

NEPR

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

IN RE: ENERGY EFFICIENCY AND
DEMAND RESPONSE TRANSITION
PERIOD PLAN

CASE NO.: NEPR-MI-2022-0001

Subject: Energy Efficiency funds RFIs

MOTION IN COMPLIANCE WITH DECEMBER 11, 2025, RESOLUTION AND ORDER

COMES NOW the Puerto Rico Electric Power Authority ("PREPA"), through its counsel of record, and respectfully submits and requests as follows:

1. On December 11, 2025, the Energy Bureau issued a Resolution and Order ("December 11 Resolution"), ordering PREPA and LUMA Energy LLC to each respond to five (5) requirements of information ("ROIs") no later than five (5) business days from the issuance of this resolution, which is due today, December 18, 2025.

2. In compliance with the Energy Bureau's December 11 Resolution, PREPA includes herein, as **Exhibit I**, its responses to the ROIs, titled *PREPA Responses to Requirements of Information regarding Energy Efficiency Rider Funds and Cash Constraints, Pursuant to December 11, 2025, Resolution and Order*.

WHEREFORE, PREPA respectfully requests the Energy Bureau to take **NOTICE** of the information provided and **DEEM** PREPA in compliance with the December 11 Resolution.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, on this 18th day of December 2025.

CERTIFICATE OF SERVICE: We hereby certify that this document was filed with the Office of the Clerk of the Energy Bureau using its Electronic Filing System at <https://radicacion.energia.pr.gov/login>. We also certify that a true and exact copy of this document was notified to the following parties through attorneys of record:

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Exhibit I

PREPA Responses to Requirements of Information regarding Energy Efficiency Rider Funds and Cash Constraints, Pursuant to December 11, 2025, Resolution and Order

Case No: NEPR-MI-2022-0001

REQUEST

Each of LUMA and PREPA **SHALL** respond to the following requirements of information no later than five (5) business days from the issuance of this Resolution and Order:

1. How much revenue was collected from customers through the EE Rider in Q1 of FY2026?
2. How much revenue is expected to be collected from customers through the EE Rider in each remaining quarter of FY2026?
3. Detail the system used to identify and keep separate EE Rider funds when the funds arrive in the organization's financial system.
4. Has PREPA transferred all collected EE Rider funds to LUMA (including all past and present fiscal year funds)? If not, why not? Where are those funds today?
5. Has LUMA allocated all EE Rider funds it has received to the implementation of EE programs? If not, why not? How have EE Rider funds been allocated if not to EE programs?

RESPONSE

1. PREPA does not possess, and does not have access to, information regarding customer revenues collected through the Energy Efficiency ("EE") Rider in Q1 FY2026. Under the T&D OMA, LUMA Energy, LLC ("LUMA") is responsible for customer billing, revenue collection, and the maintenance of all related systems and data. To date, LUMA has not provided PREPA with EE Rider-specific revenue data.
2. PREPA does not possess, or has access to, information regarding the expected (projected) EE Rider funds to be collected from customers in each remaining quarter of FY2026. LUMA is the entity that has this information. Nonetheless, PREPA informs this Energy Bureau that to fulfill its compliance responsibilities with the Financial Oversight and Management Board ("Oversight Board") and Title III reporting requirements, PREPA develops a 13-week cash flow forecast, including a projection of total daily cash collections. However, this forecast is currently under development for Q3 FY26 and does not include an estimate of collections by bill element or rider.
3. Because PREPA does not possess or have access to information regarding EE Rider funds, nor the system it uses to identify and keep these funds. Therefore, these requirements of information must be answered by LUMA.

4. Collected EE rider funds have not been identified by LUMA. PREPA understands there is no system in place to identify cash collections related to these rider funds. Since the inception of the EE program, PREPA transferred the following amounts to LUMA in FY24 and FY25, shown in *Table 1-FY24 & FY25 LUMA Funding* and amounts in FY26 for EE Rider are only shown in *Table 2-FY26 Funding to LUMA for EE Rider*. Note that the Energy Efficiency budget for FY2024 was funded from base rates and was included in LUMA's operating budgets, whereas in FY2025, the Energy Efficiency budget was funded by the EE Rider. PREPA has funded amounts for the EE program to LUMA's Operating Account because no dedicated account exists for EE pursuant to the TDOMA, and because LUMA disburses funds to pay for the program out of its Operating Account.

Table 1 – FY24 & FY25 LUMA Funding

(\$-figures in thousands)

LUMA Budgets	FY2024	FY2025
LUMA Interim Fixed Service Fee	\$ 129,162	\$ 134,736
GridCo Labor Operating Expenses	254,172	268,755
GridCo Non-Labor / Other Operating Expenses	295,125	301,927
Energy Efficiency Programs	11,531	13,745
2% Reserve	10,986	13,582
Maintenance Projects Expenses	91,144	108,399
LUMA Title III Costs	8,750	8,750
Total LUMA Budget Expenses	\$ 800,870	\$ 849,894

PREPA Transfers to LUMA Accounts	FY2024	FY2025
Operating & Non-Fed Capital Accounts	\$ 1,218,889	\$ 878,167

Table 2 – FY26 Funding to LUMA for EE

(\$-figures in thousands)

Date Funded	Amount (\$)
07/23/2025	\$1,196
11/17/2025	\$1,139
12/15/2025	\$1,139
Total EE Funded:	\$3,474

5. PREPA does not control, have access to, or possess information related to LUMA's internal allocation of the EE Rider funds. Therefore, PREPA cannot confirm or provide any information on whether LUMA has allocated all EE Rider-funded amounts exclusively to EE programs.

However, PREPA is aware that significant amounts of cash funded by PREPA to the LUMA operating account for budget items listed above were used by LUMA to pay for costs related to federally funded capital projects that it has not yet obtained FEMA reimbursements for, and for disbursements related to unreported outage event costs.

As additional context and information, PREPA provides the following comparison of LUMA's reported expenses in Annual reports to the Energy Bureau PREB versus disbursements from its Operating Account. We note that the Energy Efficiency program expenses funded by the EE Rider are not reported in LUMA's quarterly/annual reports, nor are the actual expenses incurred for LUMA's fixed fee or Outage Event expenses.

Table 3 – Comparison of LUMA Expenses versus Cash Disbursements

(figures in \$-millions)						FY22-25
LUMA Expenses Reported to PREB or FOMB		FY2022	FY2023	FY2024	FY2025	
LUMA Interim Fixed Service Fee ¹	\$ 117	\$ 122	\$ 129	\$ 135	\$ 503	
T&D Labor Operating Expenses	261	246	241	286	1,034	
T&D Non-Labor / Other Operating Expenses	289	294	283	281	1,146	
Energy Efficiency Programs ²	-	-	6	6	12	
2% Reserve	-	-	-	-	-	
T&D Maintenance Projects Expenses	98	81	128	126	432	
LUMA Title III (Interim) Costs ¹	-	-	4	4	8	
Sub-total LUMA O&M Expenses	\$ 765	\$ 743	\$ 790	\$ 836	\$ 3,135	
LUMA Federally Funded Capex	59	402	642	684	1,787	
Sub-total LUMA Operating & Capital Expenses	\$ 824	\$ 1,144	\$ 1,433	\$ 1,520	\$ 4,922	
LUMA Outage Event Expenses ³	45	127	86	53	311	
Total Estimated LUMA Expenses	\$ 869	\$ 1,272	\$ 1,519	\$ 1,573	\$ 5,232	
LUMA Cash Disbursements from		FY2022	FY2023	FY2024	FY2025	FY22-25
T&D Operating Account (ending -350)	\$ 664	\$ 1,317	\$ 1,693	\$ 1,619	\$ 5,294	
Variance due to timing of payment or unexplained						
LUMA Reported Exp. minus Cash Disbursements	\$ 205	\$ (45)	\$ (175)	\$ (46)	\$ (61)	

Notes:

- 1) Not reported in LUMA Quarterly or Annual Reports, figures from B2A reporting to FOMB.
- 2) LUMA Quarterly / Annual Reports apparently do not include EE costs funded by the EE rider.
- 3) LUMA Outage Event Expenses are not publicly reported and were disclosed to PREB for the first time in July 2025, in response to a PREPA ROI. Figures presented are from "ROI-PREPA-LUMA-PROV-8"