

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

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| NEPR Received: Feb 17, 2026 5:18 PM |
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IN RE:

IN RE: REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY'S 10-
YEAR INFRASTRUCTURE PLAN-
DECEMBER 2020

CASE NO. NEPR-MI-2021-0002

**SUBJECT: Submission of Quarterly Report on
Federal Funding Activities for the Second Quarter
of Fiscal Year 2026**

**MOTION SUBMITTING QUARTERLY REPORT ON
FEDERAL FUNDING ACTIVITIES FOR THE
SECOND QUARTER OF FISCAL YEAR 2026**

TO THE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC (“ManagementCo”), and **LUMA Energy ServCo, LLC** (“ServCo”), (jointly referred to as “LUMA”), through the undersigned legal counsel and respectfully submits the following:

1. On May 31, 2021, this Honorable Puerto Rico Energy Bureau (“Energy Bureau”) issued and published a Resolution and Order approving LUMA’s Initial Budgets in the Initial Budget Case, Case No. NEPR-MI-2021-0004 (“May 31st Initial Budgets Order”).

2. In the May 31st Initial Budgets Order, the Energy Bureau listed certain “requirements for LUMA to fulfill during the Interim Period and going forward,” including, among others, requirements for reporting on the Initial Budgets spending amounts and reporting on federal funding activity.

3. On July 16, 2021, this Energy Bureau issued a Resolution and Order in the Initial Budgets Case (the “July 16th Initial Budgets Resolution and Order”) in which it modified the federal funding reporting requirements under the May 31st Initial Budgets Order to provide as follows:

LUMA shall submit to the Energy Bureau, on a quarterly basis, summary reports outlining federal funding activity. These summary reports shall include aggregated information showing the cumulative amount of federal funding applied for by LUMA and/or PREPA, broken out by the source of such funding, the incremental amount of federal funding applied for in the reporting quarter, and both the cumulative and monthly amount of federal funding received.

July 16th Initial Budgets Resolution and Order at p. 6.

4. On June 25, 2023, this Energy Bureau issued a Resolution and Order in the Initial Budgets Case, approving LUMA's Annual Budgets for Fiscal Year 2024 (the "June 25th Order"). In what is relevant to this Motion, this Energy Bureau maintained the requirement to file quarterly reports on federal funding. It directed that LUMA report quarterly, within forty-five (45) days after the end of each quarter, summary reports outlining federal funding activity. *See Attachment I of the June 25th Order.*

5. In alignment with the quarterly reporting requirements adopted by this Energy Bureau in the Initial Budgets Case, LUMA hereby submits to the Energy Bureau, attached as *Exhibit 1*, the *LUMA Quarterly Federal Funding Report for the Second Quarter of Fiscal Year 2026*, LUMA's comprehensive Quarterly Report for Fiscal Year 2026 ("FY2026"), for the quarter ending December 31, 2025 ("Q2 FY2026 Federal Funding Report"). The Q2 FY2026 Federal Funding Report details federal funding activities, including construction progress; submissions of Initial Scopes of Work and Detailed Scopes of Work for approval by this Energy Bureau and the Federal Emergency Management Agency ("FEMA"); and FEMA's determination to obligate projects and costs. The Q2 FY2026 Federal Funding Report also outlines LUMA's activities to pursue additional federal funding sources and provides a global status of federally funded projects.

6. The Q2 FY2026 Federal Funding Report also meets LUMA's quarterly reporting obligations under the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement executed among the Puerto Rico Electric Power Authority, LUMA, and

the Puerto Rico Public-Private Partnerships Authority (“P3 Authority”) dated as of June 22, 2020 (“T&D OMA”). It will be submitted to the P3 Authority to comply with such requirements. *See* T&D OMA, Annex I, Section VI(B), paragraph (4).

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the above on filing the Q2 FY2026 Federal Funding Report and **deem** that LUMA complied with the Energy Bureau’s quarterly reporting requirements on federal funding activities set forth in the Initial Budgets Case.

RESPECTFULLY SUBMITTED.

We hereby certify that we filed this Motion using the electronic filing system of this Energy Bureau. We will send an electronic copy of this Motion to PREPA via Alexis Rivera, alexis.rivera@prepa.pr.gov, and through its counsel of record, Natalia Zayas Godoy, nzayas@gmlex.net, Richard Cruz Franqui, rcruzfranqui@gmlex.net, and Mirelis Valle Cancel, mvalle@gmlex.net, to Genera PR LLC, through its counsel of record, Jorge Fernández-Reboredo, jfr@sbgblaw.com, José J. Díaz Alonso, jdiaz@sbgblaw.com, and Francisco Santos, francisco-santos@genera-pr.com.

In San Juan, Puerto Rico, on this 17th day of February 2026.



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Exhibit 1

Q2 FY2026 Federal Funding Report

LUMA Quarterly

Federal Funding Report

For the Second Quarter of Fiscal Year 2026

Ending December 31, 2025

February 17, 2026





Executive Summary

LUMA has remained steadfast in its mission to build a brighter, more reliable, resilient, and customer-focused energy future across Puerto Rico. Every day, the company takes critical actions to strengthen grid resiliency and reliability while operating in a fiscally responsible manner.

Progress through Strong Partnerships

To achieve meaningful progress, LUMA has established productive working relationships with the Central Office for Recovery, Reconstruction and Resilience (COR3) and the Federal Emergency Management Agency (FEMA).

Additionally, LUMA has participated in meetings with key stakeholders, including the Puerto Rico Electric Power Authority (PREPA) and Energy Czar, to ensure alignment with Puerto Rico's energy policy and long-term transformation objectives. Consistent with its plan to advancing critical infrastructure projects, LUMA has engaged with its grid recovery partners on the following funding and mitigation opportunities:

- United States Department of Housing and Urban Development (HUD) and Puerto Rico Department of Housing (PRDOH) Community Development Block Grant - Disaster Recovery (CDBG-DR) programs for hazard mitigation, grid resilience, and cost share initiatives.
- FEMA Section 406 Hazard Mitigation (406HM) proposals across all major asset categories and projects, as well as FEMA Section 404 Hazard Mitigation funding.

LUMA's Real, Measurable in Grid Modernization

LUMA remains committed to efficiently executing projects that fundamentally rebuild, transform, and modernize Puerto Rico's energy grid following decades of deferred maintenance and underinvestment under the previous operator. As of the second quarter of fiscal year 2026 (Q2 FY2026), LUMA has achieved the following:

- Started or completed construction on **204** FEMA-funded projects.
- Received FEMA obligation for **231** projects.
- Submitted a total of **282**¹ Detailed Scopes of Work (DSOWs) to COR3 and FEMA for obligation.
- Submitted a total of **282**¹ transmission and distribution (T&D) projects to COR3 and FEMA.
- Received approval from the Puerto Rico Energy Bureau (Energy Bureau) for a total of **265** Initial Scopes of Work (ISOWs) and one Area Plan submitted for projects and programs.²

¹ Total includes only projects that remain active in the FEMA Grants Portal.

² The program ISOWs presented are being divided into multiple projects. For example, the Streetlight Program initial SOW presented to the Energy Bureau covered the entirety of Puerto Rico. However, this program is being divided into multiple projects by municipality. This approach was taken to simplify the approval process with FEMA and accelerate project execution.

LUMA Quarterly Federal Funding Report

For the period ending December 31, 2025.

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LUMA Quarterly Federal Funding Report

For the period ending December 31, 2025.

1.0 Federal Funding Activities

1.1 Introduction

On June 1, 2021, LUMA assumed operation and maintenance responsibility for the PREPA Transmission and Distribution System (T&D System) as specified in the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement (T&D OMA) between PREPA, the Puerto Rico Public-Private Partnerships Authority (P3A), and LUMA. Upon commencement of operations, FEMA-funded projects in the transmission, distribution, substations, IT/telecom, buildings, and environmental asset categories (T&D Projects) were transitioned to LUMA and are now the responsibility of LUMA.

In accordance with the Resolution and Order dated July 16, 2021, issued by the Energy Bureau in Case No.: NEPR-MI-2021-0004 In Re: LUMA's Initial Budgets, LUMA is required to provide summary reports outlining federal funding activities on a quarterly basis. This document describes key activities and progress made by LUMA on all federally funded capital investments for the Puerto Rico electrical system. Additionally, the report includes a summary of quarterly and aggregated amounts of federal funds applied for by LUMA, broken out by funding sources.

1.2 Summary of Activities

LUMA continues to collaborate with stakeholders, including COR3 and FEMA, to advance projects at a historic rate. LUMA remains focused on activities including meter assessments through the obligated Advanced Metering Infrastructure (AMI) program; vegetation clearing; substation upgrades; streetlight repairs and pole replacements; preliminary engineering activities; and evaluation of DSOWs for FEMA obligation. In addition, LUMA continues to advance ISOWs for Energy Bureau approval to enable the formulation of projects to complete repairs associated with Hurricanes Maria and Fiona, with support from stakeholders, including COR3 and FEMA. During the second quarter (Q2) of fiscal year 2026 (FY2026), LUMA received Energy Bureau approval for the first Area Plan for permanent repairs associated with Hurricane Fiona. Progress was also made with the procurement of materials, engineering services, and construction services necessary to facilitate the execution of federally funded projects. Furthermore, LUMA continued with the execution of the federally funded projects related to the Priority Stabilization Plan (PSP).

LUMA Quarterly Federal Funding Report

For the period ending December 31, 2025.

1.2.1 Key Activities

The following content outlines LUMA's key accomplishments and activities regarding federally funded projects during Q2 FY2026.

Figure 1. Key Activities



1.3 Construction Progress

LUMA continues to advance construction activities to support the restoration of the T&D System. During Q2 FY2026, highlights of our construction progress with federal funds include:

- Assessed and cleared approximately **145** miles of vegetation via the FEMA-funded Vegetation Safety & Reliability Initiative.
- Replaced or repaired more than **2,700** distribution streetlights as part of the Community Streetlight Initiative.
- Installed more than **600** distribution poles as part of the Distribution Pole and Conductor Repair program.
- Conducted walk-downs of meters at a steadfast pace. LUMA completed more than 96,000 field assessments to support the installation of smart meters through the Advanced Metering Infrastructure program. We also installed more than **41,000** smart meters.
- Started construction on **13** projects across the Distribution – Pole Replacement, Grid Automation, Substation, and Vegetation asset classes. By the end of the quarter, there were **204** projects in construction or completed.

See tables 1.3.1, 1.3.2, 1.3.3, and 1.3.4 below.

LUMA Quarterly Federal Funding Report

For the period ending December 31, 2025.

Distribution

1.3.1 Grid Automation

| Project Title | FEMA FAAS# # |
|--|--------------|
| FAAS# [Automation Program Group 24] (Distribution) | 757689 |
| FAAS# [Automation Program Group 27] (Distribution) | 757694 |
| FAAS# [Automation Program Group 31] (Distribution) | 757696 |
| FAAS# [Automation Program Group 32] (Distribution) | 757697 |
| FAAS# [Automation Program Group 33] (Distribution) | 757698 |
| FAAS# [Automation Program Group 35] (Distribution) | 757700 |
| FAAS# [Automation Program Group 36] (Distribution) | 800286 |
| FAAS# [Automation Program Group 37] (Distribution) | 800361 |

1.3.2 Pole Replacement

| Project Title | FEMA FAAS# # |
|---|--------------|
| FAAS# [Pole and Conductor Repair - Mayaguez Group 3 - Phase 2] (Distribution) | 750692 |
| FAAS# [Pole and Conductor Repair -Caguas Group 3 Phase 2] (Distribution) | 735474 |

Substation

1.3.3 Substation Rebuilds

| Project Title | FEMA FAAS# # |
|---|--------------|
| FAAS# - EPC -Aguirre TC-Phase II (Substation) | 682121 |

Vegetation

1.3.4 Vegetation Management and Capital Clearing Implementation

| Project Title | FEMA FAAS# # |
|--|--------------|
| FAAS# [Ponce Region 6 Transmission Line 39000 – Aguas Buenas Substation to Hacienda San Jose] (Vegetation) | 956356 |
| FAAS# [San Juan Region 1 Transmission Line 36800 – Canovanas TC to Palmer TC] (Vegetation) | 956349 |

LUMA Quarterly Federal Funding Report

For the period ending December 31, 2025.

1.4 FEMA- Obligated T&D Projects

LUMA continues to receive obligations from FEMA for T&D Projects submitted.

- LUMA received **14** project obligations from FEMA, representing an estimated **\$240.65³** million in investments. These obligations include projects for Distribution Automation, Transmission Priority Pole Replacements, IT OT Telecom Systems & Network, and Transmission Line Rebuild.

Key FEMA-obligated T&D Project progress for Q2 FY2026 is shown in the tables below.

Distribution

1.4.1 Distribution Automation

| Project Title | 428 Cost | 406 HMP Cost |
|--|-------------|--------------|
| FAASt [Automation Program Group 21] (Distribution) | \$1.7 (\$M) | \$0.00 |
| FAASt [Automation Program Group 22] (Distribution) | \$2.3 (\$M) | \$0.00 |
| FAASt [Automation Program Group 34] (Distribution) | \$2.7 (\$M) | \$0.00 |

Telecommunications

1.4.2 IT OT Telecom Systems & Network

| Project Title | 428 Cost | 406 HMP Cost |
|---|--------------|--------------|
| FAASt Telecom Infrastructure - Cerro Puntas (Telecommunication) | \$8.1 (\$M) | \$0.49 (\$K) |
| FAASt [Telecom Infrastructure – Group B] (Telecommunication) | \$13.2 (\$M) | \$0.55 (\$K) |

Transmission

1.4.3 Transmission Line Rebuild

| Project Title | 428 Cost | 406 HMP Cost |
|---|--------------|--------------|
| FAASt - Line 36100 (115kV) - Dos Bocas HP to Monacillos TC (Transmission) | \$33.9 (\$M) | \$0.00 |
| FAASt [Palo Seco SP to Catano Sect 38kV Line- 9500] (Transmission) | \$33.5 (\$M) | \$0.00 |
| FAASt –38kV Line 8200 - San Juan SP to Catano Sect Line (Transmission) | \$21.6 (\$M) | \$0.00 |

³ The obligated amount does not include the architecture and engineering (A&E) global FAASt project (FAASt project #335168 – A&E PREPA).

LUMA Quarterly Federal Funding Report

For the period ending December 31, 2025.

| Project Title | 428 Cost | 406 HMP Cost |
|---|--------------|--------------|
| FAASt Ponce TC to Jobos TC - 38kV 100 & 200 (Transmission) | \$74.5 (\$M) | \$0.00 |
| FAASt [Line 3100 Monacillos TC to Daguao TC] (Transmission) | \$47.1 (\$M) | \$0.00 |

1.4.4 Transmission Priority Pole Replacements

| Project Title | 428 Cost | 406 HMP Cost |
|--|--------------|--------------|
| FAASt [Transmission Priority Pole Replacement Program Line 3100 Monacillos TC – Sabana Llana TC] (Transmission) | \$0.12 (\$K) | \$0.05 (\$K) |
| FAASt [Transmission Priority Pole Replacement Program Line 2700 Aguadilla Hospital Distrito Sect – Mora TC] (Transmission) | \$0.15 (\$K) | \$0.30 (\$K) |
| FAASt [Transmission Priority Pole Replacement Program Line 4800 Santa Isabel TC – Toro Negro 1 HP] (Transmission) | \$0.12 (\$K) | \$0.20 (\$K) |
| FAASt [Transmission Priority Pole Replacement Program Line 4800 Santa Isabel TC – Aibonito TO] (Transmission) | \$0.43 (\$K) | \$0.54 (\$K) |

1.5 Detailed Scopes of Work

LUMA has already submitted DSOWs for all the **282**¹ projects that remain active in the FEMA Grants Portal.

1.6 Initial Scopes of Work / Area Plans

During Q2 FY2026, LUMA did not submit any new ISOWs or Area Plans.

2.0 Federally Funded Project Status

LUMA has submitted and received approval from the Energy Bureau for **265** ISOWs for projects and programs, and **one** Area Plan since commencement. In addition, LUMA has submitted and initiated **282**¹ ISOWs and DSOWs to FEMA and COR3 for T&D Projects related to reconstruction activities.⁴ FEMA has obligated funding for **231** projects, of which LUMA has begun or completed construction on **204**.

Table 2.1.1 below outlines the aggregated status of all planned federally funded projects and their respective estimated value.

⁴ The following project worksheets (PWs) are not included: "FAASt [Equipment and Materials]," "MEPA181-Others- PREPA Management Costs," and "FAASt A&E PREPA."

LUMA Quarterly Federal Funding Report

For the period ending December 31, 2025.

2.1 Status of Federally Funded Projects as of December 31, 2025

2.1.1 Project Status Summary

| Energy Bureau ISOWs Status Summary (\$ in billions) | | |
|---|------------------------|-------------------------------|
| Energy Bureau Project/Program Status | Number of ISOWs | Estimated Amount |
| Projects/programs submitted and approved by the Energy Bureau | 265 | \$16.7 |
| Area Plan submitted and approved by the Energy Bureau | 1 | \$43.8 (\$M) |
| FAASt Projects Status Summary (\$ in billions) | | |
| FEMA Project Status | Number of Projects | Estimated Amount ⁵ |
| Projects in the preliminary engineering phase. | 0 | - |
| Project detailed SOWs submitted to FEMA pending obligation | 51 | \$1.9 (\$M) |
| Projects obligated by FEMA in detailed engineering | 27 | \$349 (\$M) |
| Projects obligated by FEMA that started construction | 204 | \$2.6 |
| Total | 282¹ | \$5.1 |

Table 2.2.1 below outlines federal funding by source and cost share as of December 31, 2025.

2.2 Status of FEMA Obligated Projects as of December 31, 2025

2.2.1 FEMA-Obligated T&D Project Costs

| FEMA-Obligated T&D Projects | | | | | |
|--|----------------|--------|---------|---------------------|-------------------------|
| FEMA-Obligated T&D Projects ⁶ | Total Projects | 428 | 406 HMP | Federal Share (90%) | Non-Federal Share (10%) |
| | 231 | \$2.0B | \$735M | \$2.4B | \$260M |

⁵ Estimated amounts are based on the most recent estimated project costs, which may have changed since the initial stages of the FAASt process and may result in a fluctuation of the estimated amounts quarter by quarter.

⁶ The long-lead materials and global A&E FAASt projects are not included.