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COMMONWEALTH OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU

IN RE:	**CASE NO.:** NEPR-MI-2022-0001
ENERGY EFFICIENCY AND DEMAND RESPONSE TRANSITION PERIOD PLAN	**SUBJECT:** Motion to Submit FY2025 Consolidated Transition Period Plan and Demand Response Administrative Cost Annual Report

MOTION TO SUBMIT FY2025 CONSOLIDATED TRANSITION PERIOD PLAN AND DEMAND RESPONSE ADMINISTRATIVE COST ANNUAL REPORT

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME now **LUMA Energy, LLC** ("ManagementCo"), and **LUMA Energy ServCo, LLC** ("ServCo"), (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 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"). With this motion, LUMA is submitting to the Energy Bureau, as *Exhibit 1*, a consolidated annual report for the 2025 fiscal year ("FY") providing information and data on progress, performance, and costs associated with the implementation of the EE and DR programs developed by LUMA and information on DR program administrative costs that are

recovered through the Purchase Power Charge Adjustment ("PPCA"), all as per the Energy Bureau's directives. Also included is an *Exhibit 2* with data that forms part of the report.

As discussed in detail in the attached Report, LUMA's commitment to advancing sustainable energy practices is reflected through a range of successful programs designed to maintain and expand DR resources, as well as drive EE across Puerto Rico. The Customer Energy Battery Sharing ("CBES") Program saw steady growth reaching over 12,000 customers and 31 MW of capacity. The Business EE Rebates boosted market awareness and participation by offering over $6.5 million in financial rebates to 10,104 residential customers (including 993 to low-income customers) for buying high efficiency equipment and providing approximately $664,000 in rebates to 217 commercial customers, all to adopt energy-efficient solutions. The In-Store EE Discount Program provided incentives to 14,688 customers at 10 Home Depot locations, delivering instant savings at the point of sale and energy-efficient products to customers. LUMA's Residential EE Kits Program fulfilled more than 9,570 free Residential EE kits orders, while the Business EE Kits Program distributed 3,073 free kits to commercial customers, to help reduce their monthly energy usage, lower their energy bills and keep their homes and businesses safe. These achievements have been made possible through careful Program Management and Implementation, including proactive budget strategies and collaborative partnerships, ensuring a foundation for long-term impact and demonstrating LUMA's dedication to transforming Puerto Rico's energy landscape.

The information included in the attached Report covers the period from July 1, 2024, to June 30, 2025.

II. Relevant Background and Procedural History

1. On June 21, 2022, LUMA filed with the Energy Bureau, in Case No. NEPR-MI-2021-0006, *In Re: Demand Response Plan Review, Implementation, and Monitoring*, a proposed

Energy Efficiency and Demand Response Transition Period Plan containing the description of various quick-start EE and DR Programs to be implemented by LUMA during a two (2)-year Transition Period and associated budgets for FYs 2023 and 2024 ("Proposed TPP"). *See Motion Submitting Proposed EE/DR Transition Period Plan* in Case No. NEPR-MI-2021-0006, *In Re: Demand Response Plan Review, Implementation and Monitoring* of that date and its *Exhibit 1*. The EE and DR Programs included, among others, an Education and Outreach Program; a Residential EE Rebate Program, a Business EE Rebate Program; an In-Store EE Discount Program; an Emergency DR Program; and a Battery DR Response Program.

2. On February 16, 2023, this Energy Bureau issued a Resolution and Order in the instant proceeding (the "February 16th Order") amending and approving the Proposed TPP (as approved, the "TPP"). Among others, the Energy Bureau ordered LUMA to file annual reports within one hundred and twenty (120) days following the end of the program year (each a "TPP Annual Report" and, collectively, "TPP Annual Reports") and quarterly reports within sixty (60) days of the end of each quarter (each a "TPP Quarterly Report" and collectively, "TPP Quarterly Reports"). *See id*., p. 18.

3. On August 29, 2023, the Energy Bureau issued a Resolution and Order ("August 29th Order") accepting a budget for the CBES budget proposed by LUMA[1] and determining that administrative costs for DR Programs will be recovered through the PPCA. *See* August 29th Order, p. 3. The Energy Bureau also directed LUMA to submit quarterly reports within forty-five (45) days after each quarter of a fiscal year (each a "DR Administrative Costs Quarterly Report" and, collectively, "DR Administrative Costs Quarterly Reports") meeting the requirements set forth the

[1] On August 23, 2023, LUMA submitted to the Energy Bureau the proposed estimated costs associated with the CBES. *See Motion to Submit Costs Associated with Emergency DR Program in Compliance with Resolution and Order of August 11, 2023, and Request for Confidential Treatment* filed August 23, 2023.

August 29th Order. *See id.* at pages 3 and 4. The Energy Bureau also indicated that the Q4 report was to include the year-end report ("DR Administrative Costs Year-End Report"). *See id*. footnote 8.

4. On November 29, 2023, the Energy Bureau issued a Resolution and Order extending the TPP by one year.

5. On December 20, 2023, LUMA submitted to the Energy Bureau a revised version of the TPP to address the extension for an additional year ("Revised TPP"). *See Motion to Submit Revised TPP and Other Information Requested Under the Resolution and Order of November 29, 2023 filed on December 20, 2023 ("November 20th Motion")* and its Exhibit 1 *(which is the Revised TPP).* The Revised TPP maintained the same requirements pertaining to the TPP Quarterly Reports and TPP Annual Reports for FY2024, while extending these to FY2025, and added the DR Administrative Costs Quarterly Reports. *See id*. Exhibit 1, Section 6.0. *See id.*

6. On February 14, 2024, LUMA requested the Energy Bureau to approve the consolidation of the DR Administrative Costs Quarterly Report and the TPP Quarterly Report into a single quarterly report to be filed within forty-five (45) days of the end of each fiscal quarter, and the consolidation of the TPP Annual Report and the DR Administrative Costs Year-End Report into a single annual report to be filed within one hundred and twenty (120) days following the end of the fiscal year. *See Motion to Submit Second Quarterly Report on Administrative Costs and Expenditures of TPP DR Programs and Request to Consolidate Reporting Requirements* ("February 14th Motion").

7. On March 21, 2024, the Energy Bureau issued a Resolution and Order approving the consolidation of the quarterly and annual reports as proposed in the February 14th Motion ("Consolidated TPP and DR Administrative Cost Annual Report").

8. On October 28, 2024, LUMA requested the Energy Bureau to approve a proposed template for the Consolidated TPP and DR Administrative Cost Annual Reports. *See Motion to Submit Consolidated Transition Period Plan and Demand Response Administrative Cost Annual Report and Request for Approval of Template for These Annual Reports* ("October 28th Motion").

9. On January 24, 2025, the Energy Bureau issued a Resolution and Order ("January 24th Order") approving LUMA's request to use the template for the Consolidated TPP and DR Administrative Cost Annual Reports as proposed on its October 28th Motion conditioned on supplementing the template with additional information and including modifications to three tables in the report, all as specified in the January 24th Order. *See id*, pages 4-6. Among these requirements, the Energy Bureau directed LUMA to include, in an attachment to its annual reports, detailed table(s) compatible with Microsoft Excel with the following information for each measure:

- Quantity installed;
- Program through which the measure was installed;
- Per-unit kWh and kW gross annual savings assumptions. If per-unit savings vary based on efficiencies, configurations, etc., provide the range of per-unit savings;
- Total kWh and kW first-year gross annual savings resulting from the total number of installed measures;
- Total kWh and kW gross lifetime savings resulting from the total number of installed measures.
- Levelized cost of saved energy (s/kWh)

Id., p. 6.

III. Submission of FY2025 Consolidated TPP and DR Administrative Costs Annual Report

10. In compliance with the February 16th Order, the August 29th Order, the March 21st Order, and the January 24th Order, LUMA herein submits its FY2025 Consolidated TPP and DR Administrative Costs Annual Report. *See Exhibits 1* and *2*. This Report discusses LUMA's activities and achievements during the program year, covering implementation experience,

stakeholder consultations, research efforts, and collaboration with key strategic groups. It also addresses program strategies, funding sources and market performance. In addition, the report highlights customer education and outreach efforts, participant enrollment, performance data, program costs, and outlines the next steps for future initiatives.

11. This report follows the template approved by this Energy Bureau in the January 24th Order and contains the additional information required therein, including the required Microsoft Excel table which are set forth in *Exhibit 2* herein.

WHEREFORE, LUMA respectfully requests that the Energy Bureau (i) **take notice** of the aforementioned; (ii) **accept** the FY2025 Consolidated DR Administrative Costs and TPP Annual Report in *Exhibits 1* and *2* in compliance with the February 16th Order, as modified by the August 29th Order and further modified by the March 21st Order and January 24th Order, and **deem** LUMA in compliance with the FY2025 annual reporting requirements under such orders.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 28th 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 the Independent Office for Consumer Protection at hrivera@jrsp.pr.gov; PREPA at arivera@gmlex.net; and mvalle@gmlex.net; 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, pjcleanenergy@gmail.com, and mrios@arroyorioslaw.com.

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Exhibit 1

FY2025 Consolidated TPP and DR Administrative Costs Annual Report

Consolidated Transition Period Plan and Demand Response Administrative Costs

FY2025 Annual Report

NEPR-MI-2022-0001

October 28, 2025

Executive Summary

Introduction

LUMA remains committed to collaborating with the Puerto Rico Energy Bureau (Energy Bureau) to advance the island's public energy policy including driving sustainable energy practices and delivering key customer- focused initiatives, such as energy efficiency (EE) and demand response (DR) programs.

This annual report provides a comprehensive overview of LUMA's progress on its Transition Period Plan (TPP) during Fiscal Year 2025 (July 1, 2024, to June 30, 2025). During this period, LUMA launched multiple EE and DR programs, which are required by law and mandated by the Energy Bureau, and projects that raised customer awareness about energy efficiency and energy savings.

During FY2025, LUMA made progress on the following programs and initiatives:

- **Energy Efficiency Rebates:** Issuing over **$6.5 million** in financial rebates to **10,104** residential customers (including **993** to low-income customers) for buying high-efficiency equipment and providing approximately **$664,000** in rebates to 217 commercial customers, reducing energy consumption and costs.
- **Energy Efficiency Kits:** Fulling more than **9,570** free Residential EE kits orders and distributing **3,073** free kits to commercial customers to help reduce their monthly energy usage, lower their energy bills and keep their homes and businesses safe.
- **Customer Battery Energy Sharing (CBES) Initiative:** Launching and enrolling over 12,000 customers in CBES, resulting in an additional 31 MW to increase the supply of critical energy available during peak demand periods, improving day-to-day service reliability and minimizing the impact of load shedding.
- **Community Streetlight Initiative:** Replacing over **25,000** streetlights with Light Emitting Diode (LED) lights to improve safety and increase energy efficiency while building a more modern and resilient grid across communities.
- **In-Store Energy Efficiency Discounts: 14,688** customers received point-of-sale incentives at 10 Home Depot locations. Sales included **105,319 LED units, 4,455 ceiling fans, and 2,269 window ac units**.

Consolidated Transition Period Plan and Demand Response Administrative Costs

Regulatory Background

On June 1, 2022, LUMA submitted to the EE and DR Transition Period Plan (2022 TPP)[1] to the Energy Bureau, outlining quick-start EE and DR Programs to be implemented by LUMA during a two-year transition period ending on June 30, 2024. The Energy Bureau approved the 2022 TPP, with modifications, through its Resolution and Order issued on February 16, 2023. Subsequently, by Resolution and Order dated November 29, 2023, the Energy Bureau approved a one-year extension of the 2022 TPP.

On December 20, 2023, LUMA submitted a revised TPP, which updated the original programs and extended them through June 2025. As used in this report, "TPP" refers to this Revised TPP.

This report covers the period from July 1, 2024, to June 30, 2025, and is submitted by LUMA in adherence to the requirements of the Energy Bureau's February 16, 2023, Resolution and Order, which requires annual reporting on the indicators outlined in Section 6 of the TPP. Additionally, this report fulfills the reporting requirements established in the Energy Bureau's August 29, 2023, Resolution and Order, which mandates annual reporting on administrative costs related to the CBES Initiative, a component of the TPP.

The Energy Bureau approved the consolidation of these two annual reporting requirements by Resolution and Order of March 21, 2024. After other procedural events, on January 24, 2025, the Energy Bureau issued an additional Resolution and Order introducing new reporting requirements for both quarterly and annual reports.

This report is submitted in compliance with all applicable Energy Bureau directives and provides updated insights into program performance, growth, and contributions toward a more sustainable and resilient energy future for Puerto Rico.

[1] *See Motion Submitting Proposed EE/DR Transition Period Plan* filed on June 21, 2022, in Case No. NEPR-MI-2021-0006, *In Re: Demand Response Plan Review, Implementation and Monitoring*, and its Exhibit 1.

Consolidated Transition Period Plan and Demand Response Administrative Costs

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List of Acronyms

ACRONYM	DEFINITION
ADMS	Advanced Distribution Management Systems
ADR	Automated Demand Response
C&I	Commercial, Industrial and Agriculture
CBES	Customer Battery Energy Sharing
COR3	Central Office for Recovery, Reconstruction and Resiliency
CSI	Community Street Lights Initiative
DDEC	Department of Economic Development and Commerce
DERMS	Distributed Energy Resource Management System
DOE	Department of Energy
DR	Demand Response
EE	Energy Efficiency
EESRP	Energy Efficiency System Remediation Plan
EMS	Energy Management Systems
EPA	Environmental Protection Agency
HVAC	Heating Ventilation and Air Conditioning
LED	Light Emitting Diode
POS	Point-of-Sale
PREB	Puerto Rico Energy Bureau
PRPHA	Puerto Rico Public Housing Authority
PREPA	Puerto Rico Electric Power Authority
PP&A	Program Planning and Administrative Costs
PPCA	Power Purchase Charge Adjustment
T&D	Transmission and Distribution
TPP	Transition Period Plan
TPPERP	Transition Period Plan Emergency Response Plan
VFDIRP	Valuable Frequency Drive Integrated Resource Plan
VPPs	Virtual Power Plants

1.0 Description of LUMA's Activities and Achievements in the Program Year

1.1 Summary of Program Implementation Experience and Progress

This section provides a high-level summary of the activities, achievements and implementation experience and progress to date for each EE and DR program and initiative. Table 1: Activities and Achievements for FY2025 below summarizes the activities, achievements, and status of the various programs under the TPP. Sections 1.2 and 1.3 cover the description of these activities, achievements, and progress per program, for EE and DR, respectively.

Table 1: Activities and Achievements for FY2025

TPP Program	Initiatives	Description and Experience	Status
Education and Outreach Sec. 4.2 of TPP	Customer Education	Over **3.5 million customer** touchpoints were achieved through bill inserts, press releases, media coverage, and community events. Outreach included **26 schools**, more than **3,000 small businesses**, and rural communities such as Vieques, Culebra, and Castañer. These efforts strengthened program visibility, built trust, and expanded equitable access to energy efficiency initiatives.	Ongoing
Education and Outreach Sec. 4.2 of TPP	Marketing and Outreach	Marketing and outreach generated over **230,000 website visits** and more than **1.2 million views** from **55 social media** posts in FY2025, led primarily by Facebook. Residential programs drove the highest engagement, while business programs gained visibility through targeted industry outreach. Activities were scaled back in Q3–Q4 once rebates reached full subscription, but website traffic and customer interest in energy efficiency content remained strong.	Ongoing
Education and Outreach Sec. 4.2 of TPP	Stakeholder Outreach	Sustained coordination with Puerto Rico Department of Economic Development and Commerce **(DDEC)** and initiated engagement with Puerto Rico Public Housing Authority **(PRPHA)** to align EE/DR programs and expand access for low-income communities. Strengthened partnerships with trade allies (**CTRA, IBTS**) and industry groups **(ASORE, SESA, Lions Club, Fundación Borincana, Centro Unido de Detallistas**). Collaborated with **Interstate Renewable Energy Council (IREC)** on the Castañer Energy Resiliency Plan, distributing EE kits and expanding outreach to rural areas.	Ongoing

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TPP Program	Initiatives	Description and Experience	Status
Customer Battery Energy Sharing Program Section Sec. 4.4 of TPP	Program	The CBES Program expansion, which was approved in Q4 FY2025, saw steady growth in customer enrollment and available demand response capacity, reaching **12,447 customers.**	Ongoing
Residential Rebate Program Sec. 4.3 of TPP	Pilot Program	Provided customers with a financial incentive for purchasing and installing high-efficiency eligible equipment and appliances. **10,104** customers received reimbursements for qualifying measures in FY2025.	Paused
Business EE Rebates Sec. 4.7 of TPP	Pilot Program	Provide commercial customers with a financial incentive for purchasing and installing eligible high-efficiency equipment and appliances. During FY2025, **217** business customers participated in the program receiving a total of **$663,955** in Business EE Rebates.	Paused
In-Store EE Discount Program Section 4.5 of TPP	Pilot Program	The program offers customer point-of sale (POS) discounts on eligible products at participating dealers, providing discounts on Energy Star products such as LEDs, ceiling fans and window AC units. A total of **105,319 LED units, 4,455 ceiling fans, and 2,269 window ac units** were sold in FY2025.	Ongoing
EE Kits Program Sec. 4.6 of TPP (Residential)	Pilot Program	LUMA provided free mail-order “kits” containing typical EE measures and educational materials. A total of **9,573** customers across Puerto Rico received these kits in FY2025.	Ongoing
Business EE Kits Sec. 4.6 of TPP	Pilot Program	Commercial customers were provided with a free mail-order kit that included typical EE measures and educational materials. In FY2025, LUMA distributed **3,073** kits. Four types of kits were offered to address the needs of different customer segments.	Paused
Street Light Conversion Program Sec. 4.8 of TPP	Street Light Conversion Program	During FY2025, LUMA saved **1,947,874 kWh** as the result of replacing over **25,000** streetlights, demonstrating its commitment to looking at its work holistically, combining EE and infrastructure modernization.	Ongoing

1.2 Energy Efficiency Programs

1.2.1 Residential Energy Efficiency Kits Program

During FY2025, the Residential EE Kits Program distributed a total of **9,573 kits**, generating approximately **3,295 MWh** in energy savings, or 46% of the program’s annual energy savings goal. The program experienced overwhelming demand in Q1, when 7,369 kits were claimed in less than 12 hours,

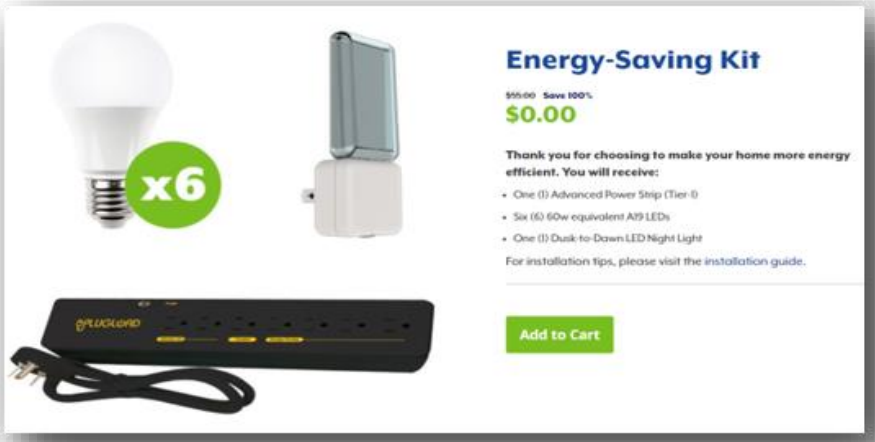
and an additional 2,000 kits were distributed in Santa Isabel to support customers impacted by power issues.

Community outreach remained central to the program. Initiatives included participation in the Interstate Renewable Energy Council (IREC) Solar Energy Fair in Castañer, where unique order codes were shared, resulting in kit requests, and the **"LUMA en tu Comunidad"** event in Santurce, which connected directly with residents and facilitated kit requests. These activities reinforced LUMA's commitment to expanding energy efficiency education and resources to underserved communities.

By Q3, most of the program budget had been utilized, with final kit orders fulfilled during the quarter. In Q4, LUMA began exploring opportunities for a new round of kits for FY2026 focused on low-income households. Conversations were initiated with the Puerto Rico Department of Economic Development and Commerce (DDEC), the Puerto Rico Public Housing Authority (PRPHA), and community organizations to evaluate potential collaborations to help distribute kits.

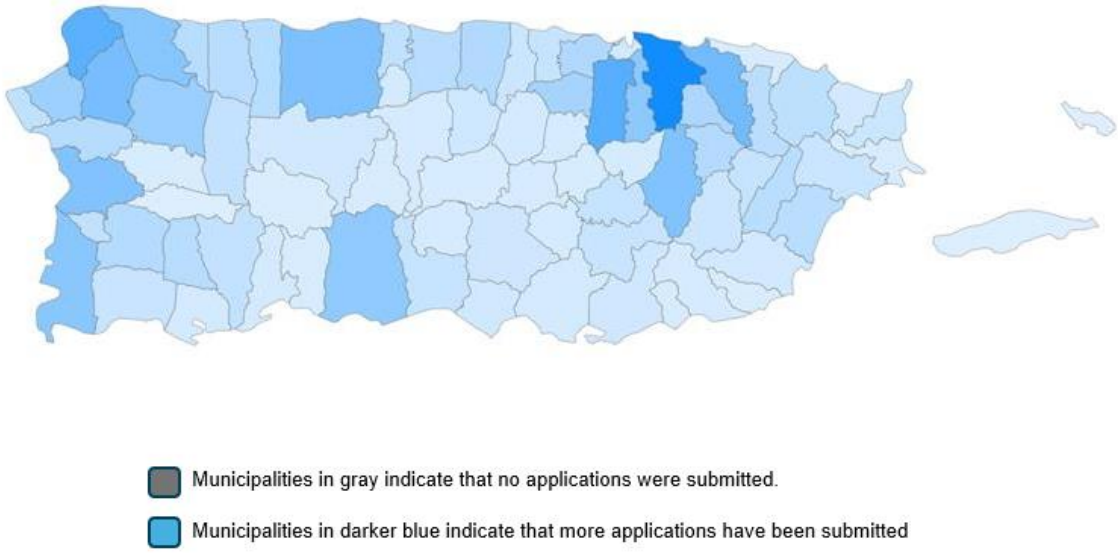
The FY2025 experience highlights both the high customer interest in EE kits and the importance targeted outreach to low-income communities, which will remain a priority in FY2026.

Figure 1: EE Kit Product Offerings



Consolidated Transition Period Plan and Demand Response Administrative Costs

Figure 2: FY2025 Residential EE Kit Distribution by Municipality



1.2.2 Home Efficiency Rebates Program

During FY2025, the Residential EE Rebate Program engaged 10,104 participants, including 993 low-income households, and delivered approximately 15,278 MWh in energy savings or 89% of the program's annual energy savings goal. See table 2: Rebates Processed FY2025 below.

Table 2: Rebates Processed FY2025

Customers Served[2]	Applications Processed[3]	Rebates Issued[4]	Rebate Spend
10,104	**10,602**	**13,509**	**$6,534,638**

Customers installed a diverse range of energy-efficient measures, with mini-split air conditioners accounting for more than 70% of all rebates, followed by solar water heaters, ENERGY STAR® refrigerators, and window air conditioners. *For a detailed breakdown of the measures and their distribution, refer to Table 3: Measures Installed* below.

Table 3: Measures Installed

Measure	QTY (#)	Percentage
Energy Star® Freezer	69	0.51%

[2] Count of unique LUMA account numbers.

[3] Processed means paid. One application allows for more than one measure.

[4] Number of Measures for which rebates were paid.

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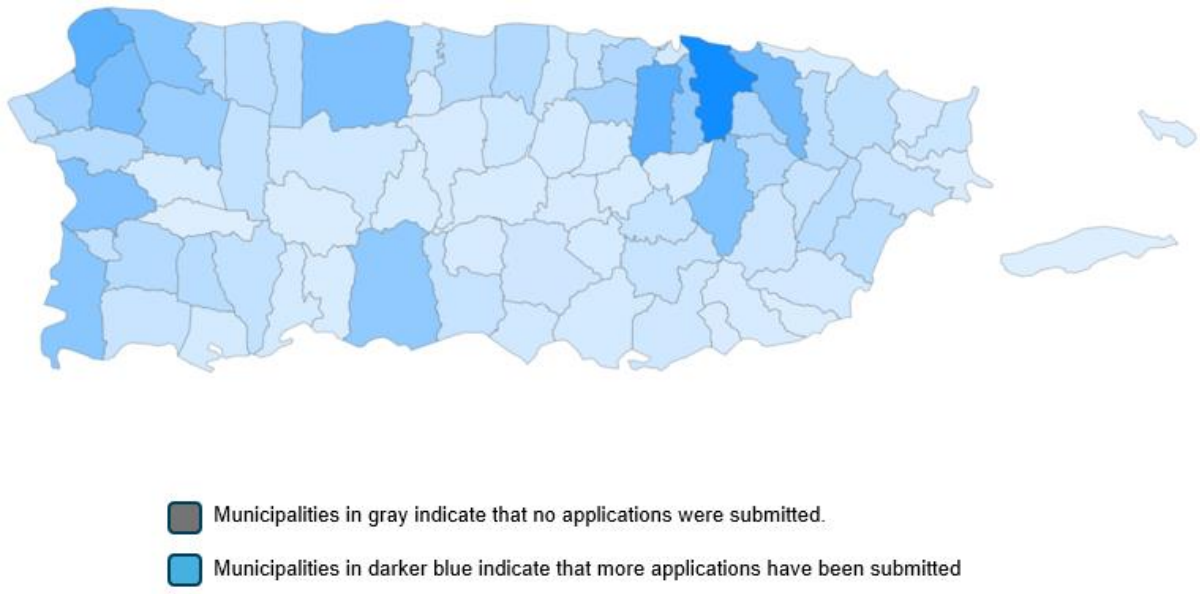
Measure	QTY (#)	Percentage
Energy Star® Tankless Water Heater	153	1.13%
Energy Star® Window Air Conditioner	321	2.38%
Energy Star® Refrigerator	1,191	8.82%
Solar Water Heater	2,320	17.17%
Mini-Split Air Conditioner	9,455	69.99%
Total	**13,509**	**100%**

As described in the FY2025 Q2 report, due to overwhelming demand, the residential mini-split units' rebates became fully subscribed. In Q2 and Q3, LUMA first reviewed and analyzed all pending EE Rebate applications to fully assess the portfolio financial implications of the mini-split rebate demand surge. Based on that analysis, LUMA proactively adjusted mini-split rebate incentives and eligibility limits, ensuring maximum customer participation and equitable distribution of remaining fiscal year funds.

In addition, as is common in utility programs, the EE Rebate program for the remaining measures was paused in April 2025 to focus on incentive applications processing for the fiscal year end. By year-end, LUMA and its implementation contractor had substantially accelerated rebate processing, achieving a 141.9% increase in processed payments compared to the first half of FY2025. LUMA remains committed to clearing all FY2025 pending applications and ensuring timely payments, with some processing continuing into FY2026.

In total, the program disbursed more than **$6.5 million** in rebates, surpassing FY2024's performance.

Figure 3: Geographical Distribution of Residential Rebates



Consolidated Transition Period Plan and Demand Response Administrative Costs

1.2.3 Business Energy Efficiency Kits Programs

During FY2025, LUMA distributed a total of **3,073** Business EE Kits across Puerto Rico, helping small businesses adopt energy-saving practices and reduce operational costs. The program offered four kit types tailored to common business needs (restaurant, retail, office, and lighting).

Distribution was supported by active outreach, including participation in the **PYMES Workshop, Refricentro Tradeshow, ASORE Bakery and Restaurant Show, and Lions Club** events, as well as targeted social media campaigns and the **"*LUMA en tu Comunidad*"** initiative in Santurce. Kits were also made available through LUMA's regional customer service centers, including targeted support in Santa Isabel following local power issues.

By Q3, distribution totaled 3,073 kits, after which the program was temporarily paused to prioritize funding for high-demand residential rebates. No additional distribution took place in Q4, and the program is scheduled to resume in FY2026 with a renewed focus on outreach to small businesses and community-based organizations. For a detailed YTD breakdown of the Business EE Kits and their distribution, refer to Table 4: *Business EE Kit by Type distributed in FY2025 below.*

Table 4: Business EE Kits by Type distributed

Measure	Qty (#)
Restaurant	362
Lighting	647
Retail	717
Office	1,340
Total	**3,073**

1.2.4 Business Energy Efficiency Rebates Program

During FY2025, the Business EE Rebate Program supported **217** business customers who installed **5,024 energy efficiency measures,** resulting in approximately 2,875 MWh in annual energy savings and **$664,000** in incentives disbursed. For a more detailed breakdown of eligible equipment, please refer to Table 5*: Eligible Equipment for Business Rebates.*

Table 5: Eligible Equipment for Business Rebates

Eligible Equipment	Rebate Amount
Exit Sign	$10
Omni Directional LED Replacement	$10
LED Troffer Replacement	$25 - $30
Linear Fluorescent LED Replacement	$5 - $10
Exterior Lighting	$40 - $280

Consolidated Transition Period Plan and Demand Response Administrative Costs

Eligible Equipment	Rebate Amount
Occupancy Sensor	$20 per sensor
Fryer	$350
Convection Oven	$350
Combination Oven	$800
Ice Machine	$500
Solar Water Heater	$550
Commercial Refrigerator and Commercial Freezer	$100 each
Commercial Air Conditioning	Tier 1: $100 per ton Tier 2: $175 per ton
Ductless Split Air Conditioner	$250 - $750
Energy Star® Window Air Conditioner	$130
Chiller	Tier 1: $100 per ton Tier 2: $175 per ton
Window Film	$1 per square foot
Pool Pump Valuable Frequency Drive (“VFD”)	$200 per HP

The program began gradually in Q1, with initial rebates focused on Heating Ventilation and Air Conditioning (HVAC) upgrades but gained momentum in Q2–Q3 through targeted outreach, contractor engagement, and participation in industry events such as the **PYMES Workshop, Refricentro Tradeshow, ASORE Bakery and Restaurant Show, and Lions Club events**. These efforts significantly expanded awareness among small and medium businesses.

High-efficiency **lighting and cooling measures** dominated participation. By Q3, LED lighting replacements accounted for nearly two-thirds of installed measures, while mini-split ACs represented another 27%. To further expand options, the program introduced a new **Exterior Lighting measure** in Q2, bringing the total offering to 18 eligible technologies. For a more detailed breakdown of eligible equipment, please refer to *Table 6: Business Measures Installed* below.

In Q4, LUMA concentrated on processing accumulated applications, issuing **221 rebate payments** and ensuring timely completion of approved projects. By year-end, the program had demonstrated increased adoption of energy-saving measures in the commercial sector.

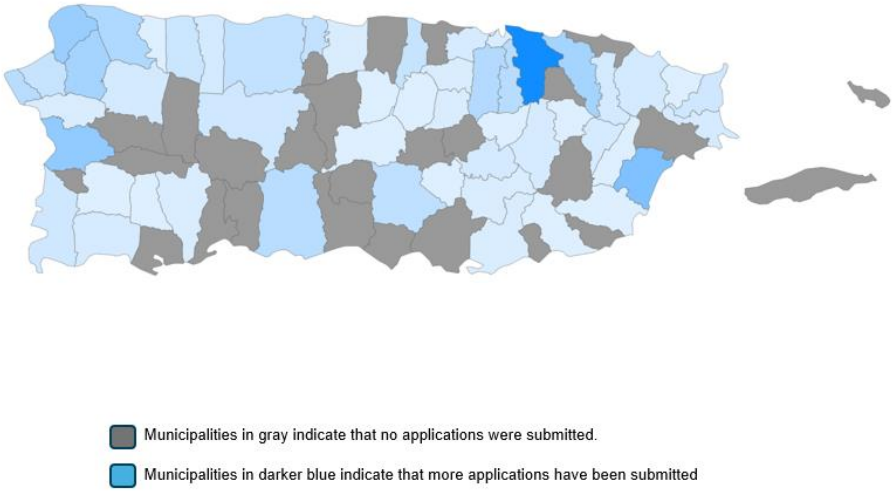
Looking ahead, LUMA will continue to refine application processing, expand eligible measures, and build stronger trade ally networks to maximize cost-effective savings in FY2026.

Consolidated Transition Period Plan and Demand Response Administrative Costs

Table 6: Business Measures Installed

Eligible Equipment	Qty (#)	Percentage
Fryer	0	0%
Convection Oven	0	0%
Combination Oven	0	0%
Commercial Freezer	0	0%
Energy Star® Window Air Conditioner	0	0%
Pool Pump Valuable Frequency Drive (“VFD”)	1	0%
Commercial Refrigerator	2	0%
Window Film	2	0%
Chiller	3	0%
Exterior Lighting	3	0%
Ice Machine	4	0%
Solar Water Heater	8	0%
Exit Sign	11	0%
Occupancy Sensor	27	1%
Commercial Air Conditioning	61	1%
Omni Directional LED Replacement	378	8%
Mini-Split Air Conditioner	550	11%
LED Troffer Replacement	1,554	31%
Linear Fluorescent LED Replacement	2,420	48%
Total	**5,024**	**100%**

Figure 4: Geographical Distribution of Business EE Rebates



1.2.5 In-Store Discounts Program

During FY2025, the In-Store Discount Program achieved strong results, with **13,968 customers** purchasing discounted equipment and generating approximately **4,707 MWh in energy savings**. The program began in Q1 with LED lighting under a Memorandum of Understanding (MOU) with The Home Depot and participating manufacturers. This was the final year for standard LED lamps and luminaires, as their ENERGY STAR® qualification was phased out after December 31, 2024.

In Q2, the program expanded: Home Depot introduced ENERGY STAR® ceiling fans and window air conditioners, while Walmart joined as a participating retailer for LED lighting in partnership with Philips. Walmart's participation was limited to Q2, while Home Depot continued offering discounts on ceiling fans and window ACs through Q4.

By year-end, customers purchased **112,281** energy efficiency measures through participating retailers. Incentives totaling **$692,604** were provided for LEDs, ceiling fans, and air conditioners. See Table 7 *In-Store Discounts Units Sold* below for a breakdown of units sold in FY2025.

Table 7: In-Store Discounts Units Sold

Measure	Qty (#)
Energy Star® Window AC	2,269
Energy Star® Ceiling Fan	4,693
LED Lighting	105,319
Total	**112,281**

To strengthen customer engagement, LUMA hosted in-store events in Carolina, Humacao, and Ponce, providing direct education on instant discounts and other EE programs. Outreach was also supported by point-of-purchase signage, retail staff training, social media promotion, and manufacturer collaborations.

The program's transition away from LEDs reflects the evolving EE market and the end of ENERGY STAR® certification for standard lighting. Despite this change, customer participation remained strong, and the program reached nearly 78% of its annual energy savings target. LUMA will continue to evaluate new measures and retail partnerships in FY2026 to sustain momentum and broaden participation.

1.3 Demand Response: CBES

CBES has achieved remarkable growth and operational maturity since its launch as a permanent program in Q4 FY2025. Enrollment expanded from fewer than 2,000 customers at initiation to 12,447 customers by June 30, 2025, representing a total available DR capacity of **74.7 MW**. This progress underscores both strong customer engagement and the increasing reliability of the program as a key grid resource.

During the reporting period, the program successfully executed 75 DR events, with 44 operational dispatches and 31 test events. Customer participation remained consistently high at an average of 80%, demonstrating confidence and commitment from enrolled participants. This achievement was supported through collaboration with seven aggregators, who played a critical role in outreach, recruitment, and customer engagement.

In close coordination with the Energy Bureau and to support the summer season, the program also advanced toward a much higher enrollment of additional customers through the mechanism of auto-enrollment effective June 1, 2025, thereby strengthening CBES's ability to respond to emergency grid conditions.

1.4 Other Stakeholder Consultations, research, collaborations, streetlighting

Stakeholder Consultations

During FY2025, LUMA continued dialogue with key federal and local stakeholders to enhance the reach and effectiveness of its energy efficiency and demand response initiatives. Engagements with federal agencies such as the U.S. Department of Energy (DOE) and the Environmental Protection Agency (EPA) remained ongoing, with a focus on identifying potential funding opportunities, securing technical assistance, and integrating best practices into program design to support long-term energy goals.

LUMA also maintained its monthly coordination meetings with the DDEC. These meetings facilitated joint planning for the rollout of complementary programs and educational campaigns, ensuring that each organization could efficiently reach different customer segments across the island. The collaboration aims to enhance community engagement, improve market penetration, and align efforts with Puerto Rico's broader economic development objectives.

Research Activities

During Q2 FY2025, LUMA advanced several research initiatives to strengthen program design and inform the upcoming Energy Efficiency and Demand Response Three-Year Plan. Surveys included with

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Residential EE Kits gathered data on customers' cooling and water heating equipment, as well as the adoption of LED lighting in households, supporting a better understanding of energy use patterns across Puerto Rico.

Two rounds of Residential EE Kit Customer Satisfaction Surveys provided valuable insights:

- Round 1: 1,390 responses (out of 5,000).
- Round 2: 6,817 responses (out of 10,564).

Results showed high adoption of plug-in measures (advanced power strips 88%, LED nightlights 84%) and overall strong satisfaction. Most households already used LED bulbs (76–100% of sockets). Barriers to installation included lack of immediate need (48%) and personal preferences (31%), but most participants indicated they would keep unused items for future use. Feedback highlighted the kits' value to low-income households and reinforced their role as a cost-saving resource.

LUMA also began conducting a targeted survey of small and medium-sized businesses to assess awareness of EE incentives, identify barriers to participation, and gather feedback on current offerings. This research will guide outreach strategies and increase adoption in underrepresented commercial sectors.

In addition, LUMA collaborated with DDEC to access data from programs such as the Weatherization Assistance Project (WAP) to better understand energy end-uses in low-income households. LUMA also engaged with some trade allies to capture market insights on efficient technologies available in Puerto Rico.

These research activities provide critical feedback for refining program design, enhancing cost-effectiveness, and supporting inclusive outreach strategies in FY2026 and beyond.

Collaboration with Key Strategics Groups

During FY2025, LUMA strengthened collaborations with key strategic organizations to expand outreach, build workforce capacity, and ensure equitable access to energy efficiency programs. Partnerships were established and expanded with community groups, trade allies, nonprofit organizations, and government agencies, aligning program efforts with broader economic development and resilience goals.

LUMA sustained monthly coordination meetings with the **DDEC,** ensuring alignment between LUMA's EE/DR programs and DDEC's Weatherization Program. These discussions focused on outreach strategies, customer education, and ways to better serve low-income communities. Engagement with the **PRPHA** was initiated in Q4 to explore energy efficiency opportunities in public housing, reinforcing LUMA's commitment to energy equity.

LUMA also deepened its collaboration with trade allies and workforce organizations. Partnerships with the *Colegio de Técnicos de Refrigeración y Aire Acondicionado* (CTRA) and Institute for Building Technology and Safety (IBTS) Puerto Rico supported contractor engagement, workforce training, and expanded participation in EE programs. Outreach with organizations such as ASORE, Solar and Energy Storage Association (SESA), Lions Club, *Fundación Borincana*, and *Centro Unido de Detallistas*, broadened program awareness and fostered community engagement. Notably, through the Castañer Energy Resiliency Plan (CERP) in partnership with IREC, LUMA distributed EE kits during the "Castañer Feria de Energía Solar," strengthening outreach to rural communities.

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As an important component of DR engagement, Quarterly meetings are conducted with key CBES stakeholders, including the SESA, DR Aggregators, developers, and others to go over the vision and updates of the CBES Pilot Program, event preparation, new initiatives, areas of improvement, answer questions and have open discussions.

These collaborations reflect LUMA's proactive and inclusive approach to stakeholder engagement. By working across sectors, LUMA has enhanced awareness, expanded market reach, and laid the groundwork for long-term sustainability, workforce development, and equitable participation in Puerto Rico's energy transition.

Focus on Equity and Access

During FY2025, LUMA advanced efforts to promote equity and access by providing enhanced incentives for low-income households, helping reduce the financial barriers these customers face when adopting EE technologies. Incentive eligibility was determined based on household income and size, aligned with the criteria established by LUMA's low-income tariff, ensuring support reached those most in need.

Throughout the year, LUMA implemented several targeted strategies:

- **Enhanced Incentives:** Low-income customers received higher rebate levels for residential EE measures, with **$861,429 in incentives disbursed to 1,011 participants** by year-end, supporting the installation of **1,239 energy-saving measures**.
- **EE Kits Distribution:** In FY2025, **173 kits** were distributed through Community-Based Organizations (CBOs) and events to support low-income households. While the distribution volume was modest, these initiatives provided valuable insights into community-based delivery channels and helped inform strategies for broader outreach. In Q4, planning efforts with DDEC, PRPHA, and community partners began to expand kit distribution networks for FY2026.
- **Outreach and Education:** LUMA participated in events such as the Solar Fair in Castañer, distributing EE kits to families in a rural community where more than half of residents live below the federal poverty level. These events helped raise awareness and empower vulnerable households with energy-saving resources.

By the close of FY2025, LUMA had strengthened its data tracking and outreach for low-income participants, ensuring equitable participation across programs. These initiatives highlight LUMA's commitment to bridging gaps in access, improving affordability, and delivering lasting benefits to low-income communities as part of Puerto Rico's energy transition. See Table 8: Measures Installed for Low-Income Costumers, below.

Table 8: Measures Installed for Low-Income Costumers

Measure	Qty #
Energy Star® Freezer	8
Energy Star® Tankless Water Heater	12
Energy Star® Window Air Conditioner	34

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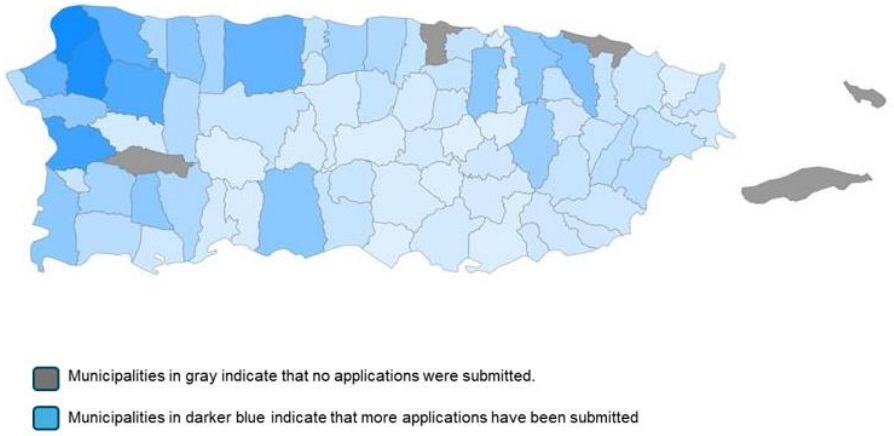
Measure	Qty #
Energy Star® Refrigerator	89
Solar Water Heater	140
Mini-Split Air Conditioner	1,010
Total	**1,293**

Figure 5: Geographic Distribution of Residential EE Rebates for Low-income customers



Funding Sources and Cost Recovery

In June 2024, LUMA, as ordered by the PREB, implemented the EE Rider as a reliable and long-term funding source essential for planning and delivering EE programs to meet Act 17-2019, as amended, objectives. While LUMA explored other funding options like federal grants—which support individual projects but do not provide direct funding to utilities— the EE Rider was established, in line with the PREB's 2019 determination to recover program costs from all customers on a per kilowatt-hour basis.

For FY2025, an initial EE fund of $13,745,450 million was to be collected through the EE Rider, which was calculated by dividing this amount by the estimated FY2025 kWh sales of 15,871,074,200 kWh, resulting in an estimated rider factor of $0.000853 per kWh. In FY2025, $12,430,248 was collected from customers through the EE rider. This amount is added to the FY24 Rollover amount of $5,812,817 to arrive at the actual FY25 budget of $18,243,065.

During this fiscal year the CBES Program was awarded a $3.5 million grant from the DOE, representing a strong endorsement of the program's potential to deliver meaningful grid benefits and customer value. LUMA continues its discussions with the DOE and COR3 the designated administrator of these funds to initiate the use of such funds for incentive payments under the CBES program.

Additionally, LUMA continues engaged in meetings with key stakeholders, including the State Office of Public Energy Policy, Fortaleza, and the DOE. These discussions are vital for aligning efforts and ensuring comprehensive support for LUMA's initiatives. The collaboration with these entities is ongoing, with a dedication to fostering strong partnerships to advance its objectives.

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LUMA continues its recurring discussions with key stakeholders such as the State Office of Public Energy Policy, Fortaleza, and the DOE. These discussions are vital for aligning efforts and ensuring comprehensive support for LUMA's initiatives. The collaboration with these entities is ongoing, with a dedication to fostering strong partnerships to advance EE and DR goals.

Marketing Performance & Customer Feedback

During FY2025, LUMA's marketing and outreach activities supported broad awareness of EE programs, with results varying by quarter in response to program demand and budget availability.

In Q1–Q2, marketing performance was strong, with website traffic exceeding **230,000 visits** and social media generating more than **1.2 Millon views from 55 social media posts**, led primarily by Facebook. Residential programs, particularly EE Kits and Rebates—drove most of the engagement, with the Residential Rebates page peaking at **42,659 visits** in Q2. Business programs saw more modest but steady growth, with increased visibility for Business EE Kits and Business Rebates following targeted outreach at industry events and direct engagement with business such as hotels, restaurants, retail shops, and others.

In Q3–Q4, marketing activity was scaled back once the Residential Rebate Program reached full subscription for high-demand measures such as mini-split air conditioners. This ensured careful management of customer expectations and available funding. Even with reduced campaigns, digital presence continued, and the EE website ecosystem registered **24,056 visits** in Q4, showing sustained public interest in energy efficiency content, particularly the Residential Rebates and Energy Savings Tips pages.

Customer feedback across outreach activities was overwhelmingly positive. Surveys from the EE Kits Program showed high levels of satisfaction, with participants praising the kits' usefulness and affordability impact. At in-store discount events, customers expressed strong interest in ENERGY STAR® products and confidence in LUMA's responsiveness. Retail staff provided constructive input, emphasizing the value of training and recommending more signage to improve visibility of discounts. Personalized outreach to small businesses, including direct kit delivery in Santurce, was also well received, building trust and engagement in the commercial sector.

Overall, FY2025 marketing and feedback results demonstrate that residential programs continue to drive the highest engagement, while business program visibility is growing. In FY2026, LUMA will reactivate campaigns with a focus on cost-effective and targeted outreach strategies, maximizing the impact of available resources while ensuring broad customer engagement and continued support for Puerto Rico's energy efficiency transition.

Customer Education and Outreach Performance

Even with the scaling down of Education and Outreach activities in late Q2, during FY2025, more than **3.5 million customer** touchpoints were achieved through bill inserts, newsletters, and media campaigns. Direct outreach expanded program visibility across Puerto Rico, with **26 schools** reached through the Energy Efficiency Education Program, over **3,000 small business** owners engaged at trade shows and industry events, and initiatives held in rural and underserved areas such as Vieques, Culebra, and Castañer. These efforts reinforced customer awareness, built trust among business and community partners, and supported equitable access to LUMA's energy efficiency and demand response programs.

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Table 9: *Customer Education and Outreach Activities for Each EE/DR Program* during FY2025 summarizes the customer education and outreach activities conducted during the year.

Table 9: Customer Education and Outreach Activities for Each EE/DR Program during FY2025

Program	Event	Event Description	Month
Residential and Business EE Rebates	Bill Inserts	LUMA included promotional inserts with energy-saving tips and rebate program details in over 1.5 million utility bills, raising awareness among residential and business customers across Puerto Rico.	Q1 & Q3
Residential and Business EE Rebates	Press Release	LUMA released a press release to raise awareness of its existing EE programs for residential and business customers.	Q1
Demand Response – CBES Program	CBES Aggregator Meeting	A quarterly meeting with the aggregator and key stakeholders focused on defining DR events, outlining the notification process, and sharing pilot updates and customer survey to keep all parties informed and engaged.	Q1 – Q4
Residential and Business EE Rebates & EE Kits	PYMES Workshop	LUMA participated in a small business-focused event attended by approximately 400 business owners. At the event, LUMA set up a booth to promote Business EE Rebates and EE Kits, delivered a five-minute presentation to the participants, and distributed business rebates brochures and EE Kits postcards among them.	Q1
Residential and Business EE Rebates	*Refricentro* Trade Show	LUMA participated in an expo directed at HVAC technicians, attended by approximately 150 individuals. At the event, LUMA set up a booth, distributed brochures on Business EE Rebates and Business EE Kits postcards and had an opportunity to speak to the attendees.	Q1
Residential and Business EE Rebates & Business EE Kits	*Centro Unido de Detallistas*	LUMA participated in the annual *Centro Unido de Detallistas* convention, engaging approximately 500 attendees through a booth, mainstage presentation, and distribution of materials on Business EE Rebates and Kits. A follow-up email with program details and an exclusive kit coupon reinforced the message and encouraged participation.	Q1
Residential and Business EE Rebates	*Mesa Informativa*	Information booths were set up at 25 LUMA service centers, including those in Vieques and Culebra, to distribute brochures about	Q1

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Program	Event	Event Description	Month
		the rebate programs and inform customers on how to apply for incentives.	
Business EE Rebates & Business EE Kits	ASORE Restaurant & Bakery Show	LUMA participated in the annual ASORE event, attended by around 3,000 business owners and representatives. At the event, LUMA promoted its Business Rebates and Business EE Kits through a booth, distributing brochures and postcards. LUMA also addressed attendees from the mainstage.	Q2
Education and Outreach	SESA Summit	LUMA participated in the 8th annual SESA Summit, hosting workshops, delivering keynotes, and maintaining a presentation booth. A highlight included a dedicated energy efficiency workshop for community leaders.	Q2
Business EE Rebates and Business EE Kits	Lion's Club Event	LUMA participated in two regional Lion's Club events in November 2024 and January 2025, presenting its Business and Commercial Programs to small and medium-sized business owners. About 50 business kits were distributed,	Q2 & Q3
Residential and Business EE Kits	*Feria Solar at Castañer*	LUMA joined an IREC RACER Project outreach event in Castañer, focused on energy resilience and community-informed planning. LUMA distributed postcards with unique order codes, resulting in 113 EE kit orders and helping residents access energy-saving tools.	Q2
In-Store Discount	ISD Press Release	During the holiday season, LUMA issued a press release on electrical safety and energy efficiency, while announcing the expansion of its In-Store Discount (ISD) program for ENERGY STAR products. The campaign included media coverage through AM radio and major TV channels like WKAQ 580, Tele 11, Wapa TV, and Telemundo.	Q2
In-Store Discount	ISD Store Event	LUMA held three high-impact In-Store Discount Program events at The Home Depot locations in Carolina, Humacao, and Ponce. Coordinated with store leadership, each event aimed to generate excitement around LUMA's EE programs, raise customer	Q2, Q3 & Q4

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Program	Event	Event Description	Month
		awareness, and provide in-depth training for retail associates.	
Residential and Business EE Rebates and EE Kits	LUMA en tu Comunidad Event	Initiative to encourage employee participation and social integration, providing the Santurce community opportunities to learn about safety, energy efficiency, and customers programs.	Q2
Education and Outreach	LUMA Monthly Customer Newsletter	The LUMA Monthly Customer Newsletter, emailed to 1.5 million customers, shares company updates, news, and programs. Energy Efficiency topics were featured in the November and December editions.	Q2
Education and Outreach	EE School Education Program	The EE School Education Program teaches K–5 students about energy efficiency in public and private schools across Puerto Rico. In FY25 Q4, presentations were delivered at 26 private schools to promote energy-saving behaviors and responsible energy use.	Q4
Business EE Kits	LUMA en Tu Comunidad	A community event was held in the Santurce area to invite small businesses to participate, receive educational information, and obtain EE kits for their operations. Combined with direct in-person visits to local businesses, a total of 37 kits were distributed.	Q3
Business Rebates	LUMA's Stakeholder Newsletter	A stakeholder newsletter was sent to all commercial customers, outlining the Business EE Rebate Program, including eligibility, available incentives, and application instructions to support informed participation.	Q3 & Q4
Residential and Business EE Rebates and Demand Response	Puerto Rico Energy Week	Workshops and discussions focused on microgrid policy and upcoming summer demand response activities. LUMA also hosted a booth to engage attendees on its EE and DR programs.	Q3
EE Programs and Demand Response (CBES)	*Feria de Salud y Servicios del Senado de PR 2025*	LUMA participated in two 2025 PR Senate Health and Services Fairs, one held at the Capitol and another in Gurabo. At these events, the team promoted energy efficiency and demand response, engaging with approximately 160 attendees and sharing program details along with practical energy-saving tips.	Q3 & Q4

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Program	Event	Event Description	Month
Education and Outreach	Presentation to Solar IT Academy– *Fundación Borincana*	Collaboration with the nonprofit organization 'Fundación Borincana,' where a presentation via Teams on LUMA's EE programs was offered to students at the Solar IT Academy. The academy provides workforce training courses for leaders in Puerto Rico's energy transformation.	Q3
Demand Response – CBES Program	Interview for Bloomberg magazine	LUMA had an interview with Bloomberg.com to discuss the development and impact of Virtual Power Plants (VPPs) in Puerto Rico.	Q3
Education and Outreach	Bill Insert	LUMA included informational inserts in over 1.4 million utility bills. These inserts provided practical energy-savings tips, aiming to raise awareness across Puerto Rico.	Q4
Demand Response and Energy Efficiency (CBES)	Green Drinks	LUMA participated in three Green Drinks events held in Aguadilla, San Juan and Ponce. These events brought together leaders from the energy and solar industries. LUMA used this platform to promote its Energy Efficiency and Demand Response Programs, including CBES, and to engage with key stakeholders across the island.	Q4

1.4.1 Streetlights Conversion Program

LUMA is poised to significantly enhance public safety and EE in Puerto Rico over the next three years with its ambitious plan to install **300,000** streetlights. This initiative will not only improve safety for residents but also boost EE across communities.

In FY2024, LUMA achieved EE savings of **1,947,874 kWh** and repaired over **25,000** streetlights, reflecting its commitment to maintaining and upgrading existing infrastructure.

The installation of new streetlights features next-generation LED lights. These LEDs are highly efficient, consuming approximately **65%** less energy and lasting four times longer than traditional streetlight bulbs. This upgrade represents a significant advancement in energy conservation and operational longevity.

2.0 Participants Enrolled

2.1 Energy Efficiency Programs

During FY2025, LUMA's EE programs engaged a total of **37,655 participants** across Puerto Rico, reflecting strong and sustained customer interest in energy-saving initiatives.

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Program participation trends highlight that residential rebates and in-store discounts drove the highest levels of customer engagement, while business-focused programs demonstrated steady growth, particularly through trade show outreach and direct community engagement.

Overall, FY2025 participation underscores the broad appeal of EE programs and LUMA's commitment to ensuring equitable access. These results provide a strong foundation for future program expansion and target outreach in FY2026.

The table 10 *Number of participants enrolled or receiving incentives in each EE program during FY2025*, below includes the number of participants enrolled or receiving benefits in the EE programs by program to date (limited to those programs where customers enrolled or received the rebates and/or incentives).

Table 10: Number of participants enrolled or receiving incentives in each EE program during FY2025

Program	Participants FY2025
Residential Rebates	**10,104**
Low-Income	993
Non-Low-Income	9,111
In-Store Discounts	14,688
Residential EE Kits	9,573
Business Rebates	214
Business EE Kits	3,073
Total	**37,652**

Table 11*: Installed Measures by Sector, Segment, and Program (FY2025*) provides an overview of the energy efficiency measures implemented across various sectors during fiscal year 2025. This table categorizes the installed measures into distinct sectors, including residential, commercial, industrial, and utility segments, allowing for a clear understanding of where energy efficiency efforts are concentrated. Each sector is further broken down by specific programs that detail the types of measures installed, such as lighting upgrades, HVAC improvements, and insulation enhancements.

Table 11: Installed Measures by Sector, Segment, and Program (FY2025)

Sector	Segment	Program	Installed Measure	FY2025 Quantity	FY2025 Energy Savings kWh	FY2025 Peak Demand Savings kW
Residential	Single-Family Homes	Residential Rebate	Air Conditioner - Window	321	215,369.91	17.18
Residential	Single-Family Homes	Residential Rebate	Mini-Spli Air Conditioner	9,455	10,874,715.40	1,144.63

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Sector	Segment	Program	Installed Measure	FY2025 Quantity	FY2025 Energy Savings kWh	FY2025 Peak Demand Savings kW
Residential	Single-Family Homes	Residential Rebate	Solar Water Heaters	2,320	4,111,425.13	612.22
Residential	Single-Family Homes	Residential Rebate	Tankless Water Heaters	153	13,129.94	19.01
Residential	Single-Family Homes	Residential Rebate	Refrigerators	1,191	60,600.46	7.15
Residential	Single-Family Homes	Residential Rebate	Freezers	69	2,950.44	0.35
Residential	Single-Family Homes	Energy Efficiency Kits Program	LED Bulbs	57,438	2628937.26	492.40
Residential	Single-Family Homes	Energy Efficiency Kits Program	Advanced Power Strip	9,573	302123.88	10.84
Residential	Single-Family Homes	Energy Efficiency Kits Program	LED Night Light	9,573	364539.84	41.61
Residential	Single-Family Homes	In-Store Discount Program	Window ACs	2,269	530946.00	74.88
Residential	Single-Family Homes	In-Store Discount Program	Ceiling Fans	4,693	295659.00	84.47
Residential	Single-Family Homes	In-Store Discount Program	Efficient Lighting	105,319	3879957.00	729.67
Commercial	Small Business	Business Energy Kit Program	Restaurant Kit	369	646,119	85.98
Commercial	Small Business	Business Energy Kit Program	Lighting Kit	647	744,697	86.70
Commercial	Small Business	Business Energy Kit Program	Retail Kit	717	774,360	98.95
Commercial	Small Business	Business Energy Kit Program	Office Kit	1,340	1,397,620	155.44

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Sector	Segment	Program	Installed Measure	FY2025 Quantity	FY2025 Energy Savings kWh	FY2025 Peak Demand Savings kW
Commercial	Small Business	Business Rebate Program	Exit Sign	11	2,373	0.006
Commercial	Small Business	Business Rebate Program	Omni Directional LED Replacement	378	113,395	14.40
Commercial	Small Business	Business Rebate Program	LED Troffer Replacement	1,554	293,060	37.23
Commercial	Small Business	Business Rebate Program	Linear Fluorescent LED Replacement	2,420	142,314	18.08
Commercial	Small Business	Business Rebate Program	Occupancy Sensor	27	1,233	0.66
Commercial	Small Business	Business Rebate Program	Exterior Lighting	3	800	0.148
Commercial	Small Business	Business Rebate Program	Fryer	0	0	0.00
Commercial	Small Business	Business Rebate Program	Convention Oven	0	0	0.00
Commercial	Small Business	Business Rebate Program	Combination Oven	0	0	0.00
Commercial	Small Business	Business Rebate Program	Ice Machine	4	2,795	0.22
Commercial	Small Business	Business Rebate Program	Commercial Refrigerator	2	1,530	0.17
Commercial	Small Business	Business Rebate Program	Commercial Freezer	0	0	0.00
Commercial	Small Business	Business Rebate Program	Commercial Air Conditioner	61	508,881	59.24

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Sector	Segment	Program	Installed Measure	FY2025 Quantity	FY2025 Energy Savings kWh	FY2025 Peak Demand Savings kW
Commercial	Small Business	Business Rebate Program	Window Air Conditioner	0	0	0.00
Commercial	Small Business	Business Rebate Program	Mini-Split Air Conditioner	550	764,336	85.10
Commercial	Small Business	Business Rebate Program	Chillers	3	1,006,059	135.01
Commercial	Small Business	Business Rebate Program	Solar Water Heaters	8	21,327	3.17
Commercial	Small Business	Business Rebate Program	Window Film*	2	9,659	0.48
Commercial	Small Business	Business Rebate Program	Pool Pump VFD	1	8,067	0.91

2.2 Demand Response Programs

Enrollment in the CBES Program continued to strengthen during FY2025, with a total of 12,447 customers participating across residential and small business sectors. The vast majority of participation came from the residential housing segment, with 12,295 households enrolled, representing a substantial share of the program's growth. Additionally, the inclusion of 152 small businesses demonstrates expanding interest and diversification of participants beyond the residential sector.

The program's total enrolled battery capacity (full nameplate) has reached 74.7MW with 31MW capacity (available after reserve) per event as reported by LUMA's aggregator partners. This distinction highlights both the substantial demand response potential already secured within the program and the opportunities for further optimization to maximize available capacity during event operations.

The steady increase in customer participation reflects strong alignment with LUMA's strategy to scale DR resources in support of Puerto Rico's energy resilience. Looking forward, the combination of broad residential engagement and emerging commercial participation provides a solid foundation to expand event performance and unlock additional capacity in future periods.

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Table 12: Number of participants and total MW available in each DR program during FY2025

Sector	Segment	Program	Total Participants Enrolled (FY2025)	Total MW Available (FY2025)[5]	Total MW Enrolled (FY2025)
Residential	Residential Housing	Customer Battery Energy Sharing	12,295	30.69	73.95
Commercial	Small Business	Customer Battery Energy Sharing	152	0.31	0.75
Totals			**12,447**	**31 MW**	**74.7 MW**

2.3 Energy Efficiency Performance Energy and Peak Demand Savings by Sector

Table 13: Energy and Peak Demand Savings Performance by Market Sector and Subsegment, includes the energy (MWh) and peak demand savings (MW) achieved during the year for each sector and subsegment and as it relates to annual targets.

[5] Total MW available (YTD) refers to self-reported data from aggregators in their available capacity for DR events.

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Table 13: Energy and Peak Demand Savings Performance by Market Sector and Subsegment

Market Sector	Subsegment	Annual Energy Savings Target (MWh)[6]	FY2025 Energy Savings (MWh)	Actual Savings (%) of Annual Target	Peak Demand Savings Target (MW)	FY2025 Peak Demand Savings (MW)	Actual Peak Demand Savings (%) Annual Target	FY2025 Lifetime Energy Savings Target (MWh)	FY2025 Lifetime Energy Savings (MWh)	Actual Lifetime Energy Savings (%) Annual Target	FY2025 Gross Lifetime Ghg Savings (MT of CO2)
Residential Sector	Low-Income	3,667	1,450	40%	5.0	0.2	3%	261,063	22,513	9%	20,437
Residential Sector	Non-Low-Income	26,637	21,830	82%	8.8	3.1	35%	241,836	346,144	133%	314,228
Commercial, Industrial and Agriculture (C&I) Sector	Small Business	6,416	6,439	100%	1.1	0.8	71%	211,773	181,522	70%	164,785
Commercial, Industrial and Agriculture (C&I) Sector	Other Commercial/Industrial and Agricultural Sector	15,063	0	0%	3.9	0.0	0	115,703	0	0%	0
Government/ Public	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Portfolio Total		**51,783**	**29,719**	**57%**	**18.8**	**4.1**	**22%**	**830,376**	**550,179**	**66%**	**499,450**

[6] The Annual Energy Savings Target reflects the FY2025 Incremental First-Year Energy Savings from FY2024 unspent funds, minus the EE Rider approved by PREB in the October 23, 2024, Resolution and Order.

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Energy and Peak Demand Savings by Program

Table 14: Energy and Peak Demand Savings Performance, provides the preliminary estimates of energy (MWh), peak demand (MW), and Green House Gas (GHG) savings achieved during the year for each program, and how they compare them to annual targets.

Table 14: Energy and Peak Demand Savings Performance

Program	Annual Energy Savings Target (MWh)[7]	FY2025 Energy Savings (MWh)	FY2025 Energy Savings (%)	FY2025 Peak Demand Savings Target (MW)	FY2025 Peak Demand Savings (MW)	FY25 Peak Demand Savings (%)	FY2025 Lifetime Energy Savings Target (MWh)	FY2025 Lifetime Energy Savings (MWh)	FY2025 Lifetime Energy Savings (%)	FY2025 Gross Lifetime GHG Savings (MT of CO2)	FY2025 Program Spend ($)	$/kWh[8]
Residential EE Rebates[9]	17,203	15,278	89%	7.3	1.8	25%	268,133	240,281	90%	218,126	9,628,316	$0.63
In-Store EE Discounts	6,007	4,707	78%	2.2	0.9	40%	102,908	76,094	74%	69,078	1,524,738	$0.32
Residential EE Kits	7,094	3,296	46%	4.4	0.6	13%	131,858	52,282	40%	47,462	895,177	$0.27
Business EE Rebates	14,026	2,876	21%	4.1	0.4	9%	231,406	50,519	22%	45,860	1,604,036	$0.56

[7] The Annual Energy Savings Target reflects the FY2025 Incremental First-Year Energy Savings from FY2024 unspent funds, minus the EE Rider approved by PREB in the October 23, 2024, Resolution and Order.

[8] The calculation of cost per kilowatt-hour ($/kWh) is based on the YTD program spend for FY2025 divided by the YTD Energy Savings (kWh). This figure helps gauge the cost-effectiveness of the program's investments in relation to the energy savings achieved.

[9] Total Actual Energy Savings for Residential EE Rebates and Residential EE Kits reflect rebates disbursed and kits ordered and shipped to customers during the reporting period.

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Business EE Kits[10]	7,453	3,563	48%	0.9	0.4	47%	96,070	131,004	136%	118,925	272,040	$0.08
Total	**51,783**	**29,719**	**57%**	**18.9**	**4.1**	**21%**	**830,376**	**550,179**	**66%**	**499,450**	**$13,924,308**	**$0.47**

[10] Total Actual Energy Savings for Residential EE Rebates and Residential EE Kits reflect rebates disbursed and kits ordered and shipped to customers during the reporting period.

2.4 Demand Response Performance

2.4.1 CBES Performance for FY2025

Table 15: Demand Response Performance Values, presents the peak demand savings (MW) achieved throughout the year, compared to the annual targets.

Table 15: Demand Response Performance Values

Performance	FY2025
Enrolled Customers (#)	12,447
Enrolled Power per Event (MW)	74.7
Enrolled Energy per Event (MWh)	192.2
Events Dispatched (#)	75
Average Customer Response (%)	82
Average Dispatched Battery Power per Event (MW)	9.3
Average Dispatched Battery Energy per Event (MWh)	25.45
Peak Demand Savings Target (MW)	22.3
Peak Demand Savings (MW)	24
YTD Peak Demand Savings (%)	107.6

Program Parameters

2.4.2 Understanding Demand Response Variances[11]

During the reporting period, variances were observed between initial program projections and actual performance outcomes. Original forecasts anticipated that increases in customer enrollment would translate into proportional increases in available capacity and dispatched energy per event.

In practice, data reported by aggregators showed that available capacity and energy per event were lower than projected. Consequently, the total incentive payments per event were lower than expected, reflecting the difference between projected and actual program delivery. To provide transparency, performance indicators are consistently defined and reported through parameters such as enrolled load, average event response, event duration, and total energy delivered. These standardized parameters ensure clear reporting of customer engagement, event performance, and program impacts.

[11] *See Resolution and Order Re: LUMA August 23, 2023, Motion filing its Emergency Demand Response Program Cost and Timeline*, issued on August 29, 2023, in Case No. NEPR-MI-2022-0001, *In Re*: *Energy Efficiency And Demand Response Transition Period Plan,* on page 3, which specifies that annual reports must include explanations for any significant variances exceeding 10%.

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Table 16: Program Parameters Definitions

Program Parameters	Definitions
Enrolled Customers (#)	The total number of approved participants in the CBES Program.
Enrolled Load (kW)	The sum of the approved customers' battery nameplate capacities.
Average Battery Capacity (kWh/battery)	The average energy storage capacity of approved customers' batteries, accounting for reserve levels.
Average Battery Reserve (%)	The average percentage of battery storage that customers agree to reserve for DR events.
Average Impacts per Event (kW)	The average capacity utilized during each DR event, which may vary quarterly.
Aggregate Seasonal/Annual Impacts (kW)	The total average capacity utilized across all DR events, with variations possible each quarter.
Impacts as % of Enrolled Load	The ratio of the Average Impacts per Event (kW) to the Enrolled Load (kW), showing the actual capacity used for DR events compared to the total enrolled capacity.
Average Event Response (%)	The weighted average of customer participation per aggregator in each DR event.
Average Event Duration (Hours)	The average duration, in hours, of Demand Response events.
Events (#)	The total number of DR events conducted.
Capacity per Event (kW)	The weekly available capacity reported by aggregators for potential use in DR events.
Estimated Energy per Event (kWh)	The weekly available energy reported by aggregators for potential use in DR events.
Total Energy Delivered (kWh)	The total energy dispatched during all DR events.
Incentive Payments ($)	The total incentive payments, calculated as the total energy delivered multiplied by the fixed cost of 1.25.
Administrative Costs ($)	The total costs incurred for program administration, excluding incentive payments.
Total program costs ($)	The sum of incentive payments and administrative costs.

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Table 17 CBES Parameters, compares the forecasted and actual values for the CBES Pilot Program parameters for FY2025. It presents data on enrolled load, event capacity, energy delivery, and associated costs, enabling a side-by-side analysis to identify any variances between the forecast and actual outcomes. This comparison helps assess the accuracy of the initial projections and highlights areas where the program may have exceeded or fallen short of expectations, guiding future planning and improvements.

Table 17: CBES Parameters

Program Parameters	FY2025 Forecast (A)	FY2025 Actual (B)	Variance Between FY2025 Forecast and Actual FY2025 | (A-B) |
Enrolled Customers (#)	11,222	12,447	777
Enrolled Load (kW)	52,448	74,655.5	15,496
Average Battery Capacity (kWh/battery)	13	16.5	1.5
Average Battery Reserve (%)	50	58.45	18.7
Average Impacts per Event (kW)	21,125	9,707.8	10,165
Aggregate Seasonal/Annual Impacts (kW)	21,125	9,707.8	10,165
Program Parameters	**Variance Between FY2025 Forecast and Actual FY2025 | (A-B) |**		
Average Event Response (%)	100	82	0
Average Event Duration (Hours)	2	3	1
Events (#)	50	75	25
Capacity per Event (kW)	21,125	9,707.8	11,417.2
Estimated Energy per Event (kWh)	42,250	29,770.57	12,479.43
Total Energy Delivered (kWh)	3,168,750	2,232,793.02	935,956.98
Incentive Payments ($)	4,277,813	2,657,462.19	1,620,350.81
Administrative Costs ($)	755,00	1,881,964.01	1,126,964.01
Total program costs ($)	**5,032,813**	**4,539,426.20**	**493,386.80**

3.0 Cost

3.1 Energy Efficiency Program Costs

During FY2025, LUMA incurred costs associated with the launch and management of various pilot programs and new measures. Additional resources were dedicated to Education and Outreach initiatives,

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as well as to Cross-Cutting Planning, Administration, and Evaluation activities covering professional services, salaries, and the ongoing assessment of implemented measures.

For a detailed breakdown of costs for each EE program, please refer below to *Table 18: EE Budget & Costs* below, which outlines expenditures for FY2025.

As mentioned above, an initial EE fund of $13,745,450 million was to be collected through the EE Rider. In FY2025, only $12,430,24 was collected resulting in an actual FY25 budget of $18,243,065.

Table 18: EE Budget and Costs

Program	FY25 YTD Costs ($)	Total Approved Program Budget FY2025 ($)[12]	% of Total Program Budget
Residential Rebates	9,628,316	5,753,671	167%
In-Store Discounts	1,524,738	2,406,796	63%
Residential EE Kits	895,177	1,393,341	64%
Business Rebates	1,604,036	4,707,572	34%
Business EE Kits	272,040	712,333	38%
Education & Outreach	494,962	2,069,658	24%
Cross-Cutting Planning, Administration & Evaluation Costs	1,351,701	2,069,658	65%
Total Portfolio	**15,770,971**	**19,113,029**	**83%**

Table 19: FY2025 Energy Efficiency Costs by Program and Cost Category provides breakdown of energy efficiency costs by categories in FY2025Q4 which include: participant incentives, PP&A, Marketing, EM&V, and other costs for incentive program costs. Negative figures represent adjustments to accrued expenses from the previous period LUMA reports that there have been no EM&V costs to date, as LUMA awaits notification from the PREB that an EM&V contractor has been selected.

Table 19: FY2025 Energy Efficiency Costs by Program and Cost Category

Program	Customer Incentives ($)	PP&A ($)	Marketing ($)[i]	EM&V ($)	Other Costs ($)	Total
Residential Rebates	6,534,639	3,093,677	20,000	n/a	0	9,628,316
In-Store Discounts	692,605	832,134	0	n/a	0	1,524,738

[12] The total approved Budget for FY2025 reflects the addition to the approved budget of FY24 unspent funds rollover minus unbilled EE Rider approved by PREB in the October 23, 2024, Resolution and Order. The actual budget for FY2025 was actually $18,243,065 due to actual EE Rider collected.

Residential EE Kits[13]	929,110	-33,933	0	n/a	0	895,177
Business Rebates	663,956	940,081	0	n/a	0	1,604,036
Business EE Kits	325,008	-52,968	0	n/a	0	272,040
Education & Outreach	n/a	494,962	175,2044	n/a	0	494,962
Cross-Cutting Planning, Administration Costs	n/a	1,351,701	n/a	0	0	1,351,701
Cross-Cutting Evaluation Cost	0	0	0	0	0	0
Total Portfolio	**$9,145,317**	**$6,625,653**	**$195,204**	**$0**	**$0**	**$15,770,971**

3.1.1 Shifts in funds between programs

During FY2025, LUMA shifted funds from program marketing; Education and Outreach; and Cross-Cutting Planning, Administration and Evaluation programs to the Residential Rebate program as described below.

3.1.2 Managing Budget Variations Above 20 Percent

As described in the FY2025 Q2 report, due to overwhelming demand, the residential mini-split units' rebates became fully subscribed. In Q2 and Q3, LUMA front-loaded EE Rebate application processing to first fully assess any financial implications of the mini-split rebate demand surge across the portfolio. Based on that analysis, LUMA significantly reduced efforts in program marketing, Education and Outreach, and Cross-Cutting Planning, Administration and Evaluation activities as described in the Education and Outreach section of this report. Those remaining program budgets were then made available to the Residential Rebate program to prioritize customer rebate payments.

3.1.3 EE Program Non-Incentive Administrative Costs

Table 20: Breakdown of EE Program Non-Incentive Administrative Costs provides a breakdown of EE programs' non-incentive administrative costs incurred by LUMA in FY2025 between staff administrative costs, planning and regulatory professional services, program implementation contractors, program evaluation and other administrative costs.

[13] The FY25 Costs for Residential Rebates includes $414,460.50 attributed to kits distributed in June FY24. The invoice for these kits was received and recorded in July 2025. Thus, the expense was recognized in FY25 Q1. In the FY24 Q4 report, while the expenditure was not recognized, the quantity of kits distributed, and the energy savings achieved during that period were duly noted. If LUMA excludes this expenditure, the total incurred for Residential EE kits for FY25 would be $514,649.50.

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Table 20: Breakdown of EE Program Non-Incentive Administrative Costs

Categories	Program Budget FY2025	YTD Costs
LUMA Staff	986,550	274,991
Professional Services	550,000	519,994
Program Implementation Contractors	7,568,821	5,830,667
Other Administrative Costs	0	0
Total	**$9,105,371**	**$6,625,652**

Table 21: Energy Efficiency Program Non-Incentive Costs

Program	LUMA Staff	Professional Services	Program Implementation Contractors	Other Administrative Cost	Total Non-Incentive Cost
Residential Rebates	18,119		3,075,095	0	3,093,214
In-Store Discounts	11,921		820,213	0	832,134
Residential EE Kits	318		-34,252	0	-33,934
Business Rebates	24,028		916,053	0	940,081
Business EE Kits	2,516		-55,484	0	-52,968
Education and Outreach	126,991		225,894	0	352,885
Cross-Cutting Planning and Administration Costs	91,099	519,994	883,148	0	1,494,241
Cross-Cutting Evaluation Costs	0	0	0	0	0
Total Portfolio	**274,991**	**519,994**	**5,830,667**	**0**	**6,625,652**

3.2 Demand Response Program Costs

During FY2025, costs associated with the management of the CBES Program totaled $1.88 million in administrative expenses. These costs were primarily driven by professional services ($1.60 million) and program management ($269,335), with smaller allocations to other categories such as miscellaneous expenses ($7,229). No administrative expenditures were reported under system operations, customer service, or program evaluation during the fiscal year.

Consolidated Transition Period Plan and Demand Response Administrative Costs

Financial performance under the Power Purchase Charge Adjustment PPCA framework provides further context. Against an estimated budget inflow of $8.25 million, CBES incurred incentives payments of $2.66 million bringing the total cost of the program to $4.54 million.

This alignment of inflows, expenditures, and balances underscores that the program was managed within available financial resources while maintaining compliance with the requirements of August 29, 2023, Resolution and Order.

3.2.1 Program Administrative Costs

Table 22: DR Budget and Costs

Categories	Costs For FY2025
Program Management	$267,629
System Operations	$0
Customer Service	$0
Professional Services	$1,605,399
Program Evaluation	$0
Other Expenses	$5,179.75
Total	**$1,878,207.75**

Table 23: Annual demand response program costs

Cost Category	Annual Budget	Annual Cost	Annual Cost as a Percent of Budget
Participant Incentives	$4,277,813	$2,657,462.00	62%
Program Management	$355,000	$267,629	75%
System Operations	$0	$0	0%
Customer Service	$0	$0	0%
Professional Services	$200,000	$1,605,399.00	802.7%
Program Evaluation	$200,000	$0	0%
Other Expenses	**$0**	**$5,179.75**	**N/A**
Total Demand Response Program	**$5,032,813**	**$4,535,669.75**	**90%**

3.2.2 CBES FY2025 PPCA Fund Inflows and Balances Comparison

Table 24: *FY2025 CBES Costs and PPCA Fund Annual Overview* provides an overview of LUMA's financial performance by comparing the actual fund inflows received against the budgeted inflows specified in the PPCA. It also includes the fiscal-year-to-date actual fund balance, offering a clear view of how actual receipts align with the planned budget and how they impact the overall fund balance for the year. This detailed comparison helps assess the accuracy of budgeting, identify any discrepancies, and ensure that financial operations are in line with the August 29, 2023, Resolution and Order requirements.

Table 24: FY2025 CBES Costs and PPCA Fund Annual Overview

FY2025 Estimated Budget Inflows for CBES from the PPCA	CBES FY2025 Actual Costs	PPCA Fiscal YTD Actual Fund Balance
$8,249,308.23	$4,535,669.75	$3,713,638.48

4.0 Transition Period Plan Conclusions and Recommendations from FY2025

4.1 Next Steps

EE Residential Rebates

In FY2025, the Residential Rebate program showed impressive uptake and interest by customers and will continue to be a critical part of the EE portfolio going forward. The program was successfully able to manage a large surge of customer applications this fiscal year. The learnings from this experience will continue to inform all aspects of program administration including application processing efficiency, evaluating the need for additional tiered measure incentives (as will be implemented for mini-split HVAC units) as well as quantity limits for measures to ensure wide availability of cost-effective incentives for customers.

Energy Efficiency Kits

EE Kits have proven to be an excellent source of energy savings as well as an effective tool for driving engagement in LUMA's EE Programs. In FY2026, they will serve as a key strategy to deepen outreach within low-income communities by working directly with customers, as well as with government and community-based organizations that support this critical sector.

In-Store Discounts

The In-Store Discount Program remains a key strategy for broadening the impact of energy efficiency initiatives across the island. In FY2026, efforts will focus on strengthening partnerships with local retailers, identifying additional cost-effective methods for delivering customer incentives, and expanding the range of eligible energy-saving measures offered through the program.

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Business Rebates

Currently the Business Rebate program is ideally suited for small-to-medium businesses who approach energy-efficiency opportunities on a cyclical basis (e.g. when equipment needs replacing). The program will continue to target small-to-medium business and will look to market cost-effective early replacement as well as more customized measures suitable for larger enterprises. Increasing marketing and engagement through trade allies will also help increase uptake of the program overall.

Business Kits

Business EE Kits have proven to be an effective source of energy savings and fostering engagement among small businesses in LUMA's EE Programs. In FY2026, these kits will continue to play a central role in engaging small business customers directly, while also expanding partnerships with government agencies, community organizations, and trade allies that support small businesses across the island.

Demand Response

For this period, the CBES program has continued to prove consistency in growth of participants with a total of 12,447 enrolled customers in the program. With an average impact of 9.3 MW per event, LUMA continued its active engagement with the aggregators to explore ways to increase customer participation and thus the impact per event. Following the Energy Bureau's approval of the CBES expansion in May 2025, LUMA accelerated participant validation efforts, closing the first month of FY2026 with 69,000 enrolled customers —positioning the program to provide substantial grid support during Summer 2025. LUMA will continue working closely with the Energy Bureau and aggregators to explore additional opportunities to expand the program's reach and effectiveness.

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[i] Marketing, EM&V and Other Costs are included in the PP&A column and are not added separately to the total in this table. They are shown here separately for the purpose of categorizing and illustrating the components within PP&A costs.

Exhibit 2

(Excel file to be submitted via email)