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Exhibit 1

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Response to October 18, 2025, Request

Introductory Statement

In compliance with the Resolution and Order issued by the Puerto Rico Energy Bureau (PREB) on October 18, 2025, LUMA respectfully submits this response regarding the impact of the recent determination to close certain positions on the safe and reliable operation of the electric system.

On October 17, 2025, LUMA gave the PREB voluntary notice of various actions, including employee terminations that had occurred on that same date, taken by LUMA as necessary measures to operate within the limited funding means currently at its disposal. As discussed therein, since August 2024, deposits made by the Puerto Rico Electric Power Authority (PREPA) into LUMA's Service Accounts have not exceeded 33% of the minimum requirements under the Puerto Rico Transmission and Distribution Operation and Maintenance Agreement (T&D OMA) and, from February 2025 to September 2025, deposits by PREPA into LUMA's Service Accounts have been less than monthly expenditures approved by PREB as part of LUMA's Annual Budget (comprised of operation and maintenance expenditures, Service Fee payments and non-federally funded capital expenditures).[1]

In response, and with an aim to reduce, to the greatest extent possible, the impact on day-to-day operations and customer service, for more than a year, LUMA has implemented several cost-containment measures aimed at preserving core operations and service reliability. Despite these efforts, and a lack of meaningful engagement by PREPA or the Puerto Rico Public-Private Partnerships Authority (P3A), as Administrator under the T&D OMA, to identify measures that immediately direct greater financial resources towards the utility's operations, ongoing financial constraints have necessitated further steps, including a workforce reduction across nearly all levels of the organization.

LUMA remains committed to providing its Operation and Maintenance Services (O&M Services) in full compliance with the T&D OMA and with service reliability and employee safety as key guiding principles. While the actions taken to date to adjust LUMA's operations to available means diverge from the optimal environment under which LUMA intends to operate, given the current liquidity condition of PREPA and the Puerto Rico Energy System, they are necessary measures any prudent utility would undertake to preserve system reliability and ensure that limited funds remain directed to key operational functions. However, as expressed in multiple previous filings, and particularly in the ongoing rate review proceeding, PREPA's energy system is severely degraded, the product of unquestionable mismanagement by PREPA, as documented by the Energy Bureau's Expert Reports issued in connection with the 2017 Rate Order, and its ongoing inability to implement maintenance and capital investments as a result of persistent funding constraints. Accordingly, any reductions in the quality of service experienced by our customers are largely the result of chronic underinvestment, caused by persistent underfunding, and not by actions taken by LUMA as a result of such funding constraints.

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[1] LUMA stresses that funding even at the amount equal to the 12-month pro rata allocation of the PREB-approved Annual Budget is inconsistent and a material breach of the T&D OMA and is an unsustainable funding mechanism for any utility.

1.0 Description of Separated Personnel and Impact Analysis

LUMA's workforce reduction involved 168 positions primarily distributed across administrative, analytical, and support functions throughout several departments. While in response to chronic underfunding, to implement these adjustments, LUMA applied a structured evaluation that assessed organizational priorities and operational functionalization to identify those positions which, upon elimination, would, to the greatest extent possible, minimize disruption to critical activities while preserving operational capabilities. The review analyzed staffing distribution, task coverage, and contingency readiness across all departments to help ensure the reduction would not compromise safety, reliability, or the continuity of customer service. The assessment confirmed that essential responsibilities remain fully supported through task reallocation, workflow optimization, and the consolidation of overlapping administrative activities.

The positions affected were concentrated in areas that support the broader business and technical operations of the company but are not directly responsible for the daily control, maintenance, or emergency response of the electric system. Core operational functions—those responsible for field execution, system operations, and emergency management—remain staffed at levels consistent with the safe and reliable operation of the transmission and distribution system.

The two tables accompanying this section summarize the results of the assessment. The first identifies the functional areas affected, while the second provides the distribution of separations by organizational level. Together, these tables offer a detailed representation of the scope and nature of the roles adjusted.

Table 1- Functional Areas and Functions Performed by Affected Positions

Functional Area	Positions Impacted
Finance and Accounting	10
Regulatory	3
Legal	1
Information Technology and Operational Technology	12
People & Shared Services	16
Procurement	3

T&D Operations	29
Communications & Stakeholders Engagement	5
Health, Safety, and Environment	2
Engineering and Capital Programs	55
Customer Experience	32

Table 2- Summary of Afected Position by Role Level

Role Level	Number of Affected Positions
Individual Contributor	120
Lead	7
Supervisor	12
Manager	18
Senior Manager	7
Director	4

The following list illustrates the types of roles and functions provided by positions impacted by the separations: (i) administrative support, including meeting coordination, scheduling, and entry of field data into management systems; (ii) data analysis, reporting, and documentation of operational processes and procedures; (iii) contract management, including tracking, documentation, and compliance coordination; (iv) management of training records and documentation, project assessments and invoice verification; (v) system planning studies, and asset engineering and management analytics; (vi) capital project development, reporting, and documentation activities; and (vii) project scheduling, cost tracking, contract administration, and project documentation.

LUMA maintained qualified personnel responsible for outage response, system maintenance, and system operations. In determining which positions would be reduced, LUMA intentionally ensured that no roles directly contributing to these critical functions were affected. This included personnel responsible for executing, supervising, managing, coordinating, planning, or scheduling this work. The positions reduced within these operational areas were limited to administrative or indirect support roles. None of the impacted functions were eliminated; rather, staffing levels were adjusted to allow for the restructuring and prioritization of workloads, ensuring that administrative functions continue to support essential work and provide value to the organization.

Similarly, the reductions affecting customer experience functions have no operational impact or customer-facing consequences. In recent years, LUMA has modernized and centralized customer-facing operations through the deployment of digital self-service channels and integrated data platforms. Tasks that were previously manual—such as billing inquiries, service order tracking, and quality control—are now managed through automation, standardized processes, and real-time data.[2] LUMA leveraged these successful initiatives to minimize the impact to customers resulting from terminated positions. Roles that directly support customer interactions—such as call center agents and regional office advisors—were not affected. Additionally, positions directly supporting billing, payment processing, and dispute resolution remain unchanged.

Adjustments within engineering and project support functions were limited to areas where workload has declined due to the withdrawal of 224 FEMA projects[3] from the obligation pipeline. LUMA retained adequate engineering and project management capacity, along with supporting resources, to continue executing all active Non-Federal Capital and FEMA-funded projects. These adjustments have no impact on the safe or reliable operation of the electric system.

2.0 Mitigation Measures Implemented or Planned

In response to persistent funding constraints, throughout the previous months, LUMA has implemented a series of operational and organizational measures that seek to prevent operational measures such as the recent workforce reductions from compromising the safe and reliable operation of the electric system. These measures are designed to maintain continuity of service, uphold safety standards, and preserve institutional knowledge across all operational areas.

- **Readiness to Augment Maintenance and Project Execution–** LUMA maintains the capacity to scale its maintenance and capital-project execution through established agreements with engineering consultants, construction firms, and material suppliers. These partnerships enable

[2] These changes reflect LUMA's success in upskilling and cross-training its workforce while modernizing technology and streamlining processes.

[3] On October 10, 2025, LUMA submitted a budget amendment in this docket to reflect the impact of the withdrawal of 224 projects from FEMA's obligation pipeline, following the FAAST Consolidated Project List submitted by PREPA to FEMA and COR3 on July 31, 2025.

the rapid mobilization of skilled labor and technical expertise to accelerate maintenance and capital project delivery as soon as funding permits

- **Redistribution of Functions and Workload Management** - LUMA restructured certain internal workflows to optimize the use of existing personnel and balance workloads across teams. Tasks and responsibilities were reassigned so that all critical operational and support functions remain adequately staffed and that resources are used effectively

- **Prioritization of Work within Impacted Areas** – Within affected functions, work has been prioritized to focus on the most essential activities required to maintain safety, reliability, and customer service. This approach ensures that resources are directed to the areas of greatest operational importance and that no interruption occurs in the execution of core activities

- **Application of Technology and Process Improvements** – LUMA continues to expand the use of technology solutions, including work and asset management systems, time-tracking platforms, and automation tools. The integration of artificial intelligence and digital workflows has reduced administrative requirements, allowing staff to focus on higher-value tasks and improve efficiency