000.00	$ 4,076,820.00	221016	FOMB	2/20/2025
Aguirre 1	Feedwater Heaters 7	Engineering Service INTL, LLC	1	$ 3,600,000.00	$ 1,895,000.00	221016	FOMB	2/20/2025
Aguirre 2	Feedwater Heaters 3	RG Engineering	2	$ 7,200,000.00	$ 2,101,670.00	221016	FOMB	2/20/2025
San Juan 7	Continuous Condenser Wash	MALNAT & ASOCIADOS	1	$ 2,880,000.00	$ 4,988,000.00	4537/283220	FOMB	3/17/2025
Costa Sur 5&6/Aguirre 1&2	Boiler Circulating Water Pump Vertical Motor 700 HP, 4000/90	Camfer Engineering Services	12	$ 2,851,200.00	$ 2,437,596.00	221150	FOMB	2/26/2025
Costa Sur 5&6/Aguirre 1&2	Main Condensing Pump Vertical motor 500HP, 4000 / 66	Engineering Service INTL, LLC	8	$ 4,822,608.00	$ 1,240,616.00	221150	FOMB	2/26/2025
Costa Sur 5&6/Aguirre 1&2	Boiler Feed Pump Horizontal Motor 5000HP	Engineering Service INTL, LLC	8	$ 3,818,120.00	$ 1,191,000.00	221150	FOMB	1/13/2025
Costa Sur 5&6/Aguirre 1&2	IDF Horizontal Motor 1750HP, 4000/580	Engineering Service INTL, LLC	8	$ 4,272,000.00	$ 4,429,000.00	221150	FOMB	2/26/2025
Palo Seco 3	Water Heater 5	RG Engineering	1	$ 2,400,000.00	$ 891,705.00	221016	FOMB	4/11/2025
Aguuirre CC	Condensing Circulating Water Pump	Engineering Service INTL, LLC	2	$ 2,640,000.00	$ 3,223,500.00	22103	FOMB	4/1/2025

4.0 PREPA's Stabilization Activities

In compliance with the March 28th Resolution, this section includes the description provided by PREPA of the key activities and progress achieved by PREPA for the Electric System Priority Stabilization Plan.

Extend the Operation of the Seventeen (17) TM2500 Temporary Generation Units

Completed.

800 MW of Additional Emergency Temporary Base Generation for Interconnection between Aguirre and Costa Sur

Pursuant to the Puerto Rico Energy Bureau's Resolution and Order, the Independent Third-Party Procurement Office (3PPO), acting in compliance with the Bureau's directives, published Request for Proposals No. 3PPO-0314-20-TPG on March 25, 2025, for the acquisition of up to 800 MW of temporary generation capacity. The P3A assigned the administration of this competitive procurement process to Regulatory Compliance Services Corp. (RegCom), an independent entity contracted to oversee competitive procedures where actual or perceived conflicts of interest may exist.

PREPA reports the following regarding the status of the procurement process:

- On May 21, 2025, 3PPO sent proponents a letter titled "RFI – Nonnegotiable Terms."
- On May 22, 2025, one of the proponents confirmed acceptance of the nonnegotiable terms.
- On June 8, 2025, 3PPO sent PREPA a letter titled "Recommendation Letter," officially recommending an award resulting from the competitive process for Temporary Emergency Generation. The recommendation was based on the proponent's compliance with all mandatory requirements, demonstrated logistical feasibility, financial capability, and overall responsiveness to the RFP.
- On June 9, 2025, 3PPO sent PREPA the latest version of the model contract, updated to incorporate the nonnegotiable terms, for PREPA's review and for revising the remaining markups on terms and conditions submitted by Power Expectations.
- On June 10, 2025, 3PPO coordinated a technical meeting with the recommended proponent and LUMA.
- On June 12, 2025, a site visit took place at Aguirre with representatives from the recommended proponent, LUMA, and Genera.
- On June 12, 2025, PREPA sent the revised Performance Service Agreement to 3PPO.
- On June 13, 2025, a site visit took place at Costa Sur with the recommended proponent, LUMA, and Genera.

- On June 13, 2025, 3PPO finalized the agreement incorporating PREPA's recommendations and sent it to the recommended proponent for final review. The finalized version was also submitted to PREPA.
- On June 13, 2025, 3PPO issued the award notification to all proponents. The RFP was awarded exclusively to Power Expectations, LLC, for the provision of up to 800 MW of temporary emergency generation capacity.
- On June 20, 2025, PREPA submitted the contract to the PREB for its review and approval.

Seek Environmental Waivers to Run the Three FT8 MOBILEPAC Units in Palo Seco on an Emergency Basis

As indicated in previous reports, under the LGA O&M Agreement, Genera is responsible for the environmental compliance of all Legacy Generation Assets. Accordingly, Genera should provide the PREB with the status of this activity.