GOVERNMENT 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:** Motion to Submit FY2025 Q4 Consolidated Transition Period Plan and Demand Response Administrative Cost Quarterly Report

MOTION TO SUBMIT FY2025 Q4 CONSOLIDATED TRANSITION PERIOD PLAN AND DEMAND RESPONSE ADMINISTRATIVE COST 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. Introduction

As the 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 Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau"). With this motion, LUMA is submitting to the Energy Bureau, as *Exhibit 1*, a consolidated report for the fourth quarter of the 2025 fiscal year ("FY") providing information and data on progress, performance, and costs associated with the implementation of the EE and DR pilot programs developed by LUMA as per the EE and DR Transition Period Plan ("TPP") approved by the Energy Bureau and related

information on program administrative costs, all in accordance with Energy Bureau's directives (the "FY2025 Q4 Consolidated TPP and DR Administrative Costs Quarterly Report" or "Q4 Report"). These pilot programs promote energy savings through Energy Efficiency and peak demand reduction through Demand Response, both of which contribute to Puerto Rico's energy consumption reduction targets under the law. The FY2025 Q4 Report covers the period from April, 2025 to June 30, 2025.

The FY2025 Q4 Report includes, among others, information and updates on a DR program targeting residential customers with behind the meter batteries and providing incentives for load shifting to batteries during DR event periods, known as the "Customer Energy Battery Sharing Program" or "CBES" (originally referred to as the "Battery DR Response Program"); education and outreach activities aimed at building market awareness and readiness; and details on the progress of the EE programs, including an in-store EE discount program providing a point-of-sale discount for eligible energy efficiency measures and geo-targeting of stores in low-income areas to provide low-income customers with greater access to energy efficiency opportunities ("In-Store EE Discount Program"); a residential EE rebate program providing incentives for customers purchasing energy efficient equipment ("Residential EE Rebate Program"); a business EE rebate program providing incentives to businesses for adopting energy efficient equipment ("Business EE Rebate Program"); and a program providing restoration of and energy savings through the conversion of street lighting to LED lamps ("Community Street Light Initiative").

LUMA remains committed to the implementation of the TPP and the EE and DR programs which were designed to build a more reliable and resilient energy system for the people of Puerto Rico and advance the energy efficiency marketplace.

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*, a proposed Energy Efficiency and Demand Response Transition Period Plan containing the description of various quick-start EE and DR Programs to be implemented by LUMA during a two (2)-year Transition Period and associated budgets for FY2023 and FY2024 ("Proposed TPP"). *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*.

2. The Proposed TPP's EE and DR Programs included, among others: an education and outreach program; the Residential EE Rebate Program; the Business EE Rebate Program; the In-Store EE Discount Program; an Emergency DR Program, targeting commercial and industrial customers to voluntarily reduce load and/or shift load to back up generators during DR events; and the Battery DR Response Program. *See id*. *Exhibit 1*.

3. On February 16, 2023, the Energy Bureau issued a Resolution and Order in the instant proceeding (the "February 16th Order") in which it considered, amended, and approved the Proposed TPP, and, among others, ordered LUMA to: (a) deliver TPP quarterly reports within sixty (60) days of the end of each quarter ("TPP Quarterly Report")[1] and TPP annual reports within one hundred and twenty (120) days following the end of the program year ("TPP Annual Report"); (b) fund the FY2024 TPP budget the EE Rider (unless funding was obtained by other means); and (c) file an EE Rider by a specified date. *See id*., pp. 18, 27, 29 and 30 pp. 18. The Energy Bureau

[1] Specifically, the February 16th Order provided for filing of these reports for FY2024 on November 23, 2023, March 29, 2024, March 29, 2024, and August 29, 2024, corresponding to the first quarter ("Q1"), second quarter ("Q2"), third quarter ("Q3") and fourth quarter ("Q4"), respectively. *See id*. Except for the deadline for the Q2 report, this timeline is consistent with the requirement in the Regulation on Energy Efficiency, Regulation 9637 ("EE Regulation"), 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 Q2 deadline appears to be a typographical error and should be February 29, 2024.

also established the deadlines of December 2, 2023 for preparation of a draft FY2025-2027 Three-Year EE and DR Plan ("Three-Year Plan"), December 2023 to conduct a stakeholder meeting to discuss the draft Three-Year Plan, and March 1, 2024 to file the FY2025-2027 Three-Year Plan. *See id.*, pp.18, 27 and 30.

4. On April 11, 2023, LUMA submitted a petition for approval of the proposed calculated factor for the EE Rider ("EE Rider Petition") to cover the budgeted amount for both TPP EE and DR programs for FY2024. *See Motion to Submit EE Rider*, Exhibit 1, p. 7.

5. On May 19, 2023, LUMA filed a revised EE Rider Petition in which, among others, it combined the TPP Emergency DR and Battery DR programs into one program. *See Motion to Submit Revised Exhibit 1 to EE Rider Petition and Translation Thereof, in Compliance with Bench Order of May 5, 2023*, Exhibit 1, Sections 2.1 and 2.3.

6. On July 31, 2023, the Energy Bureau issued a Resolution and Order ("July 31st Resolution and Order") in Case No. NEPR-MI-2020-0001, *In Re: Permanent Rate of the Puerto Rico Electric Power Authority* ("Permanent Rate Case"), in which it determined, among others, that the cost of DR programs will not form part of the EE Rider and ordered LUMA to contemplate the DR programs as part of the proposal of factors corresponding to the Power Purchase Cost Adjustment ("PPCA"). *See* July 31st Resolution and Order, pp. 8 and 10.

7. On August 11, 2023, the Energy Bureau issued a Resolution and Order ("August 11th Order") in which, among others, it ordered LUMA to file the estimated costs associated with the Battery Emergency DR Program of the TPP (now referred to by LUMA as the "Customer Battery Energy Sharing Initiative" or "CBES") to be recovered through the PPCA. *See* August 11th Order, p. 3.

8. On August 23, 2023, LUMA submitted to the Energy Bureau the proposed estimated costs associated with the CBES. *See Motion to Submit Costs Associated with Emergency DR Program in Compliance with Resolution and Order of August 11, 2023, and Request for Confidential Treatment*.

9. On August 29, 2023, the Energy Bureau issued a Resolution and Order ("August 29th Order") accepting the CBES budget proposed by LUMA and determining that administrative costs for DR Programs will be recovered through the PPCA. *See* August 29th Order, p. 3. The Energy Bureau also directed LUMA to submit quarterly reports on the DR Programs' administrative costs, within forty-five (45) days after each quarter closes meeting the information requirements set forth the August 29th Order ("DR Administrative Costs Quarterly Report"), indicating that the fourth quarter's report was to include the year-end report ("DR Administrative Costs Year-End Report"). *See id*., pp. 3-4, fn. 8.

10. On September 22, 2023, the Energy Bureau issued a Resolution and Order in Case *In re LUMA's Initial Budgets*, Case No. NEPR-MI-2021-0004 ("September 22nd Order") determining that the costs of the EE programs of the TPP would be recovered through base rate revenues, rather than through the EE Rider. *See* September 22nd Order, p. 9.

11. On September 29, 2023, the Energy Bureau issued a Resolution and Order in the Permanent Rate Case indicating that the charge for the EE Rider for FY2023 was eliminated and ordering LUMA to include in the customer invoices an EE Rider charge equal to zero (0). *See* September 29th Rate Order , p. 8.

12. On November 29, 2023, the Energy Bureau issued a Resolution and Order ("November 29th Order") determining to extend the TPP by one year and delay the schedule for

the Three-Year Plan by one year[2] and ordered LUMA to file a revised TPP with certain the information specified therein. *See* November 29th Order, p. 7.

13. 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 Order. *See Motion to Submit Revised TPP and Other Information Requested Under the Resolution and Order of November 29, 2023* and its Exhibit 1. The revised TPP added, among the existing programs, a program providing basic EE measures and educational material free of charge to a large number of customers through mail order kits, known as the "EE Kit Program". *See id*., Exhibit 1, Section 4.6.

14. On February 14, 2024, LUMA submitted the FY2024 Q2 DR Administrative Costs Quarterly Report and requested the Energy Bureau to consolidate the DR Administrative Costs Quarterly Reports and the TPP Quarterly Reports into a single quarterly report to be filed within forty-five (45) days of the end of each fiscal quarter, commencing with the reports for Q3 FY2024, and to consolidate the DR Administrative Costs Year-end Reports and the TPP Annual Reports into a single annual report to be filed within one hundred and twenty (120) days following the end of the fiscal year. *See Motion to Submit Second Quarterly Report on Administrative Costs and Expenditures of TPP DR Programs and Request to Consolidate Reporting Requirements* ("February 14th Motion").

15. On March 21, 2024, the Energy Bureau issued a Resolution and Order ("March 21st Order") granting LUMA's request in the February 14th Motion. *See* March 21st Order, p. 2.

[2] This determination was in response to a request from LUMA on October 30, 2023, to extend for an additional fiscal year the TPP, given the delays beyond LUMA's reasonable control in the startup of the programs, and to delay the schedule for the Three-Year Plan by one 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*, pp. 15-16 and Exhibit 1.

16. On June 11, 2024, the Energy Bureau issued a Resolution and Order in the Permanent Rate Case approving the implementation of the EE charge to cover the EE program costs for FY2025. *See* June 11th Resolution and Order, p. 8.

17. On August 13, 2024, LUMA filed its FY2024 Q4 Consolidated TPP and DR Administrative Costs Quarterly Report and requested approval of the template used for this report for future submittals. *See Motion to Submit FY2024 Q4 Consolidated Transition Period Plan and Demand Response Administrative Cost Quarterly Report and Request for Approval of Template for these Quarterly Reports* ("August 13th Motion"), pp. 1-2, 9-10 and Exhibit 1.

18. On October 23, 2024, the Energy Bureau issued a Resolution and Order ("October 23rd Order"), whereby it approved the proposed template for the Consolidated TPP and DR Administrative Costs Quarterly Report submitted by LUMA conditioned upon LUMA supplementing the template with the additional information specified in the October 23rd Order, including, among others, a requirement to submit invoices and other records to evidence professional services and LUMA staffing costs. *See* October 23rd Order, pp. 2, 3 and 6.

19. In the October 23rd Order, the Energy Bureau determined to (a) defer the requirement to submit the draft Three-Year Plan and begin the associated stakeholder engagement until on or before April 15, 2025, and the requirement to file the first Three-Year Plan until on or before July 15, 2025 and (b) extend the current TPP by an additional six months, until December 31, 2025, ordering LUMA to file a revised TPP in accordance with the requirements set forth in the October 23rd Order ("Revised TPP"). *See id*. The Energy Bureau further ordered LUMA to file a proposed form of a permanent CBES program and develop and implement a program for the use of backup generators as a DR resource in emergency situations (now referred to by LUMA as the "Emergency Load Reduction Program" or "ELRP") before the summer of 2025. *See id*., pp. 3-5.

20. On November 12, 2024, LUMA requested for the Energy Bureau to reconsider its October 23rd Order with respect to the requirement to submit invoices and other records to evidence professional services and LUMA staffing costs in the Consolidated TPP and DR Administrative Costs Quarterly Reports and vacate such requirement, allowing instead for LUMA to provide relevant information, in the reconciliation process for the PPCA or EE charge, as applicable. S*ee Motion for Reconsideration of Resolution and Order of October 23, 2024* ("November 12th Motion"), pp. 1-2 and 27 and Exhibit 1.

21. On November 25, 2024, LUMA requested the Energy Bureau to extend the deadline to submit the revised TPP until January 31, 2025. *See Motion for Extension of Deadlines and Modification of a Reporting Requirement in Resolution and Order of October 23, 2024*.

22. On December 5, 2024, the Energy Bureau issued a Resolution and Order ("December 5th Order") granting the extension to file the revised TPP.

23. On January 31, 2025, LUMA filed the revised TPP ("Proposed Revised TPP"), containing, among others, a description of EE and DR program offerings, budgets, and the estimated EE Rider amount for FY 2026. *See Motion to Submit Revised Energy Efficiency and Demand Response Transition Period Plan and Request for Modification of Deadlines Relating to Three-Year Energy Efficiency and Demand Response Plan*, pp. 2, 7 and Exhibit 1.

24. Also on January 31, 2025, LUMA filed with the Energy Bureau the proposed permanent CBES.[3] *See Motion to Submit Permanent Customer Battery Energy Sharing Program Proposal in Compliance with Resolutions and Order of October 23, 2024 and December 5, 2024*.

[3] January 31, 2025 was the deadline to submit this document, as well as the Revised TPP, as provided in a Resolution and Order issued by the Energy Bureau on December 5, 2024, in attention to a request by LUMA in a *Motion for Extension of Deadlines and Modification of a Reporting Requirement in Resolution and Order of October 23, 2024*, filed on November 25, 2024.

25. On January 24, 2025, the Energy Bureau issued a Resolution and Order ("January 24th Order") whereby, among others, it released LUMA from the requirement to provide in its Consolidated TPP and DR Administrative Costs Quarterly Reports the documentation evidencing professional services and LUMA staffing costs previously required in the October 23rd Order. *See* January 24th Order, p. 3. The Energy Bureau also ordered LUMA to use in the quarterly reports the same energy efficiency program cost categories used in LUMA's annual reports and modify one of the report tables. *See id*., p. 6.

26. On April 3, 2025, the Energy Bureau issued a Resolution and Order ("April 3rd Resolution and Order") (i) establishing the deadlines of October 1, 2025 and February 1, 2026, to present the draft Three-Year Plan to interested stakeholders and to file the Three-Year Plan, respectively and (ii) partially approved the Permanent CBES Program proposal for three years with respect to aspects of program design that were unchanged from the pilot stage, providing for consideration of other aspects after obtaining stakeholder comments and discussion at a Technical Conference scheduled for April 24, 2025, in which the Revised TPP, the status of the ELRP and the progress of the Three-Year Plan would also be discussed. *See* April 3rd Resolution and Order, pp. 2-4.

27. On April 24, 2025, the Energy Bureau held a Technical Conference in which LUMA presented, among others, the Proposed Revised TPP, the progress of the Three-Year Plan, the status of the ELRP development, the permanent CBES proposal and a preliminary proposal to expand the CBES program for summer 2025, referred to as the "CBES Emergency Expansion" or "CBES +".[4]

[4] *See Motion to Submit Presentation for Technical Conference Scheduled for April 25, 2025,* filed on April 23, 2025, which includes as Exhibit 1 the presentation submitted by LUMA for the Technical Conference.

28. On April 30, 2025, the Energy Bureau issued a Resolution and Order ("April 30th Order") ordering LUMA to file the proposals for the ELRP and the CBES+, addressing certain topics or questions set forth therein. *See* April 30th Resolution and Order, pp. 2-3.

29. On May 8, 2025, LUMA submitted to the Energy Bureau its proposal for the CBES+ ("CBES+ Proposal"). *See Motion to Submit Proposal for Expanded Customer Battery Energy Sharing Program and Revised Technical Conference Presentation In Compliance with Resolution and Order of April 30, 2025* ("May 8th Motion") and its Exhibit 1.

30. On May 20, 2025, the Energy Bureau issued a Resolution and Order ("May 20th Order") conditionally approving the CBES+ Proposal as proposed by LUMA and the remaining unapproved portions of the permanent CBES proposal, "subject to the fulfillment" of responses to a Request of Information ("May 20th ROI") included in Attachment A" of the May 20th Order. *See* May 20th Order, p. 2 and Attachment A.

31. On May 21, 2025, LUMA filed its proposal for the ELRP ("ELRP" Proposal"), 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*.

32. On May 27, 2025, LUMA submitted its responses to the May 20th ROI in compliance with the May 20th Order. *See Motion to Submit Responses to Requirements of Information Regarding CBES+ Proposal in Compliance with Resolution and Order of May 20, 2025, and Request for Confidential Treatment*.

33. On May 29, 2025, the Energy Bureau issued a Resolution and Order ("May 29th Order") determining that the responses to the May 20th ROIs submitted by LUMA on May 27, 2025, were satisfactory and approved the CBES+ proposal and the remaining unapproved portions of LUMA's permanent CBES proposal. *Id*., pp. 2-3.

34. On June 20, 2025, the Energy Bureau issued a Resolution and Order ("June 20th Order") in which it approved the ELRP Proposal through October 31, 2025[5]. The Energy Bureau also required LUMA to respond to requirements of information ("June 20th ROI") included with the June 20th Order, among other directives. *See id*.

35. On June 26, 2025, the Energy Bureau issued a Resolution and Order ("June 26th Order") addressing, among others, the Proposed Revised TPP and directing LUMA to file an amended EE program plan for Fiscal Year 2026 in accordance with specified budget limits and the EE Rider level set forth in the June 26th Order. *See id*. p. 4.

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

37. On July 22, 2025, LUMA filed an amended EE program plan with the associated revised budget. *See Motion to Submit Amended Energy Efficiency Program Plan in Compliance with Resolution and Order of June 26, 2025*.

III. Submission of FY2025 Q3 Consolidated TPP and DR Administrative Costs Report

38. In compliance with the February 16th Order and the August 29th Order, as modified by the March 21st Order, LUMA herein submits its FY2025 Q4 Consolidated TPP and DR Administrative Costs Quarterly Report. *See Exhibit 1*. This report follows the template approved by this Energy Bureau in the October 23rd Order, and includes the additional information required under the October 23rd Order and the January 24th Order. This report does not cover the

[5] The Energy Bureau did not approve a budget at that time, establishing a requirement to submit additional information once the program is ready to commence implementation. *See* June 20th Order, p. 3.

implementation of the Revised TPP, the CBES+ Program or the ELRP, given that these programs had not yet commenced implementation during FY 2025 Q4.

WHEREFORE, LUMA respectfully requests that the Energy Bureau (i) **take notice** of the aforementioned; (ii) **accept** the FY2025 Q4 Consolidated DR Administrative Costs and TPP Quarterly Report in *Exhibit 1* in compliance with the February 16th Order, the August 29th Order, March 21st Order, October 23rd Order, and the January 24th Order; and (iii) **deem** LUMA in compliance with the quarterly reporting requirements under such orders for FY2025 Q4.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 14th day of August 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; and mvalle@gmlex.net; 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.

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

Exhibit 1

FY2025 Q4 Consolidated TPP and DR Administrative Costs Quarterly Report

Consolidated Transition Period Plan and Demand Response Administrative Costs

FY2025 Q4 Report

NEPR-MI-2022-0001

August 14, 2025

LUMA

Executive Summary

LUMA remains committed to working with the Puerto Rico Energy Bureau (PREB) in our mission to build a more reliable and more resilient energy system for the people of Puerto Rico. As the operator of Puerto Rico's electric Transmission and Distribution (T&D) System, LUMA is responsible for and fully committed to helping implement Puerto Rico's public energy policy, including driving key customer initiatives such as Energy Efficiency (EE) and Demand Response (DR) programs to support a cleaner and brighter energy future for the 1.5 million customers we proudly serve.

This report provides an update on LUMA's Transition Period Plan (TPP) and includes an overview of LUMA's progress and achievements on EE and DR programs during the fourth quarter (Q4) of fiscal year 2025 (FY2025), from April 1 to June 30, 2025. Through the TPP, LUMA has launched multiple EE and DR programs and projects to raise customer awareness about EE and savings and increase participation.

LUMA's EE & DR Progress

During FY2025 Q4, LUMA made progress on the following programs and initiatives:

- **EE Education:** Reaching out to customers through social media, bill inserts and customer newsletters to raise awareness of LUMA's EE programs.
- **EE Rebates:** Issuing more than **4,484** financial rebates to residential customers for buying high-efficiency equipment and providing approximately **$216,208** in rebates to **104** commercial customers, with additional funds pre-approved, reducing energy consumption and costs.
- **In-Store EE Discounts:** Continued this quarter at 10 Home Depot locations. This initiative, which now includes ceiling fans and window AC units, **provided incentives for 1,752 ceiling fans**, and **1,798 window AC units**. Given the outstanding results, LUMA will continue promoting this initiative for the next fiscal year.
- **Community Streetlight Initiative:** Replacing approximately **183,777** streetlights across thirty-two municipalities, improving safety and EE for customers while building a brighter and more modern and resilient grid for the communities.
- **Customer Battery Energy Sharing Initiative:** The Customer Battery Energy Sharing (CBES) Pilot have enrolled a total of **12,447 participants**, representing **64.5 MW** of battery capacity, to enhance critical energy grid availability during peak demand, improve daily service reliability, and help minimize load shedding, while scaling operational efficiency and customer participation through insights from surveys and the implementation of a grid-edge Distributed Energy Resource Management System (DERMS) platform to support the transition into a permanent program.

Consolidated Transition Period Plan and Demand Response Administrative Costs Quarterly Report NEPR-MI-2022-0001

Regulatory Background

On June 1, 2022, LUMA submitted to the PREB the EE and DR Transition Period Plan (2022 TPP) [1], which describes the various quick-start EE and DR programs to be implemented by LUMA during a two-year transition period ending on June 30, 2024. By Resolution and Order of February 16, 2023 ("February 16th Resolution and Order") the PREB approved (with some modifications) the 2022 TPP. Subsequently, by Resolution and Order of November 29, 2023 ("November 29th Resolution and Order"), the PREB approved the extension of the 2022 TPP for an additional year. On December 20, 2023, LUMA prepared and submitted to the PREB a revised TPP ("Revised TPP"; as used hereinafter in this report, "TPP" refers to this revised TPP) updating the EE and DR programs and extending them until June 2025.

This report encompasses the period from April 1 through June 30, 2025, and is presented by LUMA in adherence to the requirements of the PREB's February 16th Resolution and Order to submit quarterly reporting on the reporting metrics set forth in Section 6 of the 2022 TPP, which requirements remained unchanged in the Revised TPP. In addition, this report has the purpose of complying with the requirements set forth in the PREB's Resolution and Order of August 29, 2023 ("August 29th Resolution and Order"), requiring LUMA to report quarterly on specified data regarding the administrative costs for the implementation of the CBES Initiative that forms part of the TPP. The PREB approved the consolidation of these two quarterly reporting requirements by Resolution and Order of March 21, 2024 ("March 21st Resolution and Order") and approved the reporting format submitted on August 13, 2024 (August 13th Motion)[2] through the Resolution and Order of October 23, 2024 ("October 23rd Resolution and Order") conditioned to the inclusion of new information, and modification of existing information. This report also adheres to the PREB's January 24, 2025, Resolution and Order whereby, among others, ordered LUMA to use in the quarterly reports the same energy efficiency program cost categories used in LUMA's annual reports. On January 31, 2025, LUMA filed the revised TPP ("Proposed Revised TPP"), containing, among others, a description of EE and DR program offerings, budgets, and the estimated EE Rider amount for FY2026.

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

[2] *See Motion to Submit FY2024 Q4 Consolidated Transition Period Plan and Demand Response Administrative Cost Quarterly Report and Request for Approval Template for these Quarterly Reports* filed on August 13, 2024, in Case No. NEPR-MI-2022-0001, *In Re: Energy Efficiency and Demand Response Transition Period Plan*, and its Exhibit 1.

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Tables & Figures

List of Acronyms

ACRONYM	DEFINITION
ADMS	Advanced Distribution Management Systems
ADR	Automated Demand Response
C&I	Commercial, Industrial and Agriculture
CBES	Customer Battery Energy Sharing
COR3	Central Office for Recovery, Reconstruction and Resiliency
CSI	Community Street Lights Initiative
DDEC	Department of Economic Development and Commerce
DERMS	Distributed Energy Resource Management System
DOE	Department of Energy
DR	Demand Response
EE	Energy Efficiency
EESRP	Energy Efficiency System Remediation Plan
EMS	Energy Management Systems
EPA	Environmental Protection Agency
HVAC	Heating Ventilation and Air Conditioning
LED	Light Emitting Diode
POS	Point-of-Sale
PREB	Puerto Rico Energy Bureau
PRHA	Puerto Rico Housing Authority
PREPA	Puerto Rico Electric Power Authority
PP&A	Program Planning and Administrative Costs
PPCA	Power Purchase Charge Adjustment
T&D	Transmission and Distribution
TPP	Transition Period Plan
TPPERP	Transition Period Plan Emergency Response Plan
VFDIRP	Valuable Frequency Drive Integrated Resource Plan
VPPs	Virtual Power Plants

1.0 Description of Implementation Progress

1.1 Summary of Program Implementation Experience and Progress

This section provides a high-level summary of the implementation experience and progress to date for each program and initiative. *Table 1: Activities and Achievements for FY2025 Q4* below summarizes the activities, achievements, and status of various programs under the TPP.

Table 1: Activities and Achievements

TPP Program	Initiatives	Description and Experience	Status
Education and Outreach Sec. 4.2 of TPP	Stakeholder Outreach	During FY2025 Q4, approximately 1.5 million customers received a bill insert with information about energy savings tips and ways to reduce outages. See Appendix A	Completed
Education and Outreach Sec. 4.2 of TPP	Stakeholder Outreach	A Stakeholder Newsletter was sent to customers with information about energy-saving tips and ways to reduce outages. The newsletter was distributed to all LUMA customers. See Appendix A	Completed
Residential EE Rebates Sec. 4.3 of TPP	Pilot Program	Provide customers with a financial incentive for buying and installing eligible high-efficiency equipment and appliances. A total of **4,848** customers took part and received reimbursements in FY2025 Q4.	Paused
Business EE Rebates Sec. 4.7 of TPP	Pilot Program	Provided commercial customers with a financial incentive for buying and installing eligible high-efficiency equipment and appliances. During FY2025 Q4, **104** business customers participated in the program receiving a total of **$216,208** in Business EE Rebates.	Paused
In-Store EE Discounts Program Section 4.5 of TPP	Pilot Program	The program offers customer point-of-sale (POS) discounts on eligible products at participating retail stores such The Home Depot, providing discounts on Energy Star products such as Window AC units, and ceiling fans. A total of **692** ceiling fans, and **1,057** window AC units were sold in FY2025 Q4.	Ongoing
Residential EE Kits Sec. 4.6 of TPP	Pilot Program	LUMA provides free mail-order “kits” containing typical EE measures and educational materials. During this reporting period, no Residential EE kits were distributed. Year-to-date a total of **9,573** customers across Puerto Rico have received these kits.	Paused

TPP Program	Initiatives	Description and Experience	Status
Business EE Kits Sec. 4.6 of TPP	Pilot Program	Commercial customers receive a free mail-order "kit" that includes typical EE measures and educational materials. During this reporting period, no Business EE kits were distributed. Year-to-date a total of **3,072** businesses have received these kits.	Paused
Street Light Conversion Program Sec. 4.8 of TPP	Street Light Conversion Program	During FY2025 Q4, LUMA saved approximately **70,546** kWh as the result of replacing around **3,993** streetlights, demonstrating its commitment to looking at its work holistically, combining EE and infrastructure modernization.	Ongoing
Customer Battery Energy Sharing Program Sec 5.1 of TPP Pilot Program	Pilot Program	The CBES Pilot has successfully scaled with **9,549 participants enrolled** this quarter to enhance operational efficiency and support program growth, LUMA is working towards implementing a grid-edge DERMS platform, enabling automated dispatch, real-time reporting, and streamlined processes to meet grid needs and expand demand response capabilities.	Ongoing

1.2 Residential EE Kits Program

A total of **9,573 EE kits** have been distributed year-to-date, contributing to overall energy savings of **3,295 MWh**.

In the beginning of Q4 LUMA began planning efforts around a new round of Residential EE kits specifically for low-income customers. LUMA planning efforts focused on building partnerships with the Puerto Rico Department of Economic Development and Commerce (DDEC), Puerto Rico Housing Authority (PRHA) and community groups to distribute a portion of available EE kits to their network of low-income households, and to enhance survey instruments for recipients of EE Kits ordered through the LUMA portal to gather information to enhance low-income program education and outreach.

1.3 Residential EE Rebate Program

As described in the FY2025 Q2 report, due to overwhelming demand, the residential mini-split units' rebates became fully subscribed. In Q2 and Q3, LUMA first reviewed and analyzed all pending EE Rebate applications to fully assess the portfolio financial implications of the mini-split rebate demand surge. Based on that analysis, LUMA proactively adjusted mini-split rebate incentives and eligibility limits, ensuring maximum customer participation and equitable distribution of remaining fiscal year funds.
In addition, as is common in utility programs, the EE Rebate program for the remaining measures was paused in April 2025 to ensure that all incentive applications submitted by customers were processed by fiscal year end.

Building on the ramp-up of rebate check processing described in the Q3 report, LUMA continued its work with the implementation contractor during Q4 to clear the pending rebate payments communicating with customers and ensuring they received appropriate rebates payments in a timely manner.

The quarter saw a **141.9%** increase in processed rebates payments compared to the first six months of FY2025.

See Table 2: Rebates Processed FY2025 Q4 below.

Table 2: Rebates Processed

Customers Served	Applications Processed[3]	Rebates Issued[4]	Rebates Spend
4,484	**4,538**	**5,887**	**$2,314,381**

During FY2026, LUMA will continue to issue rebate payments for the estimated remaining eligible FY2025 residential rebate applications, the majority of which are applications missing required information which require additional back-and-forth with customers.

In terms of measures, the program also featured diverse energy efficiency upgrades, though mini-split air conditioners were predominant. For a detailed breakdown of the measures and their distribution, refer to *Table 3: Measures Installed in FY2025 Q4* below.

Table 3: Measures Installed

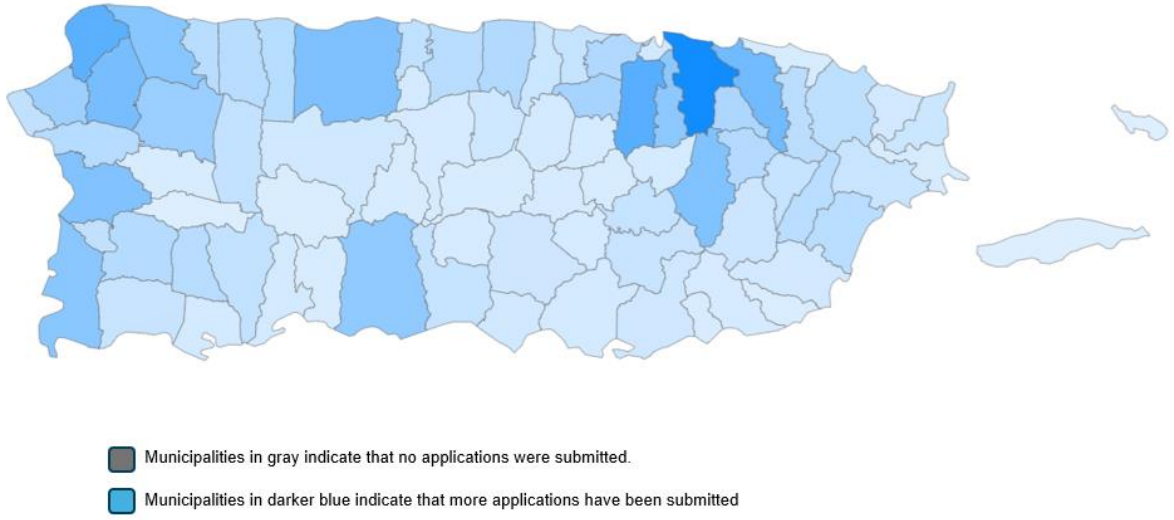
Measure	QTY	Percentage
Energy Star® Freezer	41	0.70%
Energy Star® Tankless Water Heater	76	1.29%
Energy Star® Window Air Conditioner	129	2.19%
Energy Star® Refrigerator	614	10.43%
Solar Water Heater	1,555	26.41%
Mini-Split Air Conditioner	3,472	58.98%
Total	**5,887**	**100%**

This adoption of energy efficiency products across the island shows widespread awareness and reach of the residential rebates program.

[3]Processed means paid. One application allows for more than one measure.

[4] Number of Measures for which rebates were paid.

Figure 1: Geographical Distribution of Residential EE Rebates



1.4 Business EE Kits Programs

During FY2025 Q4, no activities were carried out under the Business Energy Efficiency Kits Program. The Business EE Kit Program is scheduled to resume distribution activities in FY2026, with a focus on engaging small businesses. For a detailed YTD breakdown of the Business EE Kits and their distribution, refer to *Table 4: Business EE Kit by Type distributed in FY2025* below.

Table 4: Business EE Kit by Type distributed

Business EE Kit by Type	Quantity
Restaurant	369
Lighting	647
Retail	716
Office	1,340
Total	**3,072**

1.5 Business EE Rebates Program

During FY2025 Q4, the Business EE Rebate Program, similar to the Residential EE Rebate program, concentrated its efforts on completing processing submitted applications.

As a result, a total of **221** rebate payments were made, representing the installation of **3,209 energy efficiency measures**. These efforts resulted in rebate reimbursements totaling **$216,208** and an estimated 704.83 MWh in annual energy savings. For a more detailed breakdown of eligible equipment, please refer to *Table 5: Eligible Equipment for Rebates.*

Table 5: Eligible Equipment for Rebates

Eligible Equipment	Rebate Amount
Exit Sign	$10
Omni Directional LED Replacement	$10
LED Troffer Replacement	$25 - $30
Linear Fluorescent LED Replacement	$5 - $10
Exterior Lighting	$40 - $280
Occupancy Sensor	$20 per sensor
Fryer	$350
Convection Oven	$350
Combination Oven	$800
Ice Machine	$500
Solar Water Heater	$550
Commercial Refrigerator and Commercial Freezer	$100 each
Commercial Air Conditioning	Tier 1: $100 per ton Tier 2: $175 per ton
Ductless Split Air Conditioner	$250 - $750
Energy Star® Window Air Conditioner	$130
Chiller	Tier 1: $100 per ton Tier 2: $175 per ton
Window Film	$1 per square foot
Pool Pump Valuable Frequency Drive (“VFD”)	$200 per HP

Table 6: Business Measures Installed

Eligible Equipment	Qty (#)	Percentage
Fryer	0	0%
Convection Oven	0	0%
Combination Oven	0	0%

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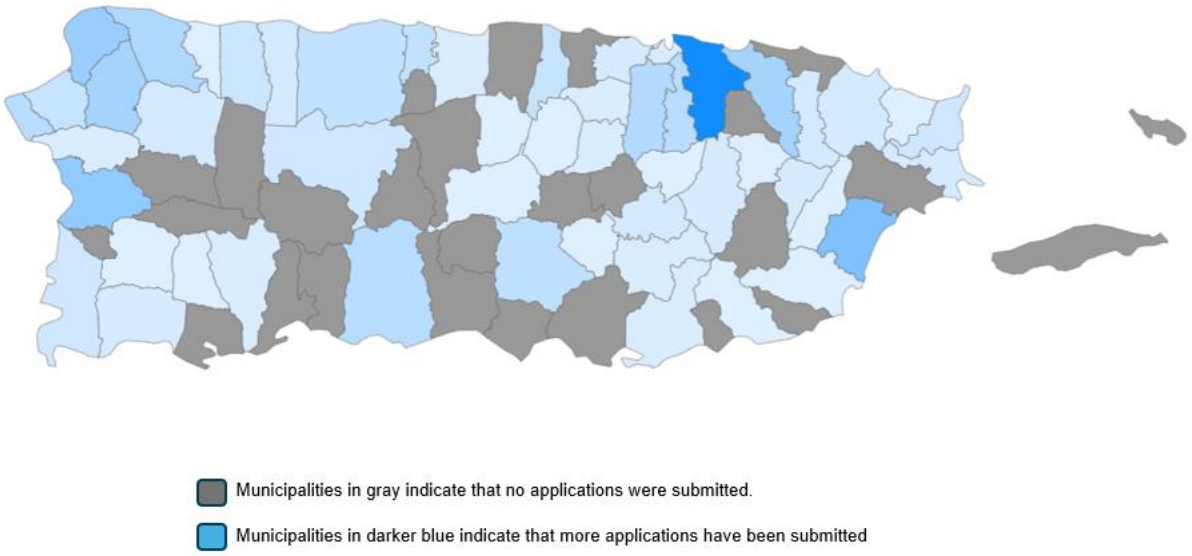
Eligible Equipment	Qty (#)	Percentage
Commercial Refrigerator	0	0%
Commercial Freezer	0	0%
Energy Star® Window Air Conditioner	0	0%
Pool Pump Valuable Frequency Drive (“VFD”)	0	0%
Occupancy Sensor	0	0%
Omni Directional LED Replacement	0	0%
Chiller	0	0%
Window Film	1	0%
Ice Machine	1	0%
Exterior Lighting	3	0%
Exit Sign	4	0%
Solar Water Heater	4	0%
Commercial Air Conditioning	23	1%
Mini-Split Air Conditioner	228	7%
LED Troffer Replacement	647	20%
Linear Fluorescent LED Replacement	2,298	72%
Total	**3,209**	**100%**

Figure 2: Geographical Distribution of Business EE Rebates



1.6 In-Store EE Discounts Program

During FY2025 Q4, the LUMA In-Store EE Discount Program included two measures: energy efficient window AC units and ceiling fans, both discounted in partnership with The Home Depot.

Sales during the quarter continued to be strong for both measures, with **1,752 ceiling fans** and **1,798 window AC units** sold. This resulted in a combined incentive payout of **$92,925** for these two measures and approximately **531,100 kWh** of annual energy savings.

Table 7: In-Store Discounts Units Sold

Measure	QTY
Energy Star® Window AC	1,798
Energy Star® Ceiling Fan	1,752
Total	**3,550**

In May, LUMA hosted an in-store event for the program at the Home Depot in Ponce. The event was designed to increase customer awareness of the instant discounts available for ENERGY STAR® certified ceiling fans and window air conditioning units. Customers engaged with the LUMA team to learn more about the program's benefits and how energy-efficient equipment can help lower their electricity consumption and utility bills.

1.7 Program and Implementation Strategies

Focus on Equity and Access

During FY2025 Q4, LUMA's EE programs continued advancing efforts to promote equity and access by providing enhanced residential rebate incentives and EE Kits for low-income households.

For EE Kits, LUMA planning efforts focused on building partnerships with DDEC, Vivienda and community groups to distribute a portion of available EE kits to their networks of low-income households. For remaining EE kits distributed to low-income customers via LUMA's online portal, LUMA planned for enhancing survey instruments for recipients of EE Kits to gather information to enhance low-income program education and outreach in FY2026.

For the Residential Rebate program, LUMA offered higher financial support to low-income participants, addressing the challenges these households face when adopting EE technologies. Through this approach, LUMA aims to reduce the financial burden for vulnerable families, making energy-saving measures more accessible. See *Table 8: Contrast by Sector of Eligible Measures* below.

Eligibility for the low-income incentives is determined based on the combined yearly income and household information provided by applicants in conjunction with LUMA's low-income tariff. LUMA carefully reviews this information to ensure the incentives reach those with the greatest need, supporting equitable participation in the programs. This structure reflects LUMA's commitment to bridging gaps in access to EE and fostering inclusivity across diverse income groups.

LUMA works actively to identify and implement targeted measures to increase participation rates of low-income customers. These efforts include enhanced data tracking for low-income customer identification, focused outreach initiatives, and strategic program expansion to improve accessibility for low-income communities.

Table 8: Residential Rebates: Contrast by Sector of Eligible Measures

Eligible Measure	Non-low-Income Incentive	Low-Income Incentive
Solar Water Heater	$550	$775
Electric Tankless Water Heater	$60	$85
Energy Star® Refrigerator	$210	$280
Energy Star® Freezer	$210	$280
Energy Star® Air Conditioner – Window	$130	$175
Air Conditioner – Mini-Split	$375 - 500	$375 - $500

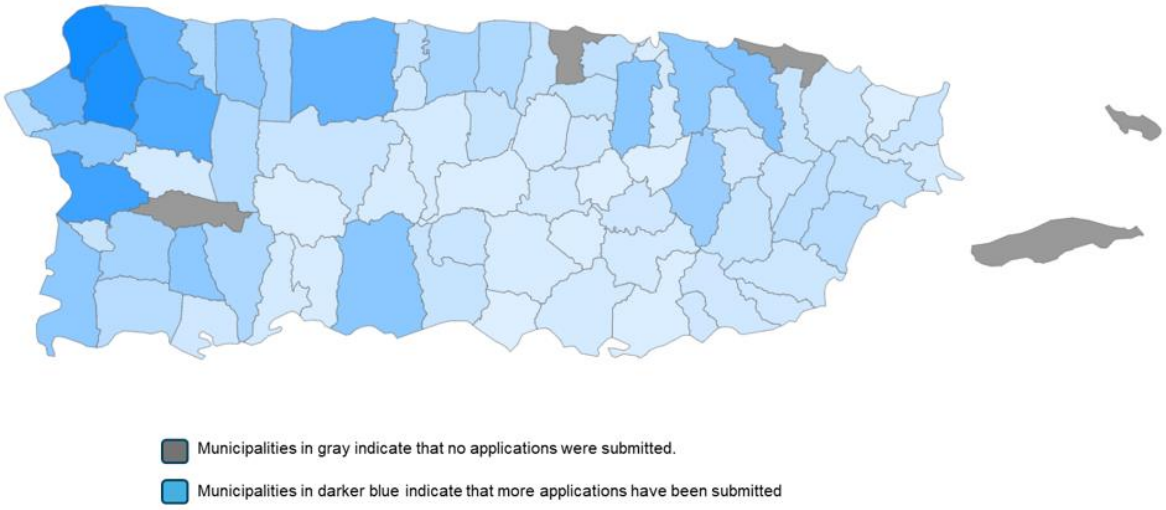
As of FY2025 Q4, LUMA paid a total of **$123,535** in incentives specifically to low-income customers, supporting a variety of EE upgrades. The distribution of these funds was reflected in the installation of **290** energy-savings measures by **231** low-income customers across different categories, see *Table 9: Measures Installed by Low-income Customers* below.

This effort highlights LUMA's dedication to providing long-term community benefits through energy savings. By ensuring that low-income households can participate meaningfully in EE programs, LUMA fosters broader program engagement and drives economic and environmental benefits. The focus on equity remains central to LUMA's strategy, ensuring that all customers, regardless of income, can enjoy the advantages of EE technologies.

Table 9: Measures Installed by Low-income Customers

Measure	QTY #
Electric Tankless Water Heater	1
Energy Star® Freezer	2
Energy Star® Air Conditioner – Window	12
Energy Star® Refrigerator	48
Solar Water Heater	54
Air Conditioner – Mini-Split	173
Total	**290**

Figure 4: Geographic Distribution of Residential EE Rebates for Low-income customers



1.8 Funding Sources and Cost Recovery

In June 2024, LUMA, as ordered by the PREB, implemented the EE Rider as a reliable and long-term funding source essential for planning and delivering EE programs to meet Act 17-2019, as amended, objectives. While LUMA explored other funding options like federal grants—which support individual projects but do not provide direct funding to utilities— the EE Rider was established, in line with the PREB's 2019 determination to recover program costs from all customers on a per kilowatt-hour basis.

For FY2025, an initial EE fund of $13,745,450 million was to be collected through the EE Rider, which was calculated by dividing this amount by the estimated FY2025 kWh sales of 15,871,074,200 kWh, resulting in an estimated rider factor of $0.000853 per kWh. In FY2025, $12,430,248 was collected from customers through the EE rider. This amount is added to the FY24 Rollover amount of $5,812,817 to arrive at the actual FY25 budget of $18,243,065.

LUMA continues to explore the potential to expand its program's reach and impact through additional funding sources such as the Department of Energy (DOE) and the Central Office for Recovery, Reconstruction and Resiliency (COR3) partnerships.

Particularly, LUMA has continued working during this quarter with COR3 to start using the federal funding approved by DOE to further expand the CBES Pilot Program to allow for increased participation, testing and flexibility, in addition to the currently budgeted funds for the CBES Pilot Program, thereby increasing its impact and effectiveness.

LUMA continues its recurring discussions with key stakeholders such as the State Office of Public Energy Policy, Fortaleza, and the DOE. These discussions are vital for aligning efforts and ensuring comprehensive support for LUMA's initiatives. The collaboration with these entities is ongoing, with a dedication to fostering strong partnerships to advance EE and DR goals.

2.0 Energy Efficiency Participants Enrolled and Installed Measures

2.1 Number of Participants in Energy Efficiency Programs

During FY2025 Q4, a total of **8,138** customers participated in LUMA's EE programs. The Residential EE Rebate Program saw the highest level of engagement this quarter, with **4,484** participants, including **231** low-income households. This represents the continued success of the rebate program in promoting high-efficiency equipment adoption among residential customers.

The In-Store Discount Program recorded **3,550** participants during the quarter, maintaining momentum through ongoing retail promotions. Meanwhile, participation in the Business EE Rebate Program rose to **104** customers, demonstrating steady interest among commercial customers seeking cost-effective energy solutions.

No new Residential or Business EE Kits were distributed in Q4 as LUMA transitioned toward planning targeted outreach strategies to resume these initiatives in FY2026.

Overall, Q4 participation reflects strong program engagement and positions LUMA to build on this progress with enhanced outreach and program offerings in the upcoming fiscal year.

Table 10: Number of Participants enrolled or receiving incentives in each EE Program during FY2025 Q4 below includes the number of participants enrolled or receiving benefits in the EE programs by program to date (limited to those programs where customers enrolled or received the rebates and/or incentives).

Table 10: Number of Participants enrolled or receiving incentives in each EE Program

Program	Participants FY2025 Q4	Participants YTD
Residential Rebates	4,484	10,469
Low-Income	231	716
Non-Low-Income	4,253	9,753
Business Rebates	104	217
Residential EE Kits	0	9,573
Business EE Kits	0	3,072
In-Store Discount	3,550	14,503
Total	**8,138**	**38,019**

Table 11: Installed Measures by Sector, Segment, and Program (FY2025 Q4) provides an overview of the energy efficiency measures implemented across various sectors during the fourth quarter of FY 2025. This table categorizes the installed measures into distinct sectors, including residential, commercial, industrial, and utility segments, allowing for a clear understanding of where energy efficiency efforts are concentrated. Each sector is further broken down by specific programs that detail the types of measures installed, such as lighting upgrades, Heating Ventilation and Air Conditioning (HVAC) improvements, and insulation enhancements.

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Table 11: Installed Measures by Sector, Segment, and Program

Sector	Segment	Program	Installed Measure	FY2025 Q1 Quantity	FY2025 Q2 Quantity	FY2025 Q3 Quantity	FY2025 Q4 Quantity	YTD Quantity	FY25 Q1 Energy Savings kWh	FY25 Q2 Energy Savings kWh	FY25 Q3 Energy Savings kWh	FY25 Q4 Energy Savings kWh	YTD Energy savings kWh	FY25 Q1 Peak Demand Savings kW	FY25 Q2 Peak Demand Savings kW	FY25 Q3 Peak Demand Savings kW	FY25 Q4 Peak Demand Savings kW	YTD Peak Demand Savings kW
Residential	Single-Family Homes	Residential Rebate	Air Conditioner - Window	34	64	94	129	321	23829.02	44850.53	68080.207	92698.133	229457.89	2.29	2.953	2.677	4.416	12.336
Residential	Single-Family Homes	Residential Rebate	Mini-Spli Air Conditioner	1167	1299	3,517	3,472	9455	1668766.37	1992000.23	4075347.239	4022524.35	11758638.19	172.38	191.67	431.916	391.519	1187.485
Residential	Single-Family Homes	Residential Rebate	Solar Water Heaters	193	221	351	1,555	2320	384208.73	389145.5	614583.385	2750019.231	4137956.846	42.23	38.705	68.562	328.901	478.398
Residential	Single-Family Homes	Residential Rebate	Tankless Water Heaters	10	25	44	76	155	9438.05	17261.2	3773.308	6424.027	36896.585	0.850000	1.170000	0	0.000000	2.020000
Residential	Single-Family Homes	Residential Rebate	Refrigerators	72	175	331	614	1192	42088.68	62661	16841.942	31241.548	152833.17	4.52	6.19	1.986	3.684	16.38
Residential	Single-Family Homes	Residential Rebate	Freezers	4	11	13	41	69	2412.59	3994.69	555.88	1753.16	8716.32	0.38	0.361	0.065	0.205	1.011
Residential	Single-Family Homes	Energy Efficiency Kits Program	LED Bulbs	56316	828	294	0	57438	2577583.32	37897.56	13456.38	0	2628937.26	482.78	7.10	2.52	0	492.396464
Residential	Single-Family Homes	Energy Efficiency Kits Program	Advanced Power Strip	9386	138	49	0	9573	296222.16	4355.28	1546.44	0	302123.88	10.62	0.16	0.55	0	11.335848
Residential	Single-Family Homes	Energy Efficiency Kits Program	LED Night Light	9386	138	49	0	9573	357418.88	5255.04	1865.92	0	364539.84	40.80	0.60	0.21	0	41.613831

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Sector	Segment	Program	Installed Measure	FY2025 Q1 Quantity	FY2025 Q2 Quantity	FY2025 Q3 Quantity	FY2025 Q4 Quantity	YTD Quantity	FY25 Q1 Energy Savings kWh	FY25 Q2 Energy Savings kWh	FY25 Q3 Energy Savings kWh	FY25 Q4 Energy Savings kWh	YTD Energy savings kWh	FY25 Q1 Peak Demand Savings kW	FY25 Q2 Peak Demand Savings kW	FY25 Q3 Peak Demand Savings kW	FY25 Q4 Peak Demand Savings kW	YTD Peak Demand Savings kW
Residential	Single-Family Homes	In-Store Discount Program	Window ACs	0	419	52	1,798	2269	0	98046	12168	420732	530946	0	13.827	1.716	59.334	74.877000
Residential	Single-Family Homes	In-Store Discount Program	Ceiling Fans	0	1336	1,605	1,752	4693	0	84168	101115	110376	295659	0	24.048	28.89	31.536	84.474000
Residential	Single-Family Homes	In-Store Discount Program	Efficient Lighting	51403	53916	0	0	105319	1828122	2051835	0	0	3879957	344.03	387.86	0	0	731.890000
Commercial	Small Business	Business Energy Kit Program	Restaurant Kit	50	113	206	0	369	87550	197863	360706	0	646119	11.65	26.33	47.998	0	85.978000
Commercial	Small Business	Business Energy Kit Program	Lighting Kit	297	146	202	0	645	341847	168046	234804	0	744697	39.8	19.56	27.068	0	86.428000
Commercial	Small Business	Business Energy Kit Program	Retail Kit	429	202	85	0	716	463320	218160	91800	0	773280	59.48	27.88	11.73	0	99.090000
Commercial	Small Business	Business Energy Kit Program	Office Kit	721	488	131	0	1340	752003	508984	136633	0	1397620	83.64	56.61	15.196	0	155.446000
Commercial	Small Business	Business Rebate Program	Exit Sign	0	4	3	4	11	0	8873.12	1287.72	137.357	10298.197	0	1.11	0.002	0	1.112
Commercial	Small Business	Business Rebate Program	Omni Directional LED Replacement	0	78	300	0	378	0	27178.23	96643.152	0	123821.382	0	2.16	12.273	0	14.433
Commercial	Small Business	Business Rebate Program	LED Troffer Replacement	0	670	237	647	1554	0	451315.05	20444.167	140031.339	611790.556	0	57.33	2.597	17.791	77.718

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Sector	Segment	Program	Installed Measure	FY2025 Q1 Quantity	FY2025 Q2 Quantity	FY2025 Q3 Quantity	FY2025 Q4 Quantity	YTD Quantity	FY25 Q1 Energy Savings kWh	FY25 Q2 Energy Savings kWh	FY25 Q3 Energy Savings kWh	FY25 Q4 Energy Savings kWh	YTD Energy savings kWh	FY25 Q1 Peak Demand Savings kW	FY25 Q2 Peak Demand Savings kW	FY25 Q3 Peak Demand Savings kW	FY25 Q4 Peak Demand Savings kW	YTD Peak Demand Savings kW
Commercial	Small Business	Business Rebate Program	Linear Fluorescent LED Replacement	0	122	0	2,298	2420	0	123454.24	0	128690.726	252144.966	0	15.68	0	16.348	32.028
Commercial	Small Business	Business Rebate Program	Occupancy Sensor	0	2	25	0	27	0	8873.12	1141.564	0	10014.684	0	1.11	0	0	1.11
Commercial	Small Business	Business Rebate Program	Exterior Lighting	-	0	0	3	3	0	0	0	799.5	799.5	0	0	0	0.000148	0.000148
Commercial	Small Business	Business Rebate Program	Fryer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial	Small Business	Business Rebate Program	Convention Oven	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial	Small Business	Business Rebate Program	Combination Oven	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial	Small Business	Business Rebate Program	Ice Machine	0	0	3	#REF!	#REF!	0.00	0.00	2355.94	438.89	2794.83	0	0	0.189	0.035	0.224
Commercial	Small Business	Business Rebate Program	Commercial Refrigerator	0	2	0	0	2	0	9829.97	0	0	9829.97	0	0.35	0	0	0.35
Commercial	Small Business	Business Rebate Program	Commercial Freezer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial	Small Business	Business Rebate Program	Commercial Air Conditioner	0	5	33	23	61	0.00	38338.45	409992.26	81824.33	530155.04	0	4.27	42.925	14.037	61.232

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Sector	Segment	Program	Installed Measure	FY2025 Q1 Quantity	FY2025 Q2 Quantity	FY2025 Q3 Quantity	FY2025 Q4 Quantity	YTD Quantity	FY25 Q1 Energy Savings kWh	FY25 Q2 Energy Savings kWh	FY25 Q3 Energy Savings kWh	FY25 Q4 Energy Savings kWh	YTD Energy savings kWh	FY25 Q1 Peak Demand Savings kW	FY25 Q2 Peak Demand Savings kW	FY25 Q3 Peak Demand Savings kW	FY25 Q4 Peak Demand Savings kW	YTD Peak Demand Savings kW
Commercial	Small Business	Business Rebate Program	Window Air Conditioner	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial	Small Business	Business Rebate Program	Mini-Spli Air Conditioner	12	87	223	228	550	14966.44	340864.61	303326.80	341194.38	1000352.23	-0.748	8.311	33.228	38.158	78.949
Commercial	Small Business	Business Rebate Program	Chillers	2	0	1	0	3	695256	0	310803	0	1006059	34.048	0	0	0	34.048
Commercial	Small Business	Business Rebate Program	Solar Water Heaters	0	4	0	4	8	0.00	20442.50	0.00	11106.13	31548.63	0	1.54	0	1.239	2.779
Commercial	Small Business	Business Rebate Program	Window Film*	0	1	0	1	2	0.00	23222.49	0.00	608.25	23830.74	0	0.45	0	0.03	0.48
Commercial	Small Business	Business Rebate Program	Pool Pump VFD	0	1	0	0	1	0	8066.5	0	0	8066.5	0	0	0	0	0

3.0 Energy Efficiency Performance

3.1 Energy and Peak Demand Savings by Sector

During FY2025 Q4, LUMA's EE programs delivered notable energy (MWh) and peak demand (MW) savings across various market sectors and subsegments, as shown in *Table 12: Energy and Peak Demand savings performance by Market Sector and Subsegment*, which includes preliminary estimates of savings achieved during the quarter in relation to annual targets.

Table 12: Energy and Peak Demand savings performance by Market Sector and Subsegment

Market Sector	Subsegment	Annual Energy Savings Target (MWH)[5]	FY2025 Q4 Energy Savings (MWH)	YTD Energy Savings (MWH)	Actual Savings (%) of Annual Target	Peak Demand Savings Target (MW)	FY2025 Q4 Peak Demand Savings (MW)	YTD Peak Demand Savings (MW)	Actual Peak Demand Savings (%) Annual Target
Residential Sector	Low-Income	3,667	310	1,617.97	44%	5.0	0.03	0.2	3%
Residential Sector	Non-Low-Income	26,637	7,125	22,709	85%	8.8	0.08	3.0	34%
Commercial, Industrial and Agriculture (C&I) Sector	Small Business	6,416	705	7,155	112%	1.1	0.1	0.8	76%
Commercial, Industrial and Agriculture (C&I) Sector	Other Commercial/Industrial and Agricultural Sector	15,063	0	0	0%	3.9	0.00	0.00	0%
Government/Public	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Portfolio Total		51,783	8,141	31,481	61%	18.8	0.9	4.0	21%

3.2 Energy and Peak Demand Savings by Program

Table 13: Energy and Peak Demand Savings Performance below provides the preliminary estimates of energy (MWh) and peak demand (MWh) savings achieved during the quarter for each program and how these relate to annual targets.

[5]The Annual Energy Savings Target reflects the FY2025 Incremental First-Year Energy Savings from FY2024 unspent funds, minus the EE Rider approved by PREB in the October 23, 2024, Resolution and Order.

Table 13: Energy and Peak Demand Savings Performance

Program	Annual Energy Savings Target (MWh)[6]	FY2025 Q4 Energy Savings (MWh)	YTD Energy Savings (MWh)	FY2025 YTD Energy Savings (%)	FY2025 Peak Demand Savings Target (MW)	FY2025 Q4 Peak Demand Savings (MW)	YTD Peak Demand Savings (MW)	FY2025 YTD Peak Demand Savings (%)	FY2025 Q4 Spend ($)	YTD Program Spend ($)	$/kWh[7]
Residential EE Rebates[8]	17,203	6,905	16,324	95%	7.3	0.7	1.7	23%	4,242,782	9,628,317	$0.59
In-Store EE Discounts	6,007	531	4,707	78%	2.2	0.1	.09	40%	395,460	1,524,739	$0.32
Residential EE Kits	7,094	0	3,296	46%	4.4	0.0	0.6	13%	-12,224	895,180	$0.27
Business EE Rebates	14,026	705	3,622	26%	4.1	0.1	0.4	9%	605,372	1,604,036	$0.44
Business EE Kits[9]	7,453	0	3,533	47%	0.9	0.0	0.4	47%	-598	272,039	$0.08
Total	**51,783**	**8,141**	**31,481**	**61%**	**18.9**	**0.9**	**4.0**	**21%**	**5,230,792**	**13,924,312**	**$0.44**

3.3 Customer Education and Outreach

LUMA's Education and Outreach activities were scaled-back due to the overwhelming demand for Residential EE rebates. This decision was made to ensure availability of program funds for incentive payments to customers and to properly manage customer expectations amidst limited availability of program incentives, particularly for residential participants.

Table 14: Customer Education and Outreach Activities for each EE Program during FY2025 Q4 below summarizes the customer education and outreach activities conducted during the quarter.

Table 14: Customer Education and Outreach Activities for each EE Program

Program	Event	Event Description	Month
Education and Outreach	*Feria de Salud y Servicios del Senado de PR, Distrito de Humacao*	Outreach event to promote energy efficiency by educating attendees about our programs and offering practical energy-savings tips.	May 2025

[6] The Annual Energy Savings Target reflects the FY2025 Incremental First-Year Energy Savings from FY2024 unspent funds, minus the EE Rider approved by the PREB in the October 23, 2024, Resolution and Order.

[7] The calculation of cost per kilowatt-hour ($/kWh) is based on the YTD program spend for FY2025 divided by the YTD Energy Savings (kWh). This figure helps gauge the cost-effectiveness of the program's investments in relation to the energy savings achieved.

[8] Total Actual Energy Savings for Residential EE Rebates and Residential EE Kits reflect rebates disbursed and kits ordered and shipped to customers during the reporting period.

[9] The Annual Energy Savings and Peak Demand Target for Business EE Kits was moved from the Business EE Rebates Program target, as the Business EE Kits were not included in the original energy savings and peak demand targets.

Program	Event	Event Description	Month
Education and Outreach	EE School Education Program	A school education program aimed at teaching 5th-grade students about energy efficiency. The program targets both public and private schools across Puerto Rico. During FY2025 Q4, presentations were delivered at 26 private schools promoting energy-savings behaviors and raising awareness about responsible energy use among students.	May 2025
In-Store Discount	ISD Store Event	LUMA held a third high-impact store event at The Home Depot Ponce. Coordinated with the store leadership, this event was designed to generate excitement around LUMA's EE programs, enhance awareness, and provide comprehensive training for retail stores associates.	May 2025
Business Rebates	LUMA's Stakeholder Newsletter	A stakeholder newsletter was emailed to all commercial customers, detailing the status of the Business EE Rebate Program. The communication included information on eligibility criteria, available incentives, and instructions on how to apply, helping businesses make informed decisions about participating in the program.	June 2025
Education and Outreach	Bill Insert	LUMA included informational inserts in over 1.4 million utility bills. These inserts provided practical energy-savings tips, aiming to raise awareness across Puerto Rico.	June 2025
Energy Efficiency and Demand Response (CBES)	Green Drinks	LUMA participated in three Green Drinks events held in Aguadilla, San Juan and Ponce. These events brought together leaders from the energy and solar industries. LUMA used this platform to promote its Energy Efficiency and Demand Response Programs, including CBES, and to engage with key stakeholders across the island.	May & June 2025

For more details about Customer Outreach and Education efforts, please see *Appendix A: Customer Education & Outreach Materials.*

3.4 Marketing Performance

Marketing Progress

As reported in FY2025 Q3, and continuing in Q4, LUMA's marketing and outreach activities were scaled-back due to the overwhelming demand for Residential EE rebates. This decision was made to ensure availability of program funds for incentive payments to customers and to properly manage customer expectations amidst limited availability of program incentives, particularly for residential participants.

As part of this approach, LUMA suspended active promotional campaigns across social media and traditional advertising channels. However, the program preserved a limited digital presence aimed at general awareness of energy conservation practices. Messaging during this period prioritized community

engagement and educational outreach through in-person events and partnerships rather than digital media efforts.

Despite the reduced visibility, the EE program's website pages continued to attract organic traffic, reflecting sustained public interest. During the quarter, the Customer Incentive Programs landing page received **6,678** views, while the Residential Rebates page remained the most visited, with **12,175** views. The Energy Savings Tips page followed with **1,564** views, reinforcing customer interest in non-incentivized guidance. The In-Store Discounts page registered **330** visits, reflecting modest engagement due to limited active promotion. Commercial programs pages also received traffic, with **1,689** views for Business Incentive Programs and **717** for Business Rebates.

In total, the EE website ecosystem saw **24,056** visits in Q4. While this represents a decline from prior quarters, it aligns with the planned pause in marketing and demonstrates the continued relevance of energy efficiency information among Puerto Rico customers.

Looking ahead, marketing efforts will be reactivated to support the relaunch of incentive programs and broader engagement strategies planned for FY2026.

3.5 Stakeholders' Consultations

During FY2025 Q4, LUMA continued dialogue with key federal and local stakeholders to enhance the reach and effectiveness of its energy efficiency and demand response initiatives. Engagements with federal agencies such as the DOE and the Environmental Protection Agency (EPA) remained ongoing, with a focus on identifying potential funding opportunities, securing technical assistance, and integrating best practices into program design to support long-term energy goals.

LUMA also maintained its monthly coordination meetings with the DDEC. These meetings facilitated joint planning for the rollout of complementary programs and educational campaigns, ensuring that each organization could efficiently reach different customer segments across the island. The collaboration aims to enhance community engagement, improve market penetration, and align efforts with Puerto Rico's broader economic development objectives.

3.6 Research Activities

During this quarter, LUMA began conducting a targeted survey of small and medium-sized businesses across Puerto Rico. The purpose of this survey is to gather direct feedback from business customers regarding their experience with current EE offerings to better understand their operational needs, identify potential barriers to participation, assess their awareness of available incentives, and support the development of more effective and inclusive outreach strategies.

In addition, LUMA is working with DDEC to access and analyze data on typical energy end-uses and consumption in low-income households and captured through DDEC programs such as the Weatherization Assistance Project. LUMA also continues its work with trade allies to capture additional data on the market for energy-efficiency products in Puerto Rico. These research efforts will provide valuable insights that will inform future program enhancements and marketing approaches, particularly for increasing adoption in underrepresented commercial segments.

3.7 Collaboration with Key Strategic Groups

During FY2025 Q4, LUMA continued strengthening its partnerships with key strategic organizations to enhance program planning for the Three-Year Plan, promote workforce development, and ensure equitable access to energy efficiency benefits across Puerto Rico. These collaborations are central to LUMA's broader strategy to build a resilient, inclusive, and sustainable energy future for the island.

LUMA sustained its monthly coordination meetings with the DDEC. These meetings provide a consistent forum for aligning outreach strategies, synchronizing the launch of complementary initiatives, and addressing barriers to customer engagement and market penetration.

LUMA also initiated a new collaboration with the PRHA. On June, a preliminary meeting was held with PRHA leadership to explore opportunities for delivering energy efficiency initiatives within public housing communities. The discussion focused on shared goals, program coordination, and tailored outreach strategies. This partnership seeks to better serve low-income customers through community-based engagement, educational outreach, and direct installations—further reinforcing LUMA's commitment to energy equity.

In parallel, LUMA expanded its network of technical and workforce partners. LUMA met with IBTS Puerto Rico, a nonprofit with expertise in technical assistance and workforce development. The meeting explored collaboration under the Trade Allies Program to support technician training and program deployment, with a focus on vulnerable communities. This aligns with LUMA's goals of workforce capacity building and the promotion of long-term, sustainable partnerships.

Additionally, LUMA engaged with the "*Colegio de Técnicos de Refrigeración y Aire Acondicionado" (CTRA)* to better understand the market for HVAC appliances and equipment in Puerto Rico. The meeting with CTRA board members explored opportunities to increase HVAC technician participation and expand customer reach, especially in sectors most affected by energy costs.

Together, these efforts demonstrate LUMA's proactive and inclusive approach to engaging strategic partners across sectors in support of a just and effective energy transition.

3.8 LUMA's Streetlight Modernization and Energy Efficiency Initiative

LUMA is poised to enhance public safety and EE in Puerto Rico with its ambitious plan to install 300,000 streetlights over the next three years. This initiative aims to improve safety for residents while promoting energy efficiency across communities.

In the Q4 of FY2025, LUMA achieved significant progress by saving approximately 70,546 kWh, reflecting its commitment to a holistic approach that integrates energy efficiency with infrastructure modernization. These energy savings resulted from the replacement of around 3,993 streetlights as part of this initiative. This includes the Community Streetlight Initiative (CSI), funded by FEMA, which represents a total investment of $1 billion aimed at modernizing streetlight infrastructure across all municipalities in Puerto Rico.

This fiscal year, LUMA has successfully installed **24,845** streetlights, focusing on replacing outdated systems with energy-efficient LED technology. This modernization not only improves visibility and safety

but also contributes to long-term energy savings and environmental sustainability. Each new LED streetlight consumes approximately 65% less energy and has a lifespan up to four times longer than traditional lighting solutions.

4.0 EE Program Cost

During this reporting period, LUMA has incurred costs associated with the launch and management of various pilot programs and new measures. Additional resources were dedicated to Education and Outreach initiatives, as well as to Cross-Cutting Planning, Administration, and Evaluation activities covering professional services, salaries, and the ongoing assessment of implemented measures. For a detailed breakdown of costs for each EE program, please refer below to *Table 15: EE Budget & Costs* below, which outlines expenditures for FY2025 Q4 and Year to Date.

Table 15: EE Budget & Costs

Program	Cost For FY2025 Q4 ($)	FY2025 YTD Costs ($)	Total Program Budget FY2025 ($)[10]	% of Total Program Budget
Residential Rebates	4,242,782	9,628,317	5,753,671	167%
In-Store Discounts	395,460	1,524,739	2,406,796	63%
Residential EE Kits	-12,224	895,180	1,393,341	64%
Business Rebates	605,372	1,604,036	4,707,572	34%
Business EE Kits	-598	272,039	712,333	38%
Education & Outreach	167,975	494,962	2,069,658	24%
Cross-Cutting Planning, Administration & Evaluation Costs	746,101	1,351,701	2,069,658	65%
Total Portfolio	**6,144,868**	**15,770,975**	**19,113,028**	**83%**

As described in the FY2025 Q2 report, due to overwhelming demand, the residential mini-split units rebate became fully subscribed. In Q2 and Q3, LUMA front-loaded EE Rebate application processing to first fully assess any financial implications of the mini-split rebate demand surge across the portfolio. Based on that analysis, LUMA significantly reduced efforts in program marketing, Education and Outreach, and Cross-Cutting Planning, Administration and Evaluation activities. Those available program budgets were then available to the Residential Rebate program to issue customer rebate payments.

Please refer below to *Table 16: Energy Efficiency Costs by Program and Cost Category* for a breakdown of energy efficiency costs by categories in FY2025Q4 which include: participant incentives, PP&A, Marketing, EM&V, and other costs for incentive program costs. Negative figures represent adjustments to

[10]The Total Program Budget for FY2025 reflects the rollover of FY24 unspent funds minus unbilled EE Rider approved by PREB in the October 23, 2024, Resolution and Order.

accrued expenses from the previous period LUMA reports that there have been no EM&V costs to date, as LUMA awaits notification from the PREB that an EM&V contractor has been selected.

Table 16: Energy Efficiency Costs by Program and Cost Category

Program	Participant Incentives ($)	PP&A ($)	Marketing ($)	EM&V ($)	Other Costs ($)	Total
Residential Rebates	2,314,381	1,928,401	0	n/a	0	4,242,782
In-Store Discounts	158,999	236,461	0	n/a	0	395,460
Residential EE Kits	0	-12,224	0	n/a	0	-12,224
Business Rebates	216,208	389,164	0	n/a	0	605,372
Business EE Kits	0	-598	0	n/a	0	-598
Education & Outreach	n/a	167,975	0	n/a	0	167,975
Cross-Cutting Planning, Administration & Evaluation Costs	n/a	746,101	n/a	0	0	746,101
Total Portfolio	**$2,689,588**	**$3,455,280**	**0**	**0**	**0**	**$6,144,868**

Shifts in funds between programs

During FY2025 Q4, LUMA shifted funds from program marketing; Education and Outreach; and Cross-Cutting Planning, Administration and Evaluation programs to the Residential Rebate program as described below.

Managing Budget Variations Above 20 Percent

As described in the FY2025 Q2 report, due to overwhelming demand, the residential mini-split units rebate became fully subscribed. In Q2 and Q3, LUMA front-loaded EE Rebate application processing to first fully assess any financial implications of the mini-split rebate demand surge across the portfolio. Based on that analysis, LUMA significantly reduced efforts in program marketing, Education and Outreach, and Cross-Cutting Planning, Administration and Evaluation activities as described in the Education and Outreach section of this report. Those remaining program budgets were then made available to the Residential Rebate program to prioritize customer rebate payments.

EE Program Non-Incentive Administrative Costs

Table 17: Breakdown of EE Program Non-Incentive Administrative Costs provides a breakdown of EE programs' non-incentive administrative costs incurred by LUMA in FY2025 between staff administrative costs, planning and regulatory professional services, program implementation contractors, program evaluation and other administrative costs.

Table 17: Breakdown of EE Program Non-Incentive Administrative Costs

Categories	Program Budget FY2025	Costs For FY2025 Q4	YTD Costs
LUMA Staff	986,550	72,473	267,780

Professional Services	550,000	138,280	299,756
Program Implementation Contractors	7,568,821	3,101,100	5,900,865
Other Administrative Costs	0	0	0
Total	**$9,105,371**	**$3,311,854**	**$6,468,403**

5.0 Demand Response Programs

In compliance with the August 29th Resolution and Order, as well as the reporting requirements outlined in the TPP submitted on December 20, 2023, this section of the report details the DR administrative costs. It presents the actual receipts for both the quarterly and fiscal-year-to-date periods, compared to the budgeted inflows from the Power Purchase Charge Adjustment (PPCA), and reflects the current fund balance.

The report includes a summary of program information indicators for the same periods, aligning them with the assumptions used, and highlighting any significant variances from the approved budget. Additionally, it outlines the quarterly and fiscal-year-to-date expenditures for the DR Program, broken down by line items, and details any discrepancies from the approved budget.

This overview is essential for assessing fund management, withdrawals, and outstanding balances, providing explanations to ensure transparency and facilitate effective oversight by the PREB.

5.1 DR: Customer Battery Energy Sharing Program

On May 20, 2025, the Energy Bureau issued a Resolution and Order approving LUMA's proposal to significantly expand the CBES program to provide critical support to the grid during the forecasted Summer 2025 generation shortfall.

During this quarter, the DR Program made progress in expanding customer enrollment and increasing capacity for DR events with the successful addition of **2,825** customers bringing the total number of enrolled customers to **12,447.** The program's total enrolled battery capacity (full nameplate) has reached 64.5MW[10], with 27MW[11] capacity (available after reserve) per event reported by LUMA's aggregator partners as available for emergency DR events. This reflects the program's strengthening capacity to manage demand fluctuations by adjusting energy supply during critical grid shortages.

For this quarter, and based on actual participation, the average impact per event reached approximately 12.4MW[10]. Last quarter the average duration for an event was 4 hours, which represents an increase in average event duration of 1.2 hours.

[11] This information reflects the best available data at this time and may be updated as new information becomes available.

The average participation rate in CBES events was 82%[10]. Overall, these achievements underscore the continued progress of increasing customer participation and the strengthening of the program's ability to support emergency DR scenarios effectively.

5.1.1 CBES Progress and DERMS Implementation

Since its launch in November 2023, the CBES Pilot has successfully enrolled **12,447** customers through third-party aggregators. These aggregators are responsible for customer recruitment, battery dispatch, telemetry data collection, and performance reporting. Currently, LUMA's System Operations determines the need for emergency DR events based on system conditions and communicates dispatch instructions to aggregators via email.

To enable the CBES program to continue to grow in scale and impact, LUMA continues to prepare for implementation of a DERMS as approved by the Energy Bureau in their Resolution and Order on May 20, 2025. DERMS implementation remains a key component to support scalable operations, improve data transparency, and streamline aggregator coordination through automated integrations. While DERMS development is in an advanced stage, general company liquidity issues prevented LUMA from paying the vendors needed to fully deploy the DERMS by the end of the fiscal year. If liquidity issues ease in early FY2026, LUMA expects the DERMS to be fully deployed by Q2.

5.2 Demand Response Participants

Table 18: Number of Participants and total MW available in each DR Program during the FY2025 Q4 below includes the number of participants enrolled in the CBES Program to date by program and sector/segment and total MW enrolled.

Table 18: Number of Participants and total MW available in each DR Program

Sector	Segment	Program	Total Participants Enrolled (YTD)[12]	Total MW Available (YTD)[13]	Total MW Enrolled (YTD)[14]
Residential	Residential Housing	Customer Battery Energy Sharing	12,299	26.3	63.4
Commercial	Small Business	Customer Battery Energy Sharing	148	0.49	1.2
Total			**12,447**	**26.79MW [10]**	**64.6MW [10]**

[12] Total Participants Enrolled (YTD) reflect estimated figures based on aggregator self-reported data and may be subject to future validation and updates.

[13] Total MW Available (YTD) refers to self-report aggregator weekly reports in their available capacity for DR events.

[14] Total MW Enrolled (YTD) reflect estimated figures based on aggregator self-reported data and may be subject to future validation and updates.

5.3 CBES Performance for FY2025 Q4

LUMA has been closely monitoring key performance indicators to evaluate the effectiveness of the CBES Program, as detailed in *Table 19: DR Performance Values*. This includes tracking the number of enrolled customers, the power and energy enrolled per event, and the total number of events dispatched. By analyzing these indicators such as the average battery power and energy dispatched per event LUMA aims to gain insights into program performance. This data helps in assessing the program's benefits and guiding future improvements to enhance customer engagement and operational efficiency.

Table 19: DR Performance Values

Performance	YTD FY2025 Q4
Enrolled Customers (#)	12,447
Enrolled Power per Event (MW)	64.5
Enrolled Energy per Event (MWh)	165.8
Events Dispatched (#)	75
Average Customer Response (%)	82%
Average Dispatched Battery Power per Event (MW)	9.71
Average Dispatched Battery Energy per Event (MWh)	29.8
Peak Demand Savings Target (MW)	21
Peak Demand Savings (MW)	9.71
Peak Demand Savings (%)	46.24%
Costs ($)	**$2,657,462.19**

Table 20: DR YTD Performance Indicators

Program Parameters	YTD Forecast (A)	YTD Actual Q4 (B)	Variance Between YTD Forecast and Actual YTD [(A-B)]
Enrolled Customers (#)	11,222	12,447	1,225
Enrolled Load (kW)	52,448	64,537	12,089
Average Battery Capacity (kWh/battery)	13	16.5	3.5
Average Battery Reserve (%)	50%	58.45%	8.45%
Average Impacts per Event (kW)	21,125	9,707.8	11,417.2
Aggregate Seasonal/Annual Impacts (kW)	21,125	9,707.8	11,417.2
Impacts as % of Enrolled Load	100%	15%	85%

Program Parameters	YTD Forecast (A)	YTD Actual Q4 (B)	Variance Between YTD Forecast and Actual YTD [(A-B)]
Average Participation Rate per Event (%)	100%	82%	18%
Average Event Duration (Hours)	2	3	1
Events (#)	50	75	25
Capacity per Event (kW)	21,125	9,707.8	11,417.2
Estimated Energy per Event (kWh)	42,250	29,770.57	12,479.43
Total Energy Delivered (kWh)	3,168,750	2,232,793.02	935,956.98
Participant Incentive Payments ($)	$4,277,813	$2,657,462.19	$1,620,350.81
Program Planning and Administrative (PP&A) Costs ($)	$755,000	$1,881,964.01	$1,126,964.01
Total program costs ($)	**$5,032,813**	**$4,539,426.20**	**$493,386.80**

Understanding DR Variances

The comparison between FY2025 Forecast (A) and FY2025 Q4 Actual (B) for the CBES program demonstrates notable achievements across key performance areas. Enrolled load reached 64,537 kW, exceeding the forecasted 52,448 kW, a clear reflection of successful aggregator engagement and strong customer interest in the program.

Operationally, the average event duration increased from 2.8 hours in Q3 to 4 hours in Q4, highlighting the program's adaptability to evolving grid conditions. This extension reflects a strategic adjustment aimed at enhancing support for grid reliability during prolonged peak periods, while continuing to maintain strong participant engagement.

These outcomes highlight the CBES program's continued growth, strong aggregator performance, and the potential for even greater value as participation and dispatch coordination continue to evolve.

5.4 Program Administrative Costs

This section analyzes the financials for DR based on the year-to-date performance for FY2025 Q4. The analysis provides insight into cost growth and the strategic use of funds in support of the CBES Pilot Program's ongoing expansion and operational readiness.

Program Management costs amounted to $269,335.55, supporting program oversight, third-party coordination, and stakeholder engagement. Other expenses totaling $7,229.55 were used for administrative costs, including the development and deployment of the CBES customer survey as reported in the Q2 report.

By the end of Q4, customer enrollment in the CBES Program surpassed 12,000 customers, reflecting the program's accelerated growth and the success of ongoing recruitment efforts led by third-party aggregators.

To further improve operational coordination and reporting accuracy, LUMA is in the process of implementing DERMS. This platform will automate dispatch, improve system visibility, and facilitate integration of distributed resources at the grid edge.

Table 21: DR (CBES) PP&A Budget and Costs below provides the costs to date of the CBES Program during the Quarter broken down by category.

Table 21: DR (CBES) PP&A Budget and Costs

Categories	PP&A Total Budget FY2025	YTD Costs for FY2025 Q4
Program Management	$355,000	$269,335.55
System Operations	$0	$0
Customer Service	$0	$0
Professional Services[15]	$200,000	$1,605,398.90[16]
Program Evaluation	$200,000	$0
Other Expenses[17]	$0	$7,229.55
Total PP&A	**$755,000**	**$1,881,964**

5.5 CBES Quarterly and Fiscal-Year-to-Date PPCA Fund Inflows and Balances Comparison

Table 22: FY2025 CBES Costs and PPCA Fund Overview below provides an overview of the actual fund inflows received against the budgeted inflows specified in the PPCA. It also includes the fiscal-year-to-date actual fund balance, offering a clear view of how actual receipts align with the planned budget and how they impact the overall fund balance for the year. This detailed comparison helps assess budgeting, identify any discrepancies, and ensure that financial operations are in line with August 29th Resolution and Order requirements and best practices.

[15]Please note that planning and regulatory professional services are included in this line item.

[16] $147,000.00 is designated for the DERMS platform, while the remaining $1,458,398.90 is allocated to contractor.

[17]Actual costs correspond to payments made to legal services.

Table 22: FY2025 CBES Costs and PPCA Fund Overview[18]

CBES FY2025 Q4 Costs ($)	CBES YTD Costs ($)	Estimated Budget Inflows for CBES from the PPCA	PPCA Fiscal YTD Actual Fund Balance
$1,817,454.47	$4,539,426.20	$8,249,308.23	$3,709,882.03

6.0 Conclusions and Recommendations

6.1 Analysis and Observations

EE Residential Rebates

In FY2025, the Residential Rebate program showed impressive uptake and interest by customers and will continue to be a critical part of the EE portfolio going forward. The program was successfully able to manage a large surge of customer applications this fiscal year. The learnings from this experience will continue to inform all aspects of program administration including application processing efficiency, evaluating the need for additional tiered measure incentives (as will be implemented for mini-split HVAC units) as well as quantity limits for measures to ensure wide availability of cost-effective incentives for customers.

Energy Efficiency Kits

EE Kits have proven to be an excellent source of energy savings as well as engagement in LUMA EE Programs. Kits will be used as a key tool in FY2026 to deepen engagement of low-income communities working directly with low-income customers as well as government and community organizations serving this important sector.

In-Store Discounts

The In-Store Discount Program is another important strategy for expanding the reach of energy efficiency programs across the island. The FY2026 efforts will focus on engagement of local retailers, developing additional cost-effective ways for retailers to deliver incentives to customers, and expanding the list of cost-effective measures delivered by the program.

Business Rebates

Currently the Business Rebate program is ideally suited for small-to-medium businesses who approach energy-efficiency opportunities on a cyclical basis (e.g. when equipment needs replacing). The program will continue to target small-to-medium business and will look to market cost-effective early replacement as well as more customized measures suitable for larger enterprises. Increasing marketing and engagement through trade allies will also help increase uptake of the program overall.

[18]LUMA provides an explanation of current discrepancies between actual spending and funds collected through the PPCA in its February 14, 2025, Response to the PREB's January 24, 2025, Requirements of Information. LUMA is in the process of reviewing its forecasting methodology for the CBES program in an effort to produce more accurate forecasts for FY2025 Q3 Report and beyond.

Business Kits

Business EE Kits have proven to be an excellent source of energy savings as well as engagement in the LUMA's EE Programs by small businesses. Kits will be used as a key tool in FY2026 to continue engagement of small businesses in energy efficiency working directly with customers as well as expanding partnerships with government, community organization and trade allies serving small businesses throughout the island.

Demand Response

For this period, the CBES program has continued to prove consistency in growth of participants with a total of 12,447 enrolled customers in the program. With an average impact of 12.4MW per event, LUMA continues its active engagement with the aggregators to find new and faster ways to increase the impact per event to a much higher rate. With the approval of the CBES plus program, LUMA has been able to continue validating more participants, achieving a potential of more than 69,000 customers for the CBES+ summer program. With 50MW available from the program LUMA is able to increase its support to the grid during periods of peak demand. LUMA is also working to add about 20,000 auto enrolled participants, adding an extra 20MW of support to the grid.

Appendix A

Customer Education & Outreach Materials

FY2025 Q4 Report

NEPR-MI-2022-0001

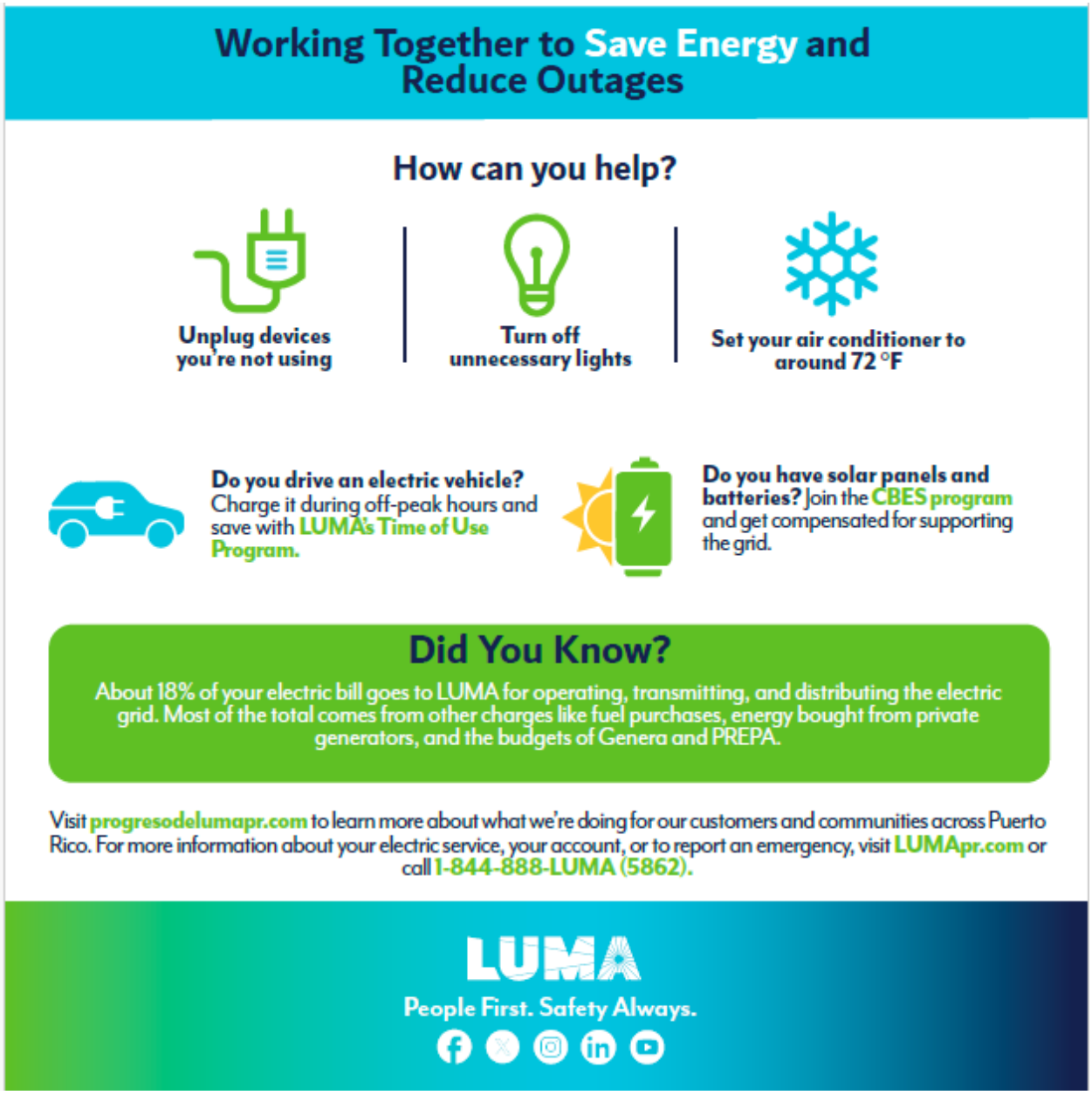
August 14, 2025

Appendix A: Customer Education & Outreach Materials

Bill Insert

Consolidated Transition Period Plan and Demand Response Administrative Costs Quarterly Report - Appendix A NEPR-MI-2022-0001

LUMA Stakeholder Newsletter



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Green Drinks (Aguadilla, San Juan & Ponce)

EE School Education Program

Health and Services Fair of the Puerto Rico Senate, Humacao District

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In Store Discount Event May 10, 2025, at The Home Depot, Ponce