

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

**IN RE:** ENERGY EFFICIENCY AND DEMAND  
RESPONSE TRANSITION PERIOD PLAN

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

**SUBJECT:** Fiscal Year 2026 Transition Period  
Plan Approval.

**RESOLUTION AND ORDER**

On December 20, 2023, LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, "LUMA") filed a *Motion to Submit Revised TPP and Other Information Requested under the Resolution and Order of November 29, 2023*. This Transition Period Plan ("TPP") proposed a budget for fiscal year 2025 ("FY25") of \$13,745,450, with the intention to achieve savings of 38,885 MWh.<sup>1</sup> This budget was used to set the EE Rider for FY25 at 0.000853 \$/kWh.<sup>2</sup>

On October 9, 2024, LUMA filed a *Motion Requesting Approval for the Rollover of Unspent Energy Efficiency Program Funds to the FY2025 Budget for Energy Efficiency Programs* ("Unspent Funds Motion") in which it requested approval to roll over unspent Energy Efficiency ("EE") program funds from FY24 to FY25. LUMA had \$5,812,817 of unspent funds from FY24.<sup>3</sup> Of these unspent funds, LUMA suggested using \$445,238 to fill a gap resulting from delays in the collection of the EE Rider in July 2024 and using the remaining \$5,367,578 to increase the budget and ambition of the FY25 EE program.<sup>4</sup> With these additional funds, LUMA's EE program would raise its savings target from 38,885 MWh to 51,507 MWh.<sup>5</sup>

On October 23, 2024, the Energy Bureau issued a Resolution and Order ("October 23 Resolution") through which the Energy Bureau approved LUMA's request to rollover unspent FY24 funds. The approved budget for FY25 was \$19,113,028, after incorporating the unspent funds.<sup>6</sup> In this Resolution and Order, the Energy Bureau also ordered LUMA to file the first Three-Year EE and DR Plan by July 15, 2025. The Energy Bureau also extended the Transition Period Plan (TPP) by six months to December 31, 2025, and ordered LUMA to prepare and file a revised TPP by December 2, 2024, and a proposed backup emergency DR program to be implemented by June 2025.

On November 25, 2024, LUMA submitted a *Motion for Extension of Deadlines and Modification of a Reporting Requirement in Resolution and Order of October 23, 2024*, in which LUMA requested additional time to file the revised TPP proposal.

On December 5, 2024, the Energy Bureau issued a Resolution and Order extending the deadline to submit a revised TPP proposal to January 31, 2025.

On January 31, 2025, LUMA submitted a *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* ("January 31 TPP Motion"). This motion included as an attachment a Revised Proposed TPP intended to run through June 30, 2026. In this motion, LUMA requested an energy efficiency budget of \$41 million for the following programs: Residential Rebates, Residential Kits, In-Store Discounts, Business

<sup>1</sup> *In re: Energy Efficiency and Demand Response Transition Period Plan*, Case No.: NEPR-MI-2022-0001, *Motion Requesting Approval for the Rollover of Unspent Energy Efficiency Program Funds to the FY2025 Budget for Energy Efficiency Programs* filed by LUMA on October 9, 2024, Exhibit 1, page 5.

<sup>2</sup> Resolution and Order (Determinación sobre los Factores de las Cláusulas de Ajuste Anual para el periodo de julio 2024 a junio 2025) *In re: Puerto Rico Electric Power Authority Permanent Rate*, Case No.: NEPR-MI-2020-0001, June 11, 2024, p. 8.

<sup>3</sup> Unspent Funds Motion, at Exhibit 1, page 5.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*, at page 14.

<sup>6</sup> *Id.*, and October 23 Resolution.





Rebates, Business Kits, Education and Outreach, and Cross-Cutting Planning, Administration, and Evaluation costs.

On April 3, 2025, the Energy Bureau issued a Resolution and Order ("April 3 Resolution") through which the Energy Bureau extended the TPP until June 30, 2026; modified the first three-year plan to cover two years, from July 1, 2026 through June 30, 2028 ("2026-2028 EE and DR Plan"); and scheduled a Technical Conference for April 24, 2025 to discuss, in part, LUMA's Revised TPP.

On April 24, 2025, the Energy Bureau held a Technical Conference. LUMA representatives presented on the agenda items set forth in the April 3 Resolution and Order, including the Revised Proposed TPP.

On June 26, 2025, the Energy Bureau issued a Resolution and Order ("June 26 Resolution") in which it reviewed LUMA's Revised TPP and FY26 EE program budgets. The Energy Bureau directed LUMA to determine the FY26 program budget by adding unspent funds at the end of fiscal year 2025 ("FY25 Rollover") to the expected revenue from the EE rider, using the rider's current value. The Energy Bureau directed LUMA to submit an amended FY26 EE program plan on or before July 21, 2025 that complies with the EE Rider level and budget limits set forth in the June 26 Resolution, including allocating no more than \$500 thousand for education and outreach and \$1.2 million for cross-cutting planning, administration, and evaluation.

On July 22, 2025, LUMA filed a *Motion to Submit Amended Energy Efficiency Program Plan for Fiscal Year 2026 in Compliance with Resolution and Order of June 26, 2025* ("Amended FY26 TPP").

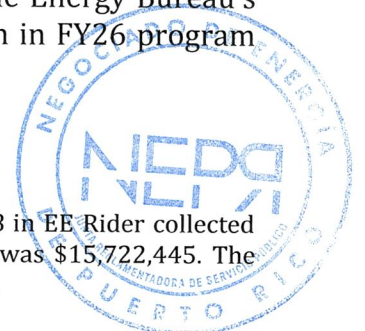
LUMA's Amended FY26 TPP provides a scaled-down version of LUMA's January 31 TPP, to align with the budgetary guidance that the Energy Bureau provided. LUMA calculates the FY25 Rollover to be \$2,520,620.<sup>7</sup> LUMA calculates the EE Rider will collect approximately \$13,939,415 in FY26. Following the Energy Bureau's instruction, LUMA calculates the expected FY26 funds available to be \$16,187,656. This is a smaller total budget than the Energy Bureau estimated in its June 26 Resolution, due to LUMA having a smaller FY25 Rollover than the Energy Bureau estimated.

The proposed programs in LUMA's Amended FY26 TPP reflect shifting market and regulatory conditions and LUMA's lessons learned from program implementation in the earlier years of the TPP. For example, LUMA is shifting away from supporting LED lighting, because the lighting market has shifted almost entirely to LED. Lighting was previously a very cost-effective measure and without lighting, the savings available per dollar of program cost are lower. LUMA estimates that its budget of approximately \$16.2 million will deliver about 32,376 MWh of first-year savings, or about 0.2 percent of FY26 sales. It will also reduce peak demand by 5 to 6 MW and avoid 585,793 metric tons of CO<sub>2</sub> emissions over the life of the measures installed.

LUMA expects to achieve about 60 percent of its savings in the residential sector (of which about one third would come from low-income households), and the remaining from commercial, industrial and agricultural customers (of which about one third would come from small businesses). LUMA proposes implementing five program types: Residential Rebates, Residential Kits, In-Store Discounts, Business Rebates and Business Kits. These programs are the same as proposed in LUMA January 31 TPP Motion and reflect expected growth and evolution from LUMA's FY25 programs.

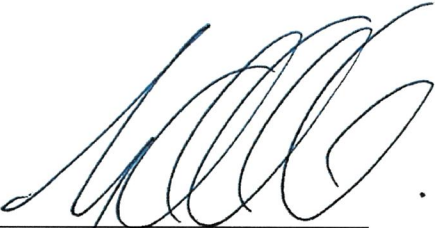
LUMA limited the budgets for the education and outreach program cross-cutting administration and program evaluation to a total of \$1.7 million, per the Energy Bureau's directives in the June 26 Resolution. Of the approximately \$16.2 million in FY26 program budget, \$11 million will be used for participant incentives.

<sup>7</sup> Total funds available to spend in FY25 were \$18,243,065, comprised of \$12,430,248 in EE Rider collected during FY25 and rollover from FY24 of \$5,812,817. Total estimated FY25 spending was \$15,722,445. The difference between total available funds and total estimated funds is the FY25 Rollover.




The Energy Bureau **FINDS** that LUMA's Amended FY26 TPP complies with the Energy Bureau's June 26 Resolution. The Energy Bureau therefore **APPROVES** the Amended FY26 TPP for implementation in FY26.

Be it notified and published.

  
Edison Avilés Deliz  
Chairman

  
Lillian Mateo Santos  
Associate Commissioner

  
Ferdinand A. Ramos Soegaard  
Associate Commissioner

  
Sylvia B. Ugarte Araujo  
Associate Commissioner

  
Antonio Torres Miranda  
Associate Commissioner

**CERTIFICATION**

I certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on August 19, 2025. I also certify that on August 19, 2025 I have proceeded with filing the Resolution and Order issued by the Puerto Rico Energy Bureau, and a copy of this Resolution and Order was notified by electronic mail to: RegulatoryPREBorders@lumapr.com; katiuska.bolanos-lugo@us.dlapiper.com; margarita.mercado@us.dlapiper.com; laura.rozas@us.dlapiper.com; lionel.santa@prepa.pr.gov, hriviera@jrsp.pr.gov; javrua@sesapr.org; mrios@arroyorioslaw.com; jordgraham@tesla.com; forest@cleanenergy.org; customerservice@sunnova.com; pjcleanenergy@gmail.com; agraitfe@agraitlawpr.com, info@sesapr.org; cfl@mcvpr.com; mqs@mcvpr.com.

I sign this in San Juan, Puerto Rico, today August 19, 2025.

  
Sonia Seda Gaztambide  
Clerk

