

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

IN RE: ENERGY EFFICIENCY AND DEMAND
RESPONSE TRANSITION PERIOD PLAN

CASE NO: NEPR-MI-2022-0001

SUBJECT: Energy Efficiency and Demand
Response Program Reporting Requirements

RESOLUTION AND ORDER

I. Introduction and Background

In this Resolution and Order, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") makes several directives related to reporting of the Emergency Load Reduction Program ("ELRP") and Customer Battery Energy Sharing ("CBES") program run by LUMA.¹

On October 23, 2024, the Energy Bureau issued a Resolution and Order ("October 23 Resolution and Order") through which the Energy Bureau ordered LUMA to prepare and file a proposed permanent CBES program and a proposed backup emergency demand response ("DR") program to be implemented by June 2025. The Energy Bureau ordered LUMA to submit monthly status reports on or before the 15th of each month, beginning January 15, 2025, detailing its efforts to design and implement the emergency DR program.

Jan On January 31, 2025, LUMA submitted a *Motion to Submit Permanent Customer Battery Energy Sharing Program Proposal in Compliance with Resolutions and Orders of October 23, 2024, and December 5, 2024* ("January 31 CBES Motion"). This motion included details regarding a proposed permanent CBES program that would begin July 1, 2025, and run for three years.

Jan On April 3, 2025, the Energy Bureau issued a Resolution and Order ("April 3 Resolution") partially approving LUMA's CBES program proposal, specifically, the customer and aggregator-facing aspects of the program that remain unchanged from the pilot stage.

On April 30, 2025, the Energy Bureau issued a Resolution and Order ("April 30 Resolution") ordering LUMA to submit a filing regarding its proposed quick-start DR programs for summer 2025 no later than May 8, 2025. The April 30 Resolution also required LUMA to submit a full proposal for its proposed ELRP.

Jan On May 8, 2025, LUMA submitted a *Motion to Submit Proposal for Expanded Customer Battery Energy Sharing Program and Revised Technical Conference Presentation in Compliance with Resolution and Order of April 30, 2025* ("May 8 Motion"), through which LUMA submitted as Exhibit 1 its CBES+ proposal. CBES+ would expand the CBES program to auto-enroll participants.

On May 20, 2025, the Energy Bureau issued a Resolution and Order ("May 20 Resolution") conditionally approving LUMA's CBES+ proposal, and the remaining unapproved portions of the permanent CBES proposal, subject to fulfilling responses to a set of requirements of information on or before May 27, 2025. In addition, the Energy Bureau ordered LUMA to submit monthly status reports, on or before the 20th of the month, on the CBES+ program for the summer season (June 2025 to October 2025), commencing in July 2025.

On May 21, 2025, LUMA submitted a *Motion to Submit Proposal for Emergency Load Reduction Program in Compliance with Resolution and Order of April 30, 2025* ("May 21 Motion") and submitted as Exhibit 1 its proposal for the ELRP.

Jan On May 27, 2025, LUMA submitted a *Motion to Submit Responses to Requirements of Information Regarding CBES+ Proposal in Compliance with Resolution and order of May 20, 2025, and Request for Confidential Treatment*.

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



On May 29, 2025, the Energy Bureau issued a Resolution and Order ("May 29 Resolution") in which it determined that LUMA had complied with the conditions of the May 20 Resolution, approved the CBES+ proposal and established revised information requirements applicable to the monthly CBES+ reports.

On June 20, 2025, the Energy Bureau issued a Resolution and Order ("June 20 Resolution") in which it approved the Emergency Load Reduction Program ("ELRP") through October 31, 2025, but did not yet approve a program budget due to uncertainties around if LUMA would be able to enroll participants and the number of months and events. The Energy Bureau directed LUMA to file a revised budget and timeline for program implementation once LUMA finds a path to implement the ELRP.

On November 14, 2025, LUMA filed a *Motion to Submit FY26 Q1 Consolidated Transition Period Plan and Demand Response Administrative Cost Quarterly Report* and included its report as Exhibit 1 ("FY26 Q1 Report").

On November 17, 2025, LUMA filed a *Motion to Submit November 2025 Report on the Development of the Pilot Emergency Backup Generators Demand Response Program* in which LUMA submitted as Exhibit 1 its monthly status report covering activities conducted during October 2025 ("November 17 Motion"). LUMA stated it continues to work towards the successful deployment of the ELRP and aims to launch the program in Summer 2026. LUMA also requested the Energy Bureau release LUMA from the requirement to file further reports, given that the purpose of the monthly reports was to monitor progress towards implementation by June 2025, a milestone that could not be met.

On November 20, 2025, LUMA filed a *Motion to Submit Monthly Status Report on the CBES+ Program for October 2025, in Compliance with Resolutions and Orders of May 20, 2025, and May 29, 2025*, through which LUMA submitted as Exhibit 1 its monthly status report on the CBES+ program, covering October 2025 ("November 20 Motion"). LUMA noted that pursuant to the May 20 and May 29 Resolutions, it was ordered to submit monthly status reports for the summer 2025 season (June 1, 2025 – October 31, 2025). Therefore, LUMA stated it has submitted its final monthly status report for the CBES+ program.

II. Discussion

In its November 17 Motion, LUMA requested that the Energy Bureau release LUMA from continuing to file monthly ELRP reports. The Energy Bureau agrees that monthly status reports on ELRP implementation progress are no longer necessary. However, the Energy Bureau still seeks regular updates on LUMA's ELRP efforts. The Energy Bureau **RELEASES** LUMA from the monthly reporting requirement for the ELRP and **ORDERS** LUMA to report on ELRP implementation progress in its future TPP Quarterly Reports.

In its October CBES monthly report, LUMA affirmed the value of the CBES program in maintaining system stability during periods of high demand and mitigating generation shortfalls. LUMA states that it expects to continue to use CBES to support grid reliability in the near-term. LUMA intends for the October monthly report to be its final CBES monthly report. The information in the monthly CBES reports has been useful to the Energy Bureau's oversight and understanding of the program. The Energy Bureau **ORDERS** LUMA to include in its future TPP Quarterly Reports the information it was submitting in its monthly CBES reports, including the monthly information in Tables 2 and 3 of those monthly reports. LUMA **SHALL ENSURE** that its reports, taken collectively, include this information for all months without gaps.

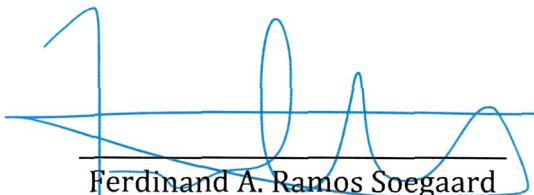
In the May 29 Resolution, the Energy Bureau identified several topics raised by stakeholders related to the CBES program design that it would revisit after the summer 2025 period. These topics related to minimum dispatch, unenrollment for non-performance, enrollment past FY2026 for auto-enrolled customers, weekly dispatch plans, the process for weekend dispatch, and payment cadence. LUMA has had several months' experience implementing the full CBES program, including the CBES+ expansion. To understand the extent the issues raised by stakeholders still apply, and to better understand LUMA's plans for post-summer



dispatch, the Energy Bureau **ORDERS** LUMA to respond to the Requirements of Information (ROIs) in Attachment A within fourteen (14) calendar days of notification of this Resolution and Order.

Be it notified and published.


Lillian Mateo Santos
Associate Commissioner


Ferdinand A. Ramos Soegaard
Associate Commissioner


Sylvia B. Ugarte Araujo
Associate Commissioner


Antonio Torres Miranda
Associate Commissioner

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau agreed on January 9, 2026. Chairman Edison Avilés Deliz did not intervene. Also certify that on January 9, 2026. I have proceeded with the filing of this Resolution and was notified by email to:
RegulatoryPREBorders@lumapr.com; katuska.bolanos-lugo@us.dlapiper.com;
margarita.mercado@us.dlapiper.com; laura.rozas@us.dlapiper.com;
alexis.rivera@prepa.per.gov; nzayas@gmlex.net; mvalle@gmlex.net;
rcruzfranqui@gmlex.net, hrivera@jrsp.pr.gov; javrua@sesapr.org;
mrios@arroyorioslaw.com; jordgraham@tesla.com; forest@cleanenergy.org;
customerservice@sunnova.com; pjcleanenergy@gmail.com; agraitfe@agraitlawpr.com,
info@sesapr.org; cfl@mcvpr.com; mqs@mcvpr.com.

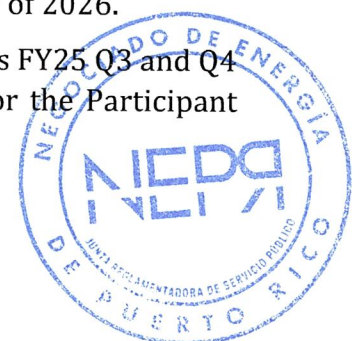
I sign this in San Juan, Puerto Rico, today January 9, 2026.




Sonia Seda Gaztambide
Clerk

Attachment A. Requirements of Information

1. LUMA states in its FY26 Q1 report that it is working towards DERMS implementation (p. 25) and that there have been deployment delays due to “general company cash constraints” (p. 28). Provide an update on DERMS deployment for the CBES program, including a summary of LUMA’s activities, the activities LUMA expects to take towards implementing the DERMS, and more information on the cash constraints as they relate to the DERMS implementation. When does LUMA expect to have a DERMS in place?
2. LUMA states in its FY26 Q1 report that it is working with COR3 to use approved federal funding for CBES. Please explain the funding source, the amount that LUMA is pursuing, and how these funds would supplement or displace ratepayer funds if they are obtained.
3. Refer to Exhibit 1 of LUMA’s May 8 Motion and Exhibit 1 of LUMA’s May 27 Motion. Does LUMA anticipate a different number of monthly dispatch events from November 2025 until the start of the summer season in June 2026 compared to its original forecast? Please provide a current forecast for the number of monthly events for this period.
4. For post-summer season events, the available energy from customer batteries might exceed grid needs. How will LUMA account for this in its dispatch decisions? For example, will LUMA select certain customers to dispatch, or will it dispatch all participating customers, but dispatch less energy per customer?
5. Provide an update on the progress between LUMA, aggregators, and other stakeholders to resolve concerns regarding weekly dispatch plans, the process for weekend dispatch, payment cadence, and any other issues. As part of the response, summarize how the parties are being mindful of customer acceptance and efficient program operations. If there have been changes to program design in response to these discussions, summarize those modifications in the response.
6. Explain whether customers who were auto enrolled remain enrolled. If still enrolled, does LUMA expect to unenroll these customers? If so, when?
 - a. If LUMA has unenrolled or plans to unenroll customers, what metrics are used to determine whether a customer should be unenrolled for non-performance?
 - b. How many customers have been unenrolled for non-performance since the program’s inception, by month?
7. In looking at the CBES monthly report data, about 60,000 customers participated in events in August, and only about 32,000 customers participated in events in September and October. Please explain the decrease in customers participating. Does LUMA anticipate participation returning to the previous level before summer 2026?
8. Referring to the August CBES monthly report, Table 2 indicates incentive costs were \$3,961,080.50, while page 4 indicates incentive costs were \$4,797,589.28. Please explain this discrepancy and confirm total incentive costs.
9. Referring to the September CBES monthly report, explain why only 2 events were called during the month. LUMA called 16 events in August, 13 events in October, and planned to call 15 events in September.
10. Please identify and describe outstanding issues or questions regarding CBES program design and implementation for which LUMA believes clarity or direction from the Energy Bureau would be helpful to program success in the summer of 2026.
11. Refer to Table 19 in LUMA’s FY25 Q2 report and Table 20 in LUMA’s FY25 Q3 and Q4 reports. Please confirm the values in column (A) YTD Forecast for the Participant



Incentive Payments and PP&A Costs rows correspond to LUMA’s full fiscal year budget or explain otherwise.

- 12. Refer to Table 20 in LUMA’s FY26 Q1 report. Do the YTD Forecast (column A) values for the Participant Incentive Payments and PP&A Costs rows correspond to LUMA’s budget for the entire fiscal year, the amount LUMA expected to spend through Q1 of FY26, or something different?
- 13. Refer to Tables 19 and 20 in LUMA’s FY26 Q1 report. Please explain why the values for YTD program costs in Table 19 (\$7,087,435.98) and Table 20 (\$7,325,885) are different.
- 14. Refer to Table 23 in LUMA’s FY25 annual report. Costs for professional services were approximately 8 times higher than planned. Please explain the reason for the significant difference between budgeted and actual costs.

