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COMMONWEALTH 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:** Informative Motion Regarding Status of Sunnova's Participation in CBES and CBES+

INFORMATIVE MOTION REGARDING STATUS OF SUNNOVA'S PARTICIPATION IN CBES AND CBES+

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME now **LUMA Energy, LLC**, and **LUMA Energy ServCo, LLC** (jointly referred to as "LUMA"), and respectfully state and request the following:

I. Introduction

As the Transmission and Distribution 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 Puerto Rico Energy Bureau ("Energy Bureau"). Accordingly, LUMA has been implementing a Transition Period Plan ("TPP") containing various quick-start or pilot EE and DR programs, with the purpose of setting the stage for the design and implementation of larger scale, more permanent programs that would form part of a Three-Year Plan submitted by LUMA and approved by the Energy Bureau.

As part of the TPP, LUMA established a pilot battery DR Program (now called "Customer Battery Energy Sharing" ("CBES") Program) providing incentives to residential customers for sharing stored energy from their batteries during DR events, contributing to grid stability and supporting energy demand during peak demand periods. This program uses the aggregator model, wherein the customers enroll in the program through a qualified third-party aggregator, which is responsible for enrolling customers, dispatching battery resources for participating customers during grid events, reporting performance, and compensating customers based on participation ("DR Aggregator").

In accordance with Energy Bureau directives, LUMA transitioned the CBES Program into a permanent program and expanded its scope for the Summer 2025, in a program known as the CBES+, both of which were approved by the Energy Bureau. The CBES Program and CBES+ have been operating since June 2025.

The purpose of this Motion is to inform the Energy Bureau of recent events affecting Sunnova Energy Corporation's ("Sunnova") participation, as a DR Aggregator, in the CBES Program, as well as the CBES+.

II. Relevant Procedural History

1. On February 16, 2023, the Energy Bureau issued a Resolution and Order ("February 16th Order") considering, amending, and approving LUMA's proposed Energy Efficiency and Demand Response Transition Period Plan[1] (as approved, the "TPP") containing the description of various quick-start EE and DR Programs to be implemented by LUMA, including, among others, an emergency battery DR program described as targeting residential customers with behind the meter batteries and providing incentives to these customers for load shifting to batteries during DR event periods (thereafter and currently referred to as the "Customer Battery Energy Sharing Program", hereinafter the "CBES").[2]

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[1] Submitted by LUMA to the Energy Bureau on June 21, 2022, in Case No. NEPR-MI-2021-0006, *In Re: Demand Response Plan Review, Implementation and Monitoring*.
[2] *See id*. Exhibit 1, Section 4.3.2.

2. On June 15, 2023, the Energy Bureau issued a Resolution and Order ("June 15th Resolution") determining or confirming that: (a) pursuant to the Regulation for Demand Response, December 21, 2020 ("Regulation 9246"), DR Aggregators must register as electric services companies under the Amendment to Regulation No. 8618, Regarding Certifications, Yearly Charge and Operational plans of Electric Service Companies, February 17 2016, as amended ("Regulation No 8701"); (b) certain provisions of Regulation 8701 will be waived or applied with respect to DR Aggregators, with the waivers only applying for the duration of the TPP; and (c) establishing a deadline of December 1, 2023 for DR Aggregators participating in the TPP CBES Program to apply for certification.[3]

3. By November 2023, LUMA had launched the CBES Program, having executed five Master Aggregation Agreements with DR Aggregators to participate in the CBES Program, enrolled customers through DR Aggregators, and successfully conducted a test of the capability to call emergency DR events.[4]

4. Among the DR Aggregators that executed the Master Aggregation Agreement was Sunnova.[5]

5. On November 29, 2023, the Energy Bureau issued a Resolution and Order in which, among others, it extended the deadline for DR Aggregators to become certified under Regulation 8701 by March 1, 2024.

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[3] *See* June 16th Resolution, pp. 5-6.

[4] *See Motion to File Proof of Execution of Master Aggregation Agreements and Provide Update on Customer Enrollment*, filed on October 13, 2023 ("October 13th Motion"); *Motion to Submit FY 2024 Q1 TPP Report*, filed on November 29, 2023, Exhibit 1; *Motion to File Proof of Customer Enrollment and Additional Executed Master Aggregation Agreements and Evidence on Capability to Call Emergency DR Events and Request for Confidentiality*, filed on November 22, 2023, pp. 4-5; Motion to Submit FY25 [Q2] TPP Quarterly Report, filed on February 29, 2024, Exhibit 1, p. 6.

[5] *See* October 13th Motion, Exhibit 1.

6. On October 23, 2024, the Energy Bureau issued a Resolution and Order ("October 23rd Order"), determining that LUMA should transition the CBES Program from a pilot to a permanent program and directing LUMA to file the proposed form of this program,[6] and on January 31, 2025, LUMA filed its proposal for the permanent CBES Program ("Permanent CBES Program Proposal").[7]

7. On April 30, 2025, the Energy Bureau issued a Resolution and Order ("April 30th Order") ordering LUMA to file a detailed proposal to expand the CBES program for summer 2025, referred to as the "CBES Emergency Expansion" or "CBES+", as presented by LUMA in a technical conference held on April 24, 2025,[8] and on May 8, 2025, LUMA submitted to the Energy Bureau its proposal for the CBES+ ("CBES+ Proposal").[9]

8. On May 20, 2025, the Energy Bureau issued a Resolution and Order ("May 20th Order") approving the CBES+ Proposal and the Permanent CBES Program Proposal, subject to certain conditions.

9. On May 29, 2025, the Energy Bureau issued a Resolution and Order ("May 29th Order") determining that LUMA had met the conditions of the May 20th Order and fully approving the CBES+ Proposal.

10. LUMA has been implementing the Permanent CBES Program along with the CBES+ since June 2025.[10]

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[6] *See* October 23rd Order, pp. 3.
[7] *See Motion to Submit Permanent Customer Battery Energy Sharing Program Proposal in Compliance with Resolutions and Orders of October 23, 2024, and December 5, 2024*, Exhibit 1.
[8] *See* April 30th Order, p. 2.
[9] *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*.
[10] *See Motion to Submit Monthly Status Report on the CBES+ Program for June 2025 in Compliance with Resolution and Order of May 29, 2025. Motion to Submit Monthly Status Report on the CBES+ Program for July 2025 in Compliance with Resolution and Order of May 29, 2025; Motion to Submit Monthly Status Report on the CBES+ Program for July 2025 in Compliance with Resolution and Order of May 29, 2025; Motion to Submit Monthly Status Report on the CBES+ Program for August 2025 in Compliance with Resolution and Order of May 29, 2025.*

III. Status Regarding Sunnova's Participation in CBES and CBES+

11. LUMA hereby informs of a recent event affecting Sunnova's participation in the Permanent CBES Program. Recently, LUMA was informed of the sale (the "Sale") of substantially all of Sunnova's assets ("Acquired Assets") to a Purchaser of those assets ("Purchaser"), and the assumption by Sunnova and subsequent assignment to the Purchaser of certain contracts and leases in connection with the Sale (the "Assumption and Assignment"), among which is the Sunnova Master Aggregation Agreement ("Sunnova MAA"). This transaction is the result of the Chapter 11 bankruptcy proceeding of Sunnova Energy Corporation and its affiliates which commenced on June 8, 2025 in the United States Bankruptcy Court for the Southern District of Texas Houston Division, Case No. 25-90160 (ARP), *In re: Sunnova Energy International Inc., et al*. Specifically, in that proceeding, the Court issued an Order on July 31, 2025, authorizing the Sale of the Acquired Assets, and the Assumption and Assignment, among others, in accordance with the terms of an Asset Purchase Agreement approved by the Court, pursuant to which Sunnova Energy Corporation is required to assign, among others, the Sunnova MAA to the Purchaser and Purchaser to accept and assume the Sunnova MAA.[11]

12. LUMA has been in communication with the entity that represented to be the Purchaser of the Acquired Assets regarding the necessary steps for that entity to become a Certified DR Aggregator. LUMA has informed them that, as soon it receives notice of their compliance with all applicable Energy Bureau Regulations and Orders (including Regulation 8701) to act as a DR Aggregator pursuant to Regulation 9246, LUMA will actively support them to transition their participation into the Permanent CBES Program (including the CBES+).

[11] *See* Order (I) Authorizing the Sale of Certain of the Debtor's Assets to the Staling Horse Bidder Free and Clear of all Liens Claims, Encumbrances, and Interests, (II) Authorizing the Debtors to Perform their Obligations under the Asset Purchase Agreement, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, And (IV) Granting Related Relief.

13. While the above transition process is ongoing, the implementation of the Sunnova MAA has been paused. Accordingly, until this process is completed the customers enrolled in the Permanent CBES Program or CBES+ serviced by Sunnova, will not be participating in emergency DR events under the Permanent CBES Program or CBES+. LUMA will work in supporting the new DR Aggregator(s) as needed to reintegrate customers and capacity into the CBES Permanent Program and CBES+ but notes that this process is affected by actions outside the control of LUMA. Therefore, LUMA cannot at this time estimate when this process will be completed.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 13th day of October 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 to the attorney for PREPA at jmarrero@diazvaz.law; the Independent Office for Consumer Protection at hrivera@jrsp.pr.gov; 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, and mrios@arroyorioslaw.com.

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