

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

IN RE: REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY'S 10-YEAR
INFRASTRUCTURE PLAN – DECEMBER 2020

CASE NO.: NEPR-MI-2021-0002

SUBJECT: Oversight Of Puerto Rico's
Electric System Modernization Efforts and
the Consolidated FEMA Project List.

RESOLUTION AND ORDER

I. Introduction

The Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau"), created under Act 57-2014¹ and expanded through Act 17-2019,² is vested with broad authority to regulate Puerto Rico's energy sector and oversee compliance with public policy. It is the Energy Bureau's responsibility to ensure that electricity service in Puerto Rico is reliable, affordable, and developed in alignment with the Integrated Resource Plan ("IRP") and the Modified Action Plan³.

Act 57-2014 clearly establishes the public policy that all consumers have the right to a reliable and stable electric service. Act 17-2019 broadened the Energy Bureau's authority and reaffirmed that "the electric power system should be reliable and accessible, promote industrial, commercial, and community development, improve the quality of life at just and reasonable cost, and promote the economic development of the Island."

On August 8, 2025, the Puerto Rico Electric Power Authority ("PREPA") filed a document titled Informative Motion to Submit the Consolidated Project Plan ("August 8 Motion"). Thru the August 8 Motion PREPA submitted a document titled *Consolidated FEMA Accelerated Award Strategy ("FAASt") Project List* ("Consolidated List"). PREPA did not indicate or otherwise explain the implications, if any, of modifications to the original list of the Federal Emergency Management Administration ("FEMA") funded projects previously approved by the Energy Bureau. PREPA limited its explanation to indicating that "under the leadership and coordination of the Office of the Energy Czar and PREPA, a collaborative effort was coordinated with LUMA and Genera to prioritize and consolidate a final list of FAASt-funded recovery and reconstruction projects to maximize use of remaining funds".⁴ PREPA also indicated that the Consolidated List is consistent with the Electric System Priority Stabilization Two-Year Plan ("Stabilization Plan") approved by the Energy Bureau on March 28, 2025.⁵

On August 14, 2025, the Energy Bureau issued a Resolution and Order requiring PREPA, LUMA Energy, LLC, and LUMA Energy ServCo, LLC (jointly referred to as "LUMA"), and Genera PR, LLC ("Genera") to submit detailed information on pending FEMA reimbursements and use of Energy Grid Rehabilitation and Reconstruction Cost Share Program ("ER1 Program") funds.⁶ The Order directed the submission of such information in

¹ Known as the *Puerto Rico Energy Transformation and Relief Act*, as amended ("Act 57-2014").

² Known as the *Puerto Rico Energy Public Policy Act*, as amended ("Act 17-2019").

³ Final Resolution and Order on the Puerto Rico Electric Power Authority's Integrated Resource Plan, *In re: Review of the Integrated Resource Plan of the Puerto Rico Electric Power Authority*, Case No. CEPR-AP-20 18-0001, August 24, 2020 ("IRP Order").

⁴ August 8 Motion, ¶ 5.

⁵ August 8 Motion, ¶ 12.

⁶ August 14, 2025, Resolution and Order ("August 14 Order").



both PDF and Excel formats, specifically using the templates included as **Attachment A** and **Attachment B** of the Resolution and Order.⁷

On September 12, 2025, LUMA submitted its Motion in Compliance with the August 14 Order, attaching data tables purporting to respond to the Energy Bureau's directives ("September 12 Motion").

On September 26, 2025, the Energy Bureau received, from Juan Saca, LUMA CEO, copy of a Letter addressed to Eng. Mary C. Zapata Acosta, Executive Director of PREPA, regarding LUMA's Response to PREPA's August 4, 2025, Letter on FAAS Consolidated Project Plan List ("FAAS Letter"). Through the FAAS Letter LUMA apprised that, following the submission of the Consolidated List, PREPA withdrew projects from the FEMA Grants Portal system ("Withdrawn Projects"), resulting in their designation as "process discontinued by FEMA". Additionally, LUMA informs that the Withdrawn Projects include projects that form part of the Stabilization Plan and that approximately \$325.8M has already been incurred in said projects. LUMA also states that costs incurred in the design, formulation, or advancement of the Withdrawn Projects are at risk of being determined ineligible for FEMA reimbursement potentially creating liquidity problems that could exacerbate PREPA's already strained financial position.

II. Discussion

With the September 12 Motion, LUMA included data tables responding, in their view, to the Energy Bureau's August 14 Order. However, with respect to **Attachment A**, LUMA provided a table⁸, without using the Excel template provided by the Energy Bureau. Instead LUMA submitted the information in a different format, disregarding the Energy Bureau's instructions. Regarding **Attachment B**, although LUMA submitted a table in the required format⁹, part of the information was left incomplete (specifically the fields related to Requests for Reimbursement ("RFRs")). These deficiencies prevent the Energy Bureau from been able to conduct a proper analysis of the attachments filed with the September 12 Motion.

The Energy Bureau **FINDS** that LUMA's actions constitute **noncompliance** with the August 14 Order, both by failing to use the required format in Attachment A and by failing to provide all the information required in Attachment B.

The Energy Bureau **EMPHASIZES** that compliance with its directives requires not only complete submission of the requested information, but also to adhere to the required format. These templates were designed to ensure consistency, transparency, and the ability to efficiently track disbursement requests, project statuses, and the use of federal funding.

PREPA's August 8 Motion included a Consolidated List of FEMA funded projects. Said list was confectioned to cover the totality of the FEMA funds obligated under Section 428 of the Stafford Act (Public Assistance for Hurricanes Irma and Maria disasters). The Energy Bureau has revised and approved numerous projects (submitted by PREPA, Genera and LUMA), some of which fall into this category (Section 428). Nevertheless, the Energy Bureau has no information regarding the previously approved projects that according to LUMA now have fallen into the Withdrawn Projects list.

Through the FAAS Letter LUMA informs that projects that form part of the Stabilization Plan have been withdrawn and that possible liquidity problems could arise from incurred costs being categorized as ineligible. The Energy Bureau emphasizes the need for full visibility into the funds being invested in the PREPA system, including existing projects kept in the Consolidated List and those withdrawn or inactivated. Given the magnitude of funds already expended and the potential for ineligibility determinations by FEMA, the Energy Bureau

⁷ *Id.*, pp. 2-3.

⁸ September 12 Motion, Exhibit 1A.

⁹ *Id.*, Exhibit 1B.



considers it essential to obtain complete, consistent, and comparable data from PREPA, LUMA, and Genera.

III. Conclusion

The Energy Bureau **ORDERS** LUMA to resubmit **complete data using the required format**, in compliance with the August 14 Order. LUMA shall, within **ten (10)** calendar days of notification of this Resolution and Order, resubmit: (a) the information required in **Attachment A** of the August 14 Order, using the required Excel template; and (b) **all** the information required in **Attachment B** of the August 14 Order, using the required Excel template

In addition, the Energy Bureau **ORDERS** PREPA, Genera and LUMA to file separately a Comprehensive Consolidated List. Said list shall be presented in the *Excel* file format provided by the Energy Bureau, through this Resolution and Order¹⁰. The Excel file format contains a *Consolidated List tab*, with additional columns, identified in red, said columns are necessary to **confirm and/or include the costs already reported for A&E, for equipment and materials, and construction, to determine the total project cost incurred to date**. The Excel file format also contains an *Inactive Projects tab* that shall include the projects that were approved by the Energy Bureau and are now Withdrawn Projects. Each entity shall provide a complete submission that covers all projects under its responsibility. For projects that are now categorized as Withdrawn Projects, all the required information shall be fully completed using the provided format.

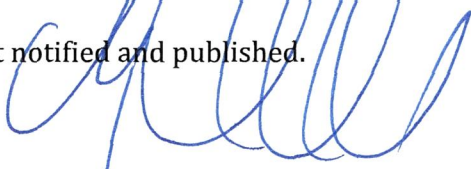
PREPA, Genera and LUMA are **WARNED** that submission of data, in formats other than the Energy Bureau's prescribed template, or with incomplete fields, will not be accepted as compliant.

The Energy Bureau **WARNS** PREPA, Genera and LUMA that any failure to comply with the Energy Bureau's directives, including the requirement to use and fully complete provided templates, may subject it to administrative fines and sanctions pursuant to Article 6.36 of Act 57-2014, including penalties of up to \$25,000 per day and up to \$250,000 per violation in cases of recurrent or continued noncompliance.

To support these efforts, the Energy Bureau authorizes its staff and consultants to engage in informal technical meetings with representatives and/or consultants of PREPA and LUMA, for the purpose of clarifying the requirements set forth in this Resolution and Order, as well as other matters related to the request. However, it is expressly clarified that Energy Bureau staff and consultants are not authorized to make binding representations or commitments on behalf of the Energy Bureau. The final authority regarding the evaluation and determination of the information submitted rests exclusively with the Commissioners.

The Energy Bureau **REAFFIRMS** its statutory duty to ensure accountability, transparency, and compliance in the administration of federally funded disaster recovery projects. Strict compliance with the Energy Bureau's instructions is not optional but essential to advancing Puerto Rico's energy system reconstruction.

Be it notified and published.



Edison Avilés Deliz
Chairman



Ferdinand A. Ramos Soegaard
Associate Commissioner

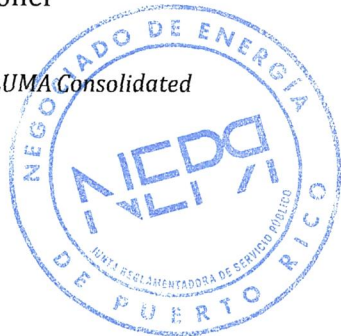


Lillian Mateo Santos
Associate Commissioner



Sylvia B. Ugarte Araujo
Associate Commissioner

¹⁰ See attached Excel files (*PREPA Consolidated Project list, GENERA Consolidated Project list, LUMA Consolidated Project list*).



CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau agreed on October 3, 2025. Associate Commissioner Antonio Torres Miranda did not intervene. Also certify that on October 3, 2025, I have proceeded with the filing of this Resolution and Order and was notified by email to jfr@sbgblaw.com; adiaz@sbgblaw.com; arivera@gmlex.net; nzayas@gmlex.net; Yahaira.delarosa@us.dlapiper.com; Emmanuel.porrogonzalez@us.dlapiper.com.

I sign this in San Juan, Puerto Rico, today, October 3, 2025.





Sonia Seda Gaztambide
Clerk