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

IN RE:

CASE NO.: NEPR-MI-2022-0001

ENERGY EFFICIENCY AND DEMAND RESPONSE TRANSITION PERIOD PLAN

SUBJECT: Submittal of July 2025 Report on the Development of the Pilot Emergency Backup Generators Demand Response Program

MOTION TO SUBMIT JULY 2025 REPORT ON THE DEVELOPMENT OF THE PILOT EMERGENCY 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

Since January 15, 2025, LUMA has been submitting to the Puerto Rico Energy Bureau ("Energy Bureau") monthly reports on the development of a pilot Emergency Backup Generator Demand Response Program (now referred to as the "Emergency Load Reduction Program"). This program aims to address the energy generation shortfall forecasted for the summer of 2025, through the deployment of emergency backup generators during defined emergency demand response events to prevent load shedding events that could result in impacts to a significant number of customers.

In addition, as directed by the Energy Bureau, LUMA submitted to the Energy Bureau, on May 21, 2025, its proposal for the Emergency Load Reduction Program, which was approved by

the Energy Bureau with certain conditions, while directing LUMA to continue providing monthly reports.

LUMA is now submitting, as *Exhibit 1* to this Motion, the report for July 2025 on the status of this pilot program.

II. Relevant Procedural History

- 1. On October 23, 2024, the Energy Bureau issued a Resolution and Order ("October 23rd Order") in which, among other determinations, it ordered LUMA to submit a program for the use of backup generators as a demand resource in emergency situations before the summer of 2025 (that is, the Emergency Load Reduction Program) and file monthly reports on the 15th of each month, beginning on January 15, 2025, detailing LUMA's efforts to design and implement the program. *See* October 23rd Order, pp. 4-5.
- 2. On January 15, 2025, February 15, 2025, March 17, 2025, LUMA submitted monthly reports on the development of the Emergency Load Reduction Program. See Motion to Submit January 2025 Report on the Development of the Backup Generators Emergency Demand Response Program; Motion to Submit February 2025 Report on the Development of the Backup Generators Emergency Demand Response Program; and Motion to Submit March 2025 Report on the Development of the Backup Generators Emergency Demand Response Program. In these reports, LUMA informed on the progress of the development of the program, potential constraints to enrollment due to the restrictions on the air emissions permits of participants, and potential that formal enrollment in the program would not occur without a waiver of these restrictions. See January 15th Motion, Exhibit 1; February 15th Motion, Exhibit 1; and March 17th Motion, Exhibit 1.

- 3. On April 3, 2025, the Energy Bureau issued a Resolution and Order scheduling a Technical Conference for April 24, 2025 to discuss, among others, the status of the Emergency Load Reduction Program.
- 4. On April 15, 2025, LUMA submitted a monthly report on the development of the Emergency Load Reduction Program, in which it informed, among others, of its efforts with regulatory agencies to address the air permitting constraints. See Motion to Submit April 2025 Report on the Development of the Backup Generators Emergency Demand Response Program.
- 5. On April 24, 2025, the Energy Bureau held a Technical Conference, in which LUMA provided a presentation on the Emergency Load Reduction Program, among others.
- 6. On April 30, 2025, the Energy Bureau issued a Resolution and Order ordering LUMA to file, among others, the proposal for the Emergency Load Reduction Program ("April 30th Order").
- 7. On May 14, 2025, LUMA submitted a monthly report on the development of the Emergency Load Reduction Program. See Motion to Submit May 2025 Report on the Development of the Backup Generators Emergency Demand Response Program. LUMA informed that the air permitting limitations that constrain customers' ability to participate in the program had not been addressed by the relevant agencies. See id., p. 7, Exhibit 1.
- 8. On May 21, 2025, LUMA filed its proposal for the Emergency Load Reduction Program, in compliance with the April 30th Order. *See Motion to Submit Proposal for Emergency Load Reduction Program in Compliance with Resolution and Order of April 30, 2025.* LUMA requested the Energy Bureau to approve the Emergency Load Reduction Program Proposal and the program's proposed budget and the recovery of the program's costs as part of the quarterly 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") subject to later reconciliation based on actual expenditures. See id., pp. 7-8.

- 9. On June 13, 2025, LUMA submitted a monthly report on the development of the Emergency Load Reduction Program. See Motion to Submit June 2025 Report on the Development of the Backup Generators Emergency Demand Response Program. LUMA noted in the report that customer enrollment was awaiting program approval and action by other agencies to facilitate customer participation. See id., Exhibit 1.
- Order") in which it approved the Emergy Bureau issued a Resolution and Order ("June 20th Order") in which it approved the Emergency Load Reduction Program through October 31, 2025, and required LUMA to respond, on or before July 15, 2025, to requirements of information ("ROI") included with the Resolution and Order. The Energy Bureau also directed LUMA to continue to actively pursue implementation of the program while preparing the responses to the ROI. *See id.*, p.3. In addition, the Energy Bureau found that it was "premature to collect the ELRP budget" "[d]ue to the uncertainty around when and if LUMA will be able to enroll participants" and associated uncertainty of the number of months and events and associated budget. *See id.* As a result, the Energy Bureau did not approve the collection of funds for the program through the PPCA "at this time". *See id.* Furthermore, the Energy Bureau directed LUMA to: continue filing the monthly reports on the status of the program; file a revised budget and timeline for program implementation "once LUMA finds a path to implement the ELRP" containing the information set forth in the Resolution and Order; and file the costs and justifications in the quarterly PPCA process once costs are incurred or the revised budget is approved. *See id.*

11. On July 11, 2025, LUMA submitted to the Energy Bureau the responses to the ROIs. See Motion to Submit Responses to Requirement of Information Regarding Emergency Load Reduction Program, in Compliance with Resolution and Order of June 20, 2025.

III. Submittal of Report on Emergency Load Reduction Program

12. In compliance with the October 23rd Order, LUMA submits with this Motion its report for July 2025 on the development of the Emergency Load Reduction Program. *See Exhibit 1* (the "Report"). As it arises from the report, LUMA has continued to engage interested potential participants; however, regulatory action has not yet been taken to address the air permitting limitations that constrain customers' ability to participate in the program.

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 23rd Order with respect to the submittal of monthly reports on the development of the Emergency Load Reduction Program.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 15th day of July 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; **PREPA** at arivera@gmlex.net; info@sesapr.org; mvalle@gmlex.net; and agraitfe@agraitlawpr.com; bfrench@veic.org; evand@sunrun.com; jordgraham@tesla.com; forest@cleanenergy.org; customerservice@sunnova.com; javrua@sesapr.org; picleanenergy@gmail.com; cfl@mcvpr.com; mgs@mcvpr.com; and mrios@arroyorioslaw.com.



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Exhibit 1

July 2025 Report on Emergency Backup Generator Demand Response Program



Demand Response:
Emergency Load Reduction Program
Monthly Report

NEPR-MI-2022-0001 July 15, 2025

Emergency Load Reduction Program Monthly Report

B On target Y Caution O Off plan G Complete

Key Activity Summary

- LUMA has been in periodic communication with the Puerto Rico Energy Bureau (PREB), the United States Environmental Protection Agency (EPA), and the Puerto Rico Department of Natural and Environmental Resources (DRNA) to support the necessary agency actions and facilitate customer participation in the Emergency Load Reduction Program (ELRP), allowing eligible customers to use their backup generators during Emergency DR Events.
- During the current reporting month, LUMA planned and developed materials for webinars with interested commercial and industrial customers. Those webinars were held on July 10, 2025, and July 15, 2025. Additional information will be provided in the August 2025 report.
- On June 20, 2025, the PREB issued a Resolution and Order (June 20th Order) approving the ELRP through October 31, 2025, and ordering LUMA to provide a response to information requested in Attachment A of the referenced order by July 15, 2025. LUMA submitted the responses on July 11, 2025. In accordance with the June 20th Order, LUMA will submit a revised budget and timeline for program implementation.

Risk / Issues:

EPA has not yet addressed the air permitting limitations that constrain customers' ability to participate in the program.

Key Milestones	Date	Status
Continued alignment with internal departments for the re-launch of the Backup Generator Demand Response pilot.	Ongoing	В
Refine and revise Backup Generator Demand Response pilot program terms and customer outreach materials as needed.	Ongoing	В
Work with stakeholders to discuss limitations of EPA regulations for Backup Generators.	Ongoing	В
Conduct outreach to target industrial customers to recruit and gather additional input.	Ongoing	В
Initial customer agreements signed and program ready for events.	7/1/2025 – 7/31/2025	Y

