

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

<b>NEPR</b>  <b>Received:</b>  <b>Jan 23, 2026</b>  <b>4:59 PM</b>
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**IN RE:**

ENERGY EFFICIENCY AND DEMAND  
RESPONSE TRANSITION PERIOD PLAN

**CASE NO.:** NEPR-MI-2022-0001

**SUBJECT:** Motion to Submit LUMA’s Responses  
to Requirements of Information in Compliance with  
Resolution and Order of January 9, 2026

**MOTION TO SUBMIT LUMA’S RESPONSES TO REQUIREMENTS OF  
INFORMATION IN COMPLIANCE WITH RESOLUTION AND ORDER OF  
JANUARY 9, 2026**

**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. Relevant Procedural History**

1. On October 23, 2024, the Energy Bureau issued a Resolution and Order (“October 23<sup>rd</sup> Order”) determining to extend for an additional six months, until December 31, 2025, the Energy Efficiency and Demand Response Transition Period Plan (“TPP”) <sup>1</sup> and directing LUMA to: (a) file a proposed form of a permanent CBES program and (b) develop a backup generators emergency DR program (now “Emergency Load Reduction Program” or “ELRP”) to be

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<sup>1</sup> The TPP was originally approved by the Energy Bureau for Fiscal Years 2023 and 2024 by Resolution and Order of February 16, 2023, extended for an additional year, until June 30, 2025, by Resolution and Order of November 29, 2023.

implemented in the summer of 2025.<sup>2</sup> The Energy Bureau directed LUMA to submit monthly reports, beginning on January 15, 2025, detailing its efforts to design and implement the ELRP.<sup>3</sup>

2. On January 31, 2025, LUMA filed a revised TPP (“Proposed Revised TPP”).<sup>4</sup> On that date, LUMA also filed the proposed permanent CBES to begin on July 1, 2025, and run for three years (“Permanent CBES Proposal”).<sup>5</sup>

3. On April 3, 2025, the Energy Bureau issued a Resolution and Order (“April 3<sup>rd</sup> Order”) partially approving the Permanent CBES proposal and providing that the unapproved aspects would be considered after obtaining stakeholder comments.<sup>6</sup>

4. On April 24, 2025, the Energy Bureau held a Technical Conference where LUMA presented the Proposed Revised TPP, the progress of ELRP development, the Permanent CBES Proposal and a preliminary proposal to expand the CBES program for summer 2025 (referred to as the “CBES +”).<sup>7</sup>

5. On April 30, 2025, the Energy Bureau issued a Resolution and Order (“April 30<sup>th</sup> Order”) directing LUMA to file the proposals for the ELRP and the CBES+.<sup>8</sup>

6. On May 8, 2025, LUMA submitted to the Energy Bureau its proposal for the CBES+ (“CBES+ Proposal”).<sup>9</sup>

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<sup>2</sup> See October 23<sup>rd</sup> Order, pp. 3-5.

<sup>3</sup> See *id.*, p. 4.

<sup>4</sup> See *Motion to Submit Revised Energy Efficiency and Demand Response Transition Period Plan and Request for Modification of Deadlines Relating to Three-Year Energy Efficiency and Demand Response Plan*, pp. 2, 7 and Exhibit 1.

<sup>5</sup> See *Motion to Submit Permanent Customer Battery Energy Sharing Program Proposal in Compliance with Resolutions and Order of October 23, 2024, and December 5, 2024*.

<sup>6</sup> See April 3<sup>rd</sup> Resolution and Order, pp. 2-4.

<sup>7</sup> See *Motion to Submit Presentation for Technical Conference Scheduled for April 25, 2025*, filed on April 23, 2025, which includes as Exhibit 1 the presentation submitted by LUMA for the Technical Conference.

<sup>8</sup> See April 30<sup>th</sup> Resolution and Order, pp. 2-3.

<sup>9</sup> See *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<sup>th</sup> Motion”) and its Exhibit 1.

7. On May 20, 2025, the Energy Bureau issued a Resolution and Order (“May 20<sup>th</sup> Order”) approving the CBES+ Proposal and the remaining unapproved portions of the Permanent CBES Proposal, with certain conditions.<sup>10</sup>

8. On May 21, 2025, LUMA filed its proposal for the ELRP (“ELRP” Proposal).<sup>11</sup>

9. On May 29, 2025, Energy Bureau issued a Resolution and Order (“May 29<sup>th</sup> Order”) fully approving the CBES+ Proposal and the remaining unapproved portions of the Permanent CBES Proposal.<sup>12</sup> The Energy Bureau directed LUMA to submit monthly status reports on the CBES+ for the summer 2025 season (June 1, 2025 – October 31, 2025).<sup>13</sup>

10. On June 20, 2025, the Energy Bureau issued a Resolution and Order (“June 20<sup>th</sup> Order”) approving the ELRP Proposal through October 31, 2025.<sup>14</sup> The Energy Bureau directed LUMA to continue filing monthly reports on the ELRP’s status.<sup>15</sup>

11. On June 26, 2025, the Energy Bureau issued a Resolution and Order (“June 26<sup>th</sup> Order”) directing LUMA to file an amended EE program plan for Fiscal Year 2026 in accordance with specified requirements.<sup>16</sup>

12. On July 22, 2025, LUMA filed an amended EE program plan as part of the Proposed Revised TPP.<sup>17</sup>

13. On August 19, 2025, the Energy Bureau issued a Resolution and Order approving the Proposed Revised TPP for implementation in FY 2026.

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<sup>10</sup> See May 20<sup>th</sup> Order, p. 2.

<sup>11</sup> See Motion to Submit Proposal for Emergency Load Reduction Program in Compliance with Resolution and Order of April 30, 2025.

<sup>12</sup> May 29<sup>th</sup> Order, pp. 2-3.

<sup>13</sup> See *id.*, p. 3.

<sup>14</sup> See June 20<sup>th</sup> Order, p. 3.

<sup>15</sup> See *id.*

<sup>16</sup> See June 26<sup>th</sup> Order, p. 4.

<sup>17</sup> See Motion to Submit Amended Energy Efficiency Program Plan in Compliance with Resolution and Order of June 26, 2025.

14. On November 14, 2025, LUMA filed its latest Quarterly TPP Report<sup>18</sup> for the first quarter of FY 2026.<sup>19</sup>

15. On November 17, 2025, LUMA filed its ELRP monthly status report for the month of October 2025 and requested the Energy Bureau to release LUMA from the requirement to submit further reports.<sup>20</sup>

16. On November 20, 2025, LUMA filed its CBES+ monthly report for the month of October 2025 and indicated that it would be the final monthly status report.<sup>21</sup>

17. On January 9, 2026, the Energy Bureau issued a Resolution and Order (“January 9<sup>th</sup> Order”) in which it released LUMA from the monthly ELRP reports and directed LUMA to continue to report on the ELRP in the TPP Quarterly Reports and to include in these TPP Quarterly Reports the information it was submitting in the CBES monthly reports. In addition, the Energy

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<sup>18</sup> This is a quarterly report, also referred to as the Consolidated TPP and DR Administrative Costs Quarterly Report, filed in connection with the TPP. This reporting requirement arises from Resolutions and Orders of the Energy Bureau issued on February 16, 2023, August 29, 2023, and March 21, 2024.

<sup>19</sup> See *Motion to Submit FY26 Q1 Consolidated Transition Period Plan and Demand Response Administrative Cost Quarterly Report* (“November 14<sup>th</sup> Motion”).

<sup>20</sup> See *Motion to Submit November 2025 Report on the Development of the Pilot Emergency Backup Generators Demand Response Program*.

<sup>21</sup> See *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*.

Bureau directed LUMA to respond to a set of requirements of information included in Attachment A to the January 9<sup>th</sup> Order (“January 9<sup>th</sup> ROIs”) within fourteen (14) calendar days.

## II. Responses to January 9<sup>th</sup> ROIs

18. In compliance with the January 9<sup>th</sup> Order, LUMA submits herein as *Exhibit 1* LUMA’s responses to the January 9<sup>th</sup> ROIs.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and **accept** LUMA’s responses to the January 9<sup>th</sup> ROIs in *Exhibit 1* in compliance with the January 9<sup>th</sup> Order.

### **RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 23<sup>rd</sup> day of January 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 hrivera@jrsp.pr.gov; nzayas@gmlex.net; mvalle@gmlex.net; rcruzfranqui@gmlex.net; 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.



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*Exhibit 1*  
*Responses to January 9<sup>th</sup> ROIs*

# Responses to January 9, 2026, ROIs regarding Energy Efficiency and Demand Response Programs

NEPR-MI-2022-0001

January 23, 2026

## List of Responses and Attachments

Response ID	Document Type	Response Subject
ROI-LUMA-MI-2022-0001-20260109-PREB-#001	Response in PDF	DERMS implementation
ROI-LUMA-MI-2022-0001-20260109-PREB-#002	Response in PDF	CBES funding
ROI-LUMA-MI-2022-0001-20260109-PREB-#003	Response in PDF	CBES dispatch
ROI-LUMA-MI-2022-0001-20260109-PREB-#004	Response in PDF	CBES dispatch
ROI-LUMA-MI-2022-0001-20260109-PREB-#005	Response in PDF	CBES dispatch plans
ROI-LUMA-MI-2022-0001-20260109-PREB-#006	Response in PDF	Enrolled customers
ROI-LUMA-MI-2022-0001-20260109-PREB-#007	Response in PDF	CBES customer participation
ROI-LUMA-MI-2022-0001-20260109-PREB-#008	Response in PDF	CBES incentive costs
ROI-LUMA-MI-2022-0001-20260109-PREB-#009	Response in PDF	CBES events
ROI-LUMA-MI-2022-0001-20260109-PREB-#010	Response in PDF	CBES program design
ROI-LUMA-MI-2022-0001-20260109-PREB-#011	Response in PDF	Clarification on forecast
ROI-LUMA-MI-2022-0001-20260109-PREB-#012	Response in PDF	Clarification on budget
ROI-LUMA-MI-2022-0001-20260109-PREB-#013	Response in PDF	Program costs
ROI-LUMA-MI-2022-0001-20260109-PREB-#014	Response in PDF	Program costs

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#001

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#### REQUEST

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?

#### RESPONSE

LUMA has completed all activities required to support event dispatch, coordination, and performance analysis for the Customer Battery Energy Sharing (CBES) Program without the use of a Distributed Energy Resource Management System (DERMS). These activities, which have been previously reported in LUMA's quarterly filings to the Puerto Rico Energy Bureau (PREB), demonstrate that CBES operational objectives are currently being met through existing systems, processes, and vendor coordination.

As described in prior reports, LUMA's activities related to CBES implementation have included program design, customer enrollment coordination, and dispatch execution. These activities have been successfully executed using existing systems and do not presently require a DERMS platform.

While earlier reports noted that LUMA was evaluating DERMS as a potential future capability, LUMA has since determined that it will not move forward with DERMS implementation at this time. This decision is based on demonstrated performance, and is not contingent upon cash constraints. LUMA believes that a DERMS platform would be more appropriately evaluated once a broader and more complex portfolio of Demand Response programs is established. By deferring DERMS implementation, LUMA is avoiding estimated costs in excess of \$2.0 million while continuing to meet CBES program requirements.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#002

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#### REQUEST

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.

#### RESPONSE

The FY2026 Q1 report notes that LUMA is coordinating with COR3 regarding the potential use of approved federal funding from the U.S. Department of Energy (DOE) in the amount of approximately \$3.5 million that could be applicable to elements of the CBES program.

At this time, LUMA is only evaluating the eligibility, allowable uses, and administrative requirements associated with this potential funding. No federal funds have been drawn, expended, or obligated for CBES, and no determination has been made regarding final use or implementation. If LUMA proceeds with the grant, it will require LUMA to provide a cost match for the non-federal share. These matching funds must originate from non-federal sources unless otherwise permitted by law. Additionally, each recipient is required to contribute a minimum of 15% of their allocation as part of the cost match requirement.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#003

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#### REQUEST

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.

#### RESPONSE

LUMA's current forecast for CBES dispatch events through the start of the Summer 2026 season is as follows:

- January 2026: 0 events
- February 2026: 0 events
- March 2026: 1 event
- April 2026: 3 events
- May 2026: 4 events
- June 2026: 0 events (prior to the commencement of the summer season)

This forecast reflects LUMA's best estimate based on presently available information and may be adjusted should system conditions, operational requirements, or reliability needs materially change. LUMA will continue to coordinate closely with System Operations and monitor grid conditions to ensure CBES resources are deployed prudently and only when operationally warranted.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#004

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#### REQUEST

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?

#### RESPONSE

To ensure the long-term success of CBES, LUMA intends to dispatch all participating customers rather than selecting a subset of the population. LUMA believes that maintaining consistent customer engagement and ensuring every participant receives their performance incentives is critical to preventing "churn" and keeping the fleet ready for high-demand periods. By involving the entire participant base, LUMA distributes the grid-support responsibility equitably, ensuring that no customer feels excluded from the program's benefits or discouraged by a lack of activity.

To precisely align this broad participation with actual grid needs, LUMA's technical strategy is to collaborate with Demand Response Aggregators that have auto-enrolled customers and adjust minimum reserve levels when grid requirements are lower than expected. Under this "broad but shallow" dispatch approach, each battery contributes a smaller, controlled amount of energy, enabling LUMA to fine-tune CBES output to match real-time grid conditions. This strategy provides the grid with stable, predictable injections while allowing customers to retain more backup energy for personal use, delivering both system reliability and customer value.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#005

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#### REQUEST

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.

#### RESPONSE

LUMA maintains ongoing and effective coordination with CBES aggregators and other stakeholders through regular operational engagement. Through this collaborative working relationship, no unresolved concerns have been identified related to weekly dispatch planning, weekend dispatch processes, payment cadence, or other operational matters that would adversely affect program performance.

Program operations are functioning as intended, with established processes supporting efficient dispatch execution and alignment across participating parties. Aggregators continue to serve as the primary interface with customers, ensuring customer acceptance and minimizing disruption while supporting reliable program operations.

Based on these engagements, no modifications to the CBES program design have been necessary. LUMA will continue to monitor performance and stakeholder feedback and remains committed to maintaining efficient operations and strong coordination as the program evolves.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#006

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#### REQUEST

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?

#### RESPONSE

Customers who were auto-enrolled in CBES remain enrolled at this time. The CBES Program is structured as a performance-based initiative, under which customer participation and incentive eligibility are directly tied to actual performance during dispatched events.

Given this structure, the continued enrollment of non-performing customers does not result in additional or incremental costs to LUMA. Accordingly, LUMA, in partnership with aggregators, do not expect to unenroll customers from the program, either at this time or in the near term.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#007

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#### REQUEST

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?

#### RESPONSE

The observed decrease in customer participation in CBES events during September and October is not attributable to individual customer decisions to opt out of the program or to reduced customer willingness to participate. Rather, the reduction is primarily the result of a temporary operational pause of one of the CBES program aggregators, due to the aggregator undergoing bankruptcy.

This pause affected the participation of the aggregator's enrolled customer portfolio during the affected months and explains the month-to-month variation reflected in the CBES monthly reports. Importantly, the underlying customer enrollment associated with this aggregator remained intact during this period.

Following PREB's approval, the successor in interest of this aggregator is in the process of registering with LUMA and executing the required documentation to re-start the CBES operations of the original aggregator. LUMA anticipates that this aggregator will resume full participation, including the reintegration of its enrolled customer base into future CBES events.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#008

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#### REQUEST

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.

#### RESPONSE

The discrepancy identified in the August CBES monthly report resulted from an inadvertent error during document preparation. Specifically, the incentive cost figure presented in Table 2 was not updated after the incorporation of revised and finalized financial information later reflected on page 4 of the report.

The correct total incentive cost for the August reporting period is \$4,797,589.28, as reflected on page 4 of the report. This figure represents the finalized and validated incentive costs based on the most current financial data available at the time of submission.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#009

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#### REQUEST

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.

#### RESPONSE

The difference between the number of CBES events planned for September and the number of events ultimately dispatched reflects changing system conditions and operational needs during that month.

While LUMA initially forecasted the potential need for up to 15 CBES dispatch events in September, actual system conditions did not warrant that level of deployment. As system reliability metrics, generation availability, and load conditions evolved throughout the month, the operational need for CBES resources was materially lower than anticipated. As a result, only two dispatch events were called.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#010

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#### REQUEST

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.

#### RESPONSE

Based on current program performance and operational experience, LUMA does not identify any outstanding issues or unresolved questions related to the design or implementation of the CBES program that would require additional clarification or direction from the PREB for the Summer 2026 season.

The program is operating effectively, supported by established processes, strong coordination with aggregators, and ongoing alignment with System Operations. At this time, LUMA does not foresee the need for program design adjustments or implementation changes to ensure successful execution during Summer 2026.

LUMA will continue to monitor program performance and system conditions closely. Should circumstances arise that warrant modifications to program design or implementation, LUMA will promptly engage PREB, provide the relevant information, and seek guidance as appropriate to ensure continued program effectiveness and regulatory alignment.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#011

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#### REQUEST

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.

#### RESPONSE

Yes. The values reported in Column (A) – Year-to-Date (YTD) Forecast for both Participant Incentive Payments and PP&A Costs, as reflected in Table 19 of LUMA's FY25 Q2 report and Table 20 of the FY25 Q3 and Q4 reports, correspond to LUMA's full fiscal year budget.

These amounts represent LUMA's forecasted costs for the complete fiscal year and are not limited to partial-year expenditures.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#012

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#### REQUEST

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?

#### RESPONSE

Yes. The values reported in Column (A) – Year-to-Date (YTD) Forecast for Participant Incentive Payments and PP&A Costs in Table 20 of LUMA's FY26 Q1 report correspond to LUMA's budget for the entire fiscal year.

These amounts represent full fiscal year cost forecasts and do not reflect expenditures incurred or expected solely through Q1 of FY26.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#013

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#### REQUEST

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.

#### RESPONSE

The difference between the Year-to-Date (YTD) program cost figures reported in Table 19 and Table 20 of LUMA's FY26 Q1 report is attributable to inadvertent error during document preparation. Specifically, Table 19 reflects an earlier draft figure that was not updated after the incorporation of finalized and validated financial data, which is accurately reflected in Table 20.

The correct YTD program cost is \$7,325,885, as reported in Table 20. This figure represents the most current and reconciled financial information available at the time of submission.

# Evaluation Demand Response Energy Efficiency TPP

## NEPR-MI-2022-0001

### Response: ROI-LUMA-MI-2022-0001-20260109-PREB-#014

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#### REQUEST

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.

#### RESPONSE

LUMA acknowledges that professional services costs reported in Table 23 of the FY2025 annual report exceeded initial budget projections. The difference between budgeted and actuals costs were primarily attributable to the upfront program design, implementation, and operational scaling requirements necessary to rapidly stand up the CBES program and ensure compliance, reliability, and effective coordination across multiple stakeholders during its early phases. LUMA will continue to report on these efforts as more information becomes available.