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

**IN RE: LUMA INITIAL BUDGETS AND CASE NO.: NEPR-MI-2021-0004
RELATED TERMS OF SERVICE**

**MOTION TO SUBMIT PREPA'S FEDERAL FUNDING AND GRID MODERNIZATION
IMPLEMENTATION REPORT FOR JANUARY 2026**

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

1. On June 25, 2023, the Puerto Rico Energy Bureau ("PREB") issued a Resolution and Order modifying and, as such, approving the Consolidated Annual Budgets for Fiscal Year 2024 (hereinafter, the "June 25th Resolution").
2. Additionally, the PREB directed PREPA to present the Implementation of the Grid Modernization Plan on a bi-monthly basis (hereinafter, the "Grid Modernization Report"). Per the June 25th Resolution, the Grid Modernization Report shall include a comprehensive overview of the primary investment areas and projects being considered by PREPA to ensure the provision of dependable and resilient power, along with the current progress of project milestones.
3. PREPA was also ordered to submit monthly reports with the PREB detailing federal funding activity during the quarter for hydro facilities, including progress on submitting and advancing PWs and Scopes of Work ("SOWs"), by hydro/dam site, the cumulative amount of federal funding applied for, the

incremental amount of federal funding applied for in the reporting quarter and both the cumulative and monthly amount of federal funding received.

4. On November 13, 2023, the PREB issued a Resolution and Order to authorize, among other things, a monthly cadence for the Grid Modernization Implementation Report.

5. Moreover, on June 26, 2024, the PREB issued a Resolution and Order regarding the FY 2025 Budget review. The PREB determined that the FY 2025 Budgets, as modified by the Resolution and Order, comply with Act 57-2014 and the 2017 Rate Order. Furthermore, the PREB indicated that “[a]ll existing Reporting Requirements remain in full force and effect”.

6. In compliance with PREB's order, PREPA submits, as *Exhibit I*, the *Federal Funding and Grid Modernization Implementation Report* for January 2026.

WHEREFORE, PREPA respectfully requests PREB to take **NOTICE** of the information provided and **DEEM** PREPA in compliance with the reporting requirements of the June 25th Resolution.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, on the 2nd of February 2026.

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: jfr@sbgbaw.com; sromero@sbgbaw.com;

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Exhibit I

Projects highlighted green are part of the Grid Modernization Plan

PREB Approved Projects										PREB Approval			Federal Approval & Funding			Stage Status and completion Progress					
#	FEMA ID	Project Title	Fund	Cost-Share	Project Formulation Status	Cost Estimate	Amount	Date	Approval Amount	Reimbursed expenses	Reimbursement Net of Cost-Share	Stage	Sub-Stage	Commencement Date	Anticipated Date of Completion	% of Design Completed					
1	435769	FAAST South Coast Irrigation District - Canals	428	90%	Pending FEMA Approval	\$ 144,851,431.50	A	\$ 32,140,000.00	9/8/2021	Pending Approval	\$ 1,109,506.00	\$ 998,555.40	I	Planning & Design	30% Designs	Jul-22	May-26	50%			
2	436467	FAAST Isabela Irrigation District - Canals & USDA Funding	428	90%	Developing Detailed SOW	\$ 32,000,000.00	A, L	\$ 15,000,000.00	9/8/2021	To be submitted	\$ 208,706.10	\$ 187,835.49	I	Planning & Design	30% Designs	Jul-22	TBD	TBD			
3	436462	FAAST Lajia Irrigation Canals	428	90%	Pending FEMA Approval	\$ 42,573,271.52	A, P	\$ 15,000,000.00	9/8/2021	Pending Approval	\$ 224,672.90	\$ 202,205.61	I	Planning & Design	30% Designs	Jul-22	Jul-26	25%			
4	334803	FAAST Loco Reservoir Dredging	428	90%	Developing Detailed SOW	\$ 8,080,000.00	B	\$ 2,730,000.00	8/20/2021	To be submitted	\$ 512,774.25	\$ 461,496.83	I	Planning & Design	60% Designs	Mar-24	Dec-26	60%			
5	335207	FAAST Guineo Reservoir - Dredging	428	90%	Developing Detailed SOW	\$ 3,143,743.00	B, D	\$ 1,250,000.00	8/20/2021	To be submitted	\$ 317,880.77	\$ 285,912.70	I	Planning & Design	30% Designs	Mar-24	Feb-27	45%			
6	334798	FAAST Guerrero Reservoir - Dredging	428	90%	Developing Detailed SOW	\$ 3,918,132.00	B	\$ 19,000.00	8/20/2021	To be submitted	\$ 341,493.98	\$ 307,344.58	I	Planning & Design	30% Designs	Mar-24	Feb-27	30%			
7	334813	FAAST Guayo Reservoir Dredging	428	90%	Developing Detailed SOW	\$ 17,260,000.00	B	\$ 21,010,000.00	8/20/2021	To be submitted	\$ 495,715.09	\$ 446,143.58	I	Planning & Design	60% Designs	Mar-24	Aug-27	40%			
8	334811	FAAST Dos Bocas Reservoir Dredging	428	90%	Developing Detailed SOW	\$ 117,400,543.58	B, R	\$ 58,250,000.00	8/20/2021	To be submitted	\$ 779,059.31	\$ 701,153.38	I	Planning & Design	60% Designs	Mar-24	Jul-27	37%			
9	178722	FAAST Caonillas (Dredging)	428	90%	Developing Detailed SOW	\$ 81,857,757.00	B, D, R	\$ 41,740,000.00	4/28/2021	D	To be submitted	\$ 767,473.17	\$ 690,725.85	I	Planning & Design	60% Designs	Mar-24	May-27	37%		
10	335206	FAAST Matrullas Reservoir-Dredging	428	90%	Developing Detailed SOW	\$ 7,752,364.00	B	\$ 3,080,000.00	8/20/2021	To be submitted	\$ 322,817.26	\$ 290,535.53	I	Planning & Design	30% Designs	Mar-24	Apr-27	35%			
11	334773	FAAST Lucchetti Reservoir - Dredging	428	90%	Developing Detailed SOW	\$ 40,020,000.00	B	\$ 35,810,000.00	8/20/2021	To be submitted	\$ 639,474.49	\$ 575,527.04	I	Planning & Design	60% Designs	Mar-24	Jun-27	40%			
12	334772	FAAST Guayabal Reservoir - Dredging	428	90%	Developing Detailed SOW	\$ 6,452,231.00	B	\$ 7,750,000.00	8/20/2021	To be submitted	\$ 324,893.92	\$ 292,404.53	I	Planning & Design	30% Designs	Mar-24	Oct-27	35%			
13	334771	FAAST Guajataca Reservoir - Dredging	428	90%	Developing Detailed SOW	\$ 43,732,382.00	B	\$ 18,990,000.00	8/20/2021	To be submitted	\$ 485,993.45	\$ 437,394.10	I	Planning & Design	60% Designs	Mar-24	Jun-28	35%			
14	334769	FAAST Garzas Reservoir - Dredging	428	90%	Developing Detailed SOW	\$ 11,154,286.00	B	\$ 1,530,000.00	6/8/2021	To be submitted	\$ 402,004.68	\$ 361,804.21	I	Planning & Design	30% Designs	Mar-24	Jun-27	30%			
15	334770	FAAST Guajataca Dam - Permanent Repairs	428	90%	Developing Detailed SOW	\$ 1,086,970,000.00	F	\$ 566,000,000.00	8/20/2021	To be submitted	\$ 9,143,848.24	\$ 8,229,463.42	I	Planning & Design	Preliminary Studies	Jan-24	Dec-28	12%			
16	436621	FAAST Dams Minor Repairs	428	90%	Pending FEMA Approval	\$ 24,607,290.48	J	\$ 3,560,000.00	9/28/2021	D	Pending Approval	\$ -	\$ -	-	Planning & Design	30% Designs	Feb-24	Jul-26	30%		
17	721184	FAAST - Guayabal Seismic Retrofit	428	90%	Pending FEMA Approval	\$ 326,154,895.79	M	\$ 299,278,101.00	5/18/2023	Pending Approval	\$ -	\$ -	-	Planning & Design	30% Designs	Jul-24	Dec-30	10%			
18	4339-0011	Patillas Dams	404/CDBG	100%	Approved	\$ 567,024,315.00	G	\$ 558,530,000.00	8/20/2021	\$ 558,000,000.00	\$ 2,634,999.95	\$ 2,634,999.95	Planning & Design	60% Designs	Jan-24	TBD	80%				
19	4339-0012	Early Warning System	404	100%	Approved	\$ 99,976,487.00	H	\$ 100,000,000.00	8/20/2021	\$ 100,000,000.00	\$ 31,174,191.08	\$ 31,174,191.08	Permitting	60% Designs	Mar-24	Jun-26	85%				
20	728260	FAAST Caonillas Hydroelectric Power Plant I	428	90%	Pending FEMA Approval	\$ 3,611,152.00	K	\$ 1,650,000.00	4/28/2021	D	Pending Approval	\$ 280,825.90	\$ 252,743.31	I	Planning & Design	30% Designs	Feb-24	Mar-27	30%		
21	436468	FAAST Toro Negro Hydroelectric System Connection	428	90%	Pending FEMA Approval	\$ 57,244,061.71	Q	\$ 15,220,000.00	9/8/2021	Pending Approval	\$ 382,385.49	\$ 344,146.94	I	Planning & Design	60% Designs	Jul-21	Sep-26	35%			
22	180723	FAAST - Rio Blanco Hydroelectric System	428	90%	Pending FEMA Approval	\$ 49,005,575.55	O	\$ 48,120,000.00	4/28/2021	Pending Approval	\$ 357,833.33	\$ 322,050.00	I	Planning & Design	30% Designs	Jul-21	Sep-26	30%			
23	404-TBD-1	Retrofit projects on hydroelectric turbines (15 Projects)	DOE	75%	Pending FEMA Approval	\$ 320,790,000.00	C	\$ 320,790,000.00	9/28/2023	Pending Approval	\$ -	\$ -	-	Technical Specifications	Appeal	Pending	NA	NA			
24	725535	FAAST- System Upgrade for Generation Plants (IT/OT)	428	90%	Approved	\$ 11,423,825.00	N	\$ 11,423,825.00	6/22/2023	\$ 11,423,825.00	\$ 3,116,322.78	\$ 3,090,286.13	Planning & Design	60% Designs	Feb-24	Mar-26	80%				
25	746897	BONUS Nuclear Plant	428	90%	Approved	\$ 1,579,615.43	E	\$ 1,670,081.00	4/4/2024	\$ 1,579,615.43	\$ -	\$ -	-	Technical Specifications	Completed	TBD	Completed	100%			

Notes

A - A&E contractor is performing DSOW requirements.

B - Contracts awarded -Designers in coordination with USACE and has completed 30% design completion on various projects.

C - FEMA response on Appeal received June 15, 2025. Project denied due mitigation alignment. Awaiting CDBG/PRDOH second appeal decision. Seeking new funding through DOE.

D - Project was segregated into other FEMA projects to address specific scope on individual projects. PREB approval amount was segregated.

E - Project bid awarded and under execution. Project scope include small repairs and fence installation.

F - Project on tracking, preliminary studies for existing conditions risk assessment and Future Without Action completed to be presented to Dam Safety Oversight Group. Possible additional Geotechnical studies required.

G - 60% design Completed. Budget amendment request pending FEMA approval . USACE working on studies needed for ROV and the canal sections. USACE identifying if Patillas Dam project can be rolled into projects that have fast tracked permit approvals.

H - Awaiting FEMA EHP Goup RECs approval for construction initiation. Consultation with Federal Agencies underway.

I - Amounts reimbursed are subject to A&E costs incurred in the development of Technical Specifications and Design. Costs were reimbursed through PW 9510 A&E.

J - Pending EHP RFI Response.

K - Draft DSOW Submitted. Pending Follow Up Design Information. Note project necessary to inspect damages to components in the hydropant.

L - Funding to be obtained from USDA & FEMA. Coordination with NRCs to define scope between FEMA & USDA funding. Delay due to Federal Shutdown.

M - Designer (Federal Partner) has reduced resources to proceed from appraisal level designs. PREPA coordinating with federal design partners on how to proceed with final designs.

N - Design Build ongoing. Scope alignment submitted to FEMA to include revisions to some tasks. RFI Responded, pending FEMA EHP Review.

O - DSOW resubmitted FEMA for evaluation along w/ required Geotech studies.

P - Pending Geotechnical investigations to commence towards final 30% Design Completion. In planning and design stage.

Q - Drafting Geotech specs for RFP development on geotech studies required for DSOW submissions.

R - DSOW Submitted and with FEMA for evaluation