



PUERTO RICO
ELECTRIC POWER AUTHORITY

PREPA

GOVERNMENT OF PUERTO RICO

PREPA Project Submittal Consolidated Timeline- ER1 Program (CDBG-DR)

In response to the Puerto Rico Energy Bureau (PREB) Resolution and Order, we hereby submit the attached timeline to provide a comprehensive account of the ER1 project presentation and validation process. This chronology consolidates the actions and communications undertaken by PREPA, PRDOH, LUMA, and Genera PR in connection with the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant – Disaster Recovery (CDBG-DR) Program.

The purpose of this submission is to document the sequence of project submissions, Requests for Information (RFIs), reimbursement requests (RFRs), and interagency coordination steps that have been carried out to date. The timeline highlights the measures taken to align ER1 projects with HUD's eligibility requirements, FEMA cost-share obligations, and applicable federal compliance standards. By presenting this timeline, PREPA seeks to demonstrate transparency, accountability, and adherence to the oversight framework required under both the PREB Resolution and HUD's CDBG-DR programmatic rules

May 17, 2024 – ER1 Program Kickoff Meeting

The Puerto Rico Electric Power Authority (PREPA) participated in the initial technical coordination meeting with the ER1 program team. During this meeting, program requirements, documentation package structure, and eligibility criteria applicable for the formal submission of energy infrastructure projects for partial reimbursement under the CDBG-DR program, administered by the Puerto Rico Department of Housing (PRDOH) and funded by the U.S. Department of Housing and Urban Development (HUD), were discussed.

May 21, 2024 – Initial Submission of ER1 Projects

PREPA officially delivered the first package of priority projects to the ER1 program, in accordance with the guidelines discussed during the kickoff meeting. This submission included technical, budgetary, and programmatic documentation for evaluation under the cost share reimbursement component of the program.



December 2024 – Start of the Request for Information (RFI) Process

PRDOH and ER1's technical team began issuing Requests for Information (RFIs) to validate project eligibility.

- **Typical Requirements:** Contract periods, payroll evidence, cost breakdowns, and demonstration of compliance with HUD's CDBG-DR guidelines.
- **Significance:** RFIs are used to ensure that only projects fully compliant with HUD's rules for eligibility, duplication of benefits, and cost reasonableness proceed to reimbursement.

January 2025 – Establishment of Centralized Project Submission Protocol

In an interagency effort, PREPA, PRDOH, the Puerto Rico Energy Policy Office, and the Public-Private Partnerships Authority (P3A) officially agreed that all reimbursement requests under the ER1 program must be channeled and validated through PREPA, in its role as designated subrecipient. It was also established that only those requests reviewed and endorsed by PREPA and the Energy Policy Office would be considered eligible for funding under CDBG-DR, in accordance with the Federal Register and HUD guidelines.

March 2025 – Davis-Bacon Act and O&M Plan Requirements

During March 2025, PREPA received official communications from the ER1 program requesting additional information to validate compliance with applicable federal requirements for submitted projects. These requests included:

- Certified payroll documentation and worker classification breakdowns to assess the applicability of the Davis-Bacon Act (DBA), which requires payment of prevailing wages in federally funded construction projects.
- Technical and programmatic evidence supporting the Operation and Maintenance (O&M) Plans of claimed projects, in compliance with HUD eligibility criteria established in the Federal Register.

As part of the information-gathering process, PREPA issued formal requests to the system operators, **LUMA and Genera PR**, requiring their collaboration in delivering the corresponding documentation.

April 2025 – PREPA Receives First ER1 Reimbursement - PREPA Projects

PREPA received its first disbursement of CDBG-DR funds under the ER1 program, corresponding to an approved reimbursement totaling **\$2,478,445.77**, in compliance with validation processes established by PRDOH and HUD.



May 19, 2025 – Formal Request for Job Classifications

The ER1 technical team requested that PREPA provide a breakdown of labor classifications for human resources involved in project execution. This information was essential to support a formal request to HUD to exclude the application of the Davis-Bacon Act, arguing that the required functions are of specialized technical nature.

The requested information included:

- The level of technical complexity associated with each position.
- The minimum qualifications required, including academic training, professional experience, and technical certifications.

July 3, 2025 – Genera PR Submits O&M Documentation (March Request)

After multiple requests and follow-ups, Genera PR submitted the technical and budgetary documentation supporting the O&M Plans required to substantiate project eligibility under the program. Document submitted for PRDOH evaluation and application to PREPA and Genera projects.

July 11, 2025 – Project Prioritization Meeting

A coordination meeting was held between PREPA, the Department of Housing, and representatives of the Energy Czar's Office to define a preliminary list of priority projects to be submitted. As part of this process, the Department of Housing officially requested that PREPA and the operators, LUMA and Genera PR, present their respective project lists no later than July 18, 2025. Since neither operator met the deadline, PREPA submitted its project list to the Department of Housing, requesting a time extension, which was granted until July 30, 2025 to present Luma and Genera list. Genera PR completed its submission on July 29, 2025, while LUMA has yet to comply.

July 28 & 29, 2025 – Genera PR Submits Job Classifications and Project List

Genera PR submitted documentation regarding the job classifications of technical resources assigned to projects, in compliance with the request issued on May 19, 2025. Additionally, submitted the Priority Project list, requested on PRDOH RFI.

July 30, 2025 – PREPA Submits Consolidated Project List to the Department of Housing

In compliance with the July 31 deadline, PREPA submitted to the Department of Housing the consolidated list of electrical infrastructure projects under the ER1 Program, integrating initiatives from PREPA, LUMA, and Genera PR, for evaluation under the CDBG-DR program guidelines.



August 8, 2025- Second ER1 Disbursement Approval- PREPA & Genera

On August 8th, PREPA received the second Invoice with approved disbursements related to projects presented by PREPA and Genera. Invoice payment is currently in process by PRDOH for \$12,252,102.39.

August 14, 2025- Second ER1 Disbursement Approval – Genera

On August 14th, PREPA received the third Invoice with approved disbursements related to Genera BESS Project. Invoice payment is currently in process by PRDOH for \$67,124,516.52

As required under NEPR-MI-2021-0002 Resolution and Order, see document PREPA-20250814 MI20210002 Attachment B for the complete record of project costs submitted for PRDOH review, along with the final costs approved.

To date, PREPA has secured PRDOH approval and disbursement of CDBG-DR funds in the amount of \$2,478,445.77 under the ER1 Program, reflecting the projects that have successfully completed the eligibility and validation process. In addition, there is an additional disbursement approved and currently in process for \$7,484,927.44.

Genera PR has been approved and disbursements are in process by PRDOH for the amount of \$4,767,174.95 and \$67,124,516.52.

PRDOH has not approved any ER1 Program disbursements related to LUMA projects, as the required documentation remains outstanding despite multiple follow-up requests and communications from PREPA.

