

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

IN RE: LUMA'S ACCELERATED STORAGE
ADDITION PROGRAM ("ASAP")

CASE NO.: NEPR-MI-2024-0002

SUBJECT: Resolution and Order pertaining
to various motions.

RESOLUTION AND ORDER

On September 30, 2025, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") granted the proponents of two Phase 1 projects five (5) days to file with the Puerto Rico Electric Power Authority ("PREPA") all outstanding documentation needed to execute the agreements ("September 30 Resolution"). The Energy Bureau further ordered PREPA to, within five (5) days of receiving all the required documentation pertaining to these two projects and approval from the Financial Oversight and Management Board ("FOMB"), file the executed contracts before the Energy Bureau.

Shortly thereafter, on October 3, 2025, the Energy Bureau ordered LUMA¹ to offer the Phase 1 Standard Offer Agreements to Phase 2 proponents that were interested and agreed without reservations to accept the terms established thereby ("October 3 Resolution").

On October 10, 2025, LUMA filed a document titled *Informative Motion and Request for Modification of October 3, 2025, Order* ("October 10 Motion"). In its October 10 Motion, LUMA informed that it had identified several issues with the Phase 1 Standard Offer Agreement template that needed to be addressed and resolved before its distribution to Phase 2 proponents, including issues related to interconnection costs, conditions precedent to agreement effectiveness, and cost recovery mechanisms. LUMA indicated that it was identifying and analyzing all implications of the October 3 Resolution and would submit them before the Energy Bureau on or before October 17, 2025, along with its recommendations.

On October 17, 2025, LUMA filed a document titled *Motion to Submit Additional Information in Support of Motion Filed by LUMA on October 10, 2025, Request for Modification of October 3, 2025, Order, and Request for Confidential Treatment* ("October 17 Motion"). Through the October 17 Motion, LUMA identified the issues to be addressed and clarified before distribution of the agreement to Phase 2 proponents. LUMA requested the Energy Bureau's approval of the Confirmation Statements addressing these issues (Exhibit 1) and a draft of the updated Phase 1 Standard Offer Agreement (Exhibit 2). LUMA submitted that following the Energy Bureau's approvals, it would submit the Confirmation Statements addressing these issues and the draft agreement to proponents and grant them thirty (30) days to agree with the terms established thereby. LUMA further interpreted that the Phase 2 Standard Offer Agreement will be deemed withdrawn and no longer in effect. LUMA also requested that the Energy Bureau maintain Exhibits 1 and 2 confidential as containing trade secret information.

The terms granted to PREPA and two Phase 1 proponents through the September 30 Resolution lapsed without PREPA filing before the Energy Bureau the executed contracts. Accordingly, on October 21, 2025, the Energy Bureau ordered PREPA to submit, within five (5) days, a detailed report outlining the current status of these agreements and explaining the reasons for their non-execution ("October 21 Resolution"). Moreover, the Energy Bureau clarified that its October 3 Resolution did not seek to withdraw or invalidate the Phase 2 Standard Offer Agreement. Rather, it directed LUMA to offer Phase 1 Standard Offer Agreements to Phase 2 proponents who would accept those terms without reservation.

¹ LUMA Energy, LLC and LUMA Energy ServCo, LLC (referred to jointly as "LUMA").



Consequently, the Energy Bureau reiterated the October 3 Resolution and ordered LUMA to identify and notify potential candidates and to proceed with the submittal of such contracts before the Energy Bureau for its review and approval.

On October 24, 2025, LUMA filed a document titled *Joint Motion to Request Approval of Clarification to Fifth Participant's Phase 1 Standard Offer Agreement* ("October 24 Motion"). Through the October 24 Motion, Polaris ("Fifth Participant") and LUMA informed that they had identified that the methodology to demonstrate Tested Storage Capacity ("TSC") of the Storage Facility under the SO1 Agreement lacks clarity regarding the situation in which a Resource Provider seeks to use expanded capacity. They further asserted that said lack of clarity may restrict the ability to pursue expanded capacity which Polaris may seek to explore under the SO1 Agreement. To address such lack of clarity, LUMA and Polaris proposed to incorporate language addressing the methodology to demonstrate TSC in the case of expanded capacity, as shown in Exhibits 1 and 2 to the October 24 Motion, which contain Polaris' SO1 Agreement incorporating the revised TSC Clause, in a clean and redline version showing the changes made to the current provision. Polaris further submitted it stands ready to execute the SO1 Agreement if this revised provision is incorporated in the SO1 Agreement. LUMA confirmed the proposed revision and methodology are consistent with the overall objectives of the SO1 Agreement and ensures that the capacity payments under the SO1 Agreement are made for properly tested dispatch of maximum capacity in the case of expanded capacity for Polaris and for any other SO1 proponent that seeks expanded capacity. LUMA highlighted that with this clarification the SO1 Agreement continues to be cost-effective, promotes the expeditious deployment of BESS, and represents considerable value to ratepayers. LUMA also requested the Energy Bureau to maintain Exhibits 1 and 2 to the October 24 Motion confidential, as containing trade secrets, and a ten (10) day term to submit a memorandum of law supporting such request.

On October 27, 2025, PREPA filed a document titled *Motion in Compliance with the October 21, 2025 Resolution and Order and Memorandum of Law in Support of Request for Confidential Treatment* ("October 27 Motion"). Through the October 27 Motion, PREPA informed that EcoEléctrica's agreement was pending review and approval by the FOMB. Additionally, PREPA referred to LUMA's October 24 Motion pertaining to the status of Polaris. PREPA also requested that Exhibit 1 (PREPA's October 3 letter to the FOMB with draft Agreement as attachment) be granted confidential treatment until the negotiation process concludes and a final contract is executed, arguing it was deliberative material.

On October 27, 2025, the Energy Bureau concluded that the proposed revision of the TSC clause in the Fifth Participant's SO1 Agreement appropriately clarifies the methodology demonstrating TSC in cases where a resource provider seeks to utilize expanded capacity and ensures that the full tested capacity can be properly recognized and compensated under SO1 framework. Hence, the Energy Bureau approved the proposed revision and reiterated its September 30 Resolution² as it pertains to moving forward with the execution of the agreements. The Energy Bureau further granted LUMA the requested ten (10) day term to submit a memorandum of law supporting its confidentiality request and maintains Exhibits 1 and 2 to the October 24 Motion under seal of confidentiality.

On October 31, 2025, LUMA filed a document titled *Motion to Submit ASAP Quarterly Report for First Quarter of Fiscal Year 2025-2026 in Compliance with Resolution and Order of March 5, 2025, and Request for Confidential Treatment* ("October 31 Motion"), whereby it reported the status of all ASAP projects and requested confidential treatment be granted to the ASAP implementation report (Exhibit 1). LUMA also requested the Energy Bureau to maintain Exhibit 1 to the October 31 Motion confidential, as containing trade secret information, and a ten (10) day term to submit a memorandum of law supporting such request.

² On September 30, 2025, the Energy Bureau granted the proponents of two Phase 1 projects five (5) days to file with the Puerto Rico Electric Power Authority ("PREPA") all outstanding documentation needed to execute the agreements ("September 30 Resolution"). The Energy Bureau further ordered PREPA to, within five (5) days of receiving all the required documentation pertaining to these two projects and approval from the Financial Oversight and Management Board ("FOMB"), file the executed contracts before the Energy Bureau.

On November 3, 2025, LUMA filed a document titled *Memorandum of Law in Support of Request for Confidential Treatment of Exhibits 1 and 2 Submitted on October 24, 2025* ("November 3 Motion"). In its November 3 Motion, LUMA requested confidential treatment to Exhibits 1 and 2 to the October 24 Motion on the grounds that they contain commercially sensitive information protected under Puerto Rico's trade secret law.

On November 3, 2025, LUMA also submitted a document titled *Informative Motion on Compliance with Resolution and Order of October 21, 2025, and Request for Confidential Treatment* ("November 3 Informative Motion"). Through the November 3 Informative Motion, LUMA informed the Energy Bureau that four (4) potential participants from Phase 2 of the ASAP had accepted the SO1 Agreement without reservations. LUMA attached as Exhibit 1 to the November 3 Informative Motion the letters sent to these participants in which LUMA offered them the SO1 Agreements and which each participant executed confirming their acceptance, as well as a second letter submitted by one participant in which it accepted the agreement and provided additional information about its proposed project. LUMA indicated it also requested each participant to incorporate their project information in the SO1 Agreement template and return it to LUMA. LUMA confirmed receipt of the draft agreements from each participant, which were attached as Exhibit 2 to the November 3 Informative Motion. LUMA stated that it was currently verifying the information provided in these drafts to ensure it was complete and ready for the Energy Bureau's review and approval. LUMA requested the Energy Bureau grant it five (5) days to complete this verification and submit any necessary additional information. LUMA also requested the Energy Bureau to maintain Exhibits 1 and 2 to the November 3 Informative Motion confidential, as containing validated trade secret information.

October 27 Motion:

The Energy Bureau **DEEMS** PREPA complied with the October 21 Resolution and **GRANTS** confidential designation and treatment to Exhibit 1 to the October 27 Motion.

October 31 Motion:

The Energy Bureau **DEEMS** LUMA in compliance with the quarterly reporting requirement ordered through a Resolution and Order issued on March 5, 2025. The Energy Bureau **GRANTS** confidential treatment to Exhibits 1 to the October 31 Motion and the requested ten (10) day term to submit a memorandum of law supporting such request.

November 3 Motion:

The Energy Bureau **DEEMS** LUMA complied with the October 24 Resolution and **GRANTS** confidential designation and treatment to Exhibits 1 and 2 to the October 24 Motion.

November 3 Informative Motion:

The Energy Bureau **DEEMS** LUMA complied with the October 3 and October 21 Resolutions and **GRANTS** it the requested five (5) day term to complete verification of the draft agreements of the new Phase 1 participants. The Energy Bureau further **GRANTS** confidential designation and treatment to Exhibits 1 and 2 to the November 3 Informative Motion.

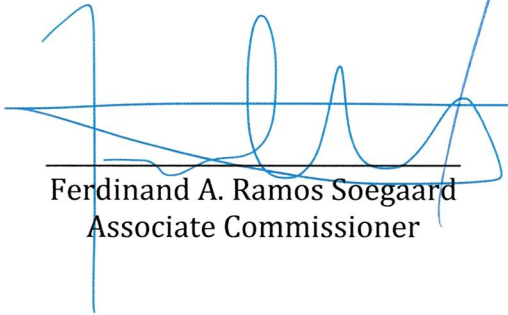
The Energy Bureau **WARNS** LUMA that non-compliance with this Resolution and Order may result in the imposition of a **daily twenty-five-thousand-dollar (\$25,000) fine** until compliance is achieved, under Art. 6.36 of Act 57-2014.³

³ Known as the *Puerto Rico Energy Transformation and RELIEF Act*, as amended ("Act 57-2014").



Be it notified and published.


Edison Avilés Deliz
Chairman


Ferdinand A. Ramos Soegaard
Associate Commissioner


Sylvia B. Ugarte Araujo
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on November 5, 2025. Associate Commissioner Lillian Mateo Santos dissented without a written opinion. Associate Commissioner Antonio Torres Miranda did not intervene. I also certify that on November 5, 2025, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau and notified a copy of it by electronic mail to RegulatoryPREBorders@lumapr.com; katuska.bolanos-lugo@us.dlapiper.com; laura.rozas@us.dlapiper.com; yahaira.delarosa@us.dlapiper.com; margarita.mercado@us.dlapiper.com; javier.vazquez@oneillborges.com; amilkar.cruz@oneillborges.com; oramos@pmalaw.com; Antonio.collazo@oneillborges.com; mgarcia@pmalaw.com; alexis.rivera@prepa.pr.gov; nzayas@gmlex.net; rcruzfranqui@gmlex.net; mvalle@gmlex.net; apc@mcvpr.com; cfl@mcvpr.com.

For the record, I sign this in San Juan, Puerto Rico, on November 5, 2025.




Sonia Seda Gaztambide
Clerk