

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

NEPR

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**IN RE: REVIEW OF LUMA’S INITIAL
BUDGETS**

CASE NO. NEPR-MI-2021-0004

**SUBJECT: Motion to Submit Quarterly Report for
the Second Quarter of Fiscal Year 2026**

**MOTION TO SUBMIT QUARTERLY REPORT FOR THE SECOND
QUARTER OF FISCAL YEAR 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:

1. On May 31, 2021, this honorable Puerto Rico Energy Bureau of the Public Service Regulatory Board (“Energy Bureau”) issued and published a Resolution and Order approving LUMA’s Initial Budgets (“May 31st Order”).

2. In the May 31st Order, the Energy Bureau listed certain “requirements for LUMA to fulfill during the Interim Period and going forward” including, among others, annual explanations of the differences between accounts, expenses and approved budgets and reporting on federal funding activity. *See* May 31st Resolution and Order, p. 36, paragraphs 1 through 4; *see also* Resolution and Order of July 16, 2021, p. 6 (modifying the federal funding reporting requirements stated in the May 31st Resolution and Order).

3. On February 27, 2023, this Energy Bureau issued a Resolution and Order whereby it approved the Fiscal Year 2023 Consolidated Budget certified by the Financial Oversight and

Management Board for Puerto Rico¹, required that the quarterly reports explain and justify variances, and included quarterly reporting requirements on actual expenditures and spending amounts for the quarter and year-to-date activities, information to assess outstanding balances, as well as information on actual load and sales (the “February 27th Order”). *See* February 27th Order, p. 28. Furthermore, this Energy Bureau required that LUMA submit quarterly information regarding the number of lineworkers and the number of lineworkers qualified to work on energized lines. *See* February 27th Order, p.14; *see also* June 25th Order, p. 33.

4. On June 25, 2023, this Energy Bureau issued a Resolution and Order approving LUMA’s Annual Budgets for Fiscal Year 2024 (the “June 25th Order”). The June 25th Order expanded the reporting requirements applicable to LUMA’s quarterly reports by requiring LUMA to include the following:

- i. Information on the status of funding, expenditures and progress of vegetation management work, *see* June 25th Order, p. 33;
- ii. A comprehensive explanation of variances in Vegetation Management expenditures, *see* June 25th Order, pp. 9, 33;
- iii. A comprehensive explanation of the miles and acres of vegetation cleared for each T&D voltage level for the year cumulatively, as well as for the applicable quarter, *Id.*²

5. On September 22, 2023, this Energy Bureau issued a Resolution and Order whereby it addressed, in relevant part, LUMA’s *Motion for Partial Reconsideration of Resolution and*

¹ The Fiscal Year 2023 Consolidated Budgets were certified by the Oversight Board pursuant to Section 202(e) of the Puerto Rico Oversight, Management and Economic Stability Act (“PROMESA”).

² Through the June 25th Order, the Energy Bureau also ordered LUMA to report on its progress in i) transforming the OMS to full functionality; and ii) achieving the ability of customers to contact a Customer Representative relative to non-emergency issues. *See* June 25th Order, p.16. Nonetheless, LUMA notes that this directive was limited to LUMA’s FY2024 Quarterly Reports.

Order of June 25, 2023 on Fiscal Year 2024 System Budgets and granted LUMA’s request for approval of the T&D Budget as submitted by LUMA on May 16, 2023 (“September 22nd Order”). Regarding quarterly reporting requirements, this Energy Bureau directed LUMA to submit information on the status of collection from pole (third-party) attachments, including amounts collected and how collected funds are accounted for in the budget. *See* September 22nd Order, p. 7.

6. On June 26, 2024, this Energy Bureau issued a Resolution and Order whereby it approved, albeit with several modifications, the FY2025 Proposed System Budgets filed by LUMA on May 25, 2024 (“June 26th Order”). Therein, the Energy Bureau ordered LUMA to provide “comprehensive monthly updates [regarding Vegetation Management], beginning August 1, 2024, using the Reporting Templates of Attachment G to this Resolution and Order.” *See* June 26th Order, p. 7.³ Moreover, through its June 26th Order, this Energy Bureau also directed LUMA to “provide, beginning with Q2 FY2025, quarterly reports” detailing the number of identified third-party attachments, amounts billed and collected for TPA rents, projected future TPA revenues, challenges faced in implementing the TPA management program and proposed solutions, and non-compliant attachers and actions taken to address non-compliance. *Id.* p. 9.

³ In response to a motion filed by LUMA on August 1, 2024, whereby LUMA requested the Energy Bureau adopt a quarterly reporting cadence for the referenced Vegetation Management Reports, this Energy Bureau reconsidered its June 26th directive and ordered LUMA to:

utilize the template contained in Attachment A included in this Resolution and Order for the quarterly Vegetation Management reporting. Reports are to be filed within 45 days after the end of each quarter, beginning with Q1 of FY2024. Reporting shall continue until further notice. The reports are to be filed in Case No. NEPR-MI-2019-0005. The Energy Bureau **RELIEVES** LUMA of its current format requirement to file quarterly, the Vegetation Clearing Report, in NEPR-MI-2019-0005.

See August 8, 2024 Resolution and Order, p. 3 (“August 8th Order”). Available at <https://energia.pr.gov/wp-content/uploads/sites/7/2024/08/20240808-MI20210004-Resolution-and-Order.pdf>

7. On June 20, 2025, the Energy Bureau issued a Resolution and Order establishing temporary default budgets for Fiscal Year 2026 (“FY2026 T&D Provisional Budget”) to ensure continuity of operations pending the outcome of the ongoing rate review under Case No. NEPR-AP-2023-0003, *In Re: Puerto Rico Electric Power Authority Rate Review* (“June 20th Order”). On October 10, 2025, LUMA moved to amend the FY2026 T&D Provisional Budget, requesting that the Energy Bureau recognize the amended FY2025 budget as the appropriate baseline for FY2026 allocations and authorize reallocations within the existing operating and non-federal capital budgets.⁴ On October 24, 2025, the Energy Bureau issued a Resolution and Order granting, in relevant part LUMA’s October 10th Motion (“October 24th Order”). The Bureau approved using the amended FY2025 budget as the baseline for LUMA’s FY2026 Provisional Budget, finding it better reflects current operational priorities, and confirmed that the amendment would not affect rates.

8. The June 20th Order, as amended by the October 24th Order, did not alter LUMA’s quarterly reporting requirements.

9. In compliance with the quarterly reporting requirements set forth in the above-referenced orders, LUMA hereby submits to the Energy Bureau, attached as *Exhibit 1*, its comprehensive Quarterly Report of Fiscal Year 2025, for the Second Quarter ending December 31, 2025 (“Q2 Report”). The Q2 Report also addresses the quarterly reporting requirement set in Case No. NEPR-MI-2020-0019, *In Re: Review of the Puerto Rico Electric Power Authority’s System Remediation Plan*, and will, therefore, be submitted in that proceeding as well.

⁴ See *Motion Submitting Amendment to Fiscal Year 2026 T&D Provisional Budget* (“October 10th Motion”).

10. The Q2 Report provides information on LUMA's T&D System expenditures, including expenditures for each of LUMA's Departments, as well as spending information per each of the Improvement Portfolios, with a breakdown of expenditures for the Operating Budget and each of the Capital Budgets. The Q2 Report includes expenditures information for Q2 as well as year-to-date variances from the approved budget. The Q2 Report includes detailed information on spending portfolios and explanations on updates of key projects.

11. The Q2 Report also includes the quarterly information on shared services, *see* Q2 Report, pp. 37-38, information on energy consumption and base revenues (load and sales forecasts), *see* Q2 Report, at p. 10, and information regarding third-party attachments, *see* Q2 Report, at pp.33-35 ^{5[OBJ]}

12. In compliance with the June 25th Order, the Q2 Report identifies variances in Vegetation Management expenditures. *See* Q2 Report, at pp. 29.

13. The Q2 Report also includes information on vegetation clearing by voltage level. *See* Q2 Report, at p. 30.⁶

14. In compliance with the February 27th Order and the June 25th Order, the Q2 Report also includes information on the number of lineworkers, the number of lineworkers qualified to work on energized lines, and an explanation of recruitment efforts. *See* Q2 Report, p. 14.

⁵ A portion of the information regarding third-party attachments provided by LUMA herein includes sensitive commercial information and thus, is being filed under seal of confidentiality. *See* Exhibit 1, Attachment 1 (Attachment 1_TPA Noncompliant attachers). LUMA is also submitting today, a redacted public version of said attachment. In compliance with the Energy Bureau's Policy on Management of Confidential Information, CEPR-MI-2016-0009, issued on August 31, 2016, as amended on September 21, 2016, under separate cover and expediently, within the next ten (10) days, LUMA will submit a memorandum of law in support of its request to file portions of said attachment, under seal of confidentiality.

⁶ LUMA hereby informs that it has also filed a report in Case No. NEPR-MI-2019-0005, *In Re: Revisión del Programa Comprehensivo de Manejo de Vegetación de la Autoridad de Energía Eléctrica*, in compliance with additional vegetation reporting requirements set out by this Energy Bureau in the June 26th Order, as amended by the August 8th Order.

15. Finally, LUMA is submitting as *Exhibit 2* of this Motion, the Budget to Actuals Report in Excel workbook format that LUMA shares quarterly with the Financial Oversight and Management Board for Puerto Rico.

16. The Q2 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") and will be submitted to the P3 Authority. *See* T&D OMA, Annex I, Section VI(B), paragraph (5).

WHEREFORE, LUMA respectfully requests that this honorable Energy Bureau **take notice** of the above regarding the filing of the Q2 Report; **accept** the attached *Exhibits 1 and 2*; and **deem** LUMA in compliance with the reporting requirements set forth in the aforementioned orders.

RESPECTFULLY SUBMITTED.

In Guaynabo, Puerto Rico, this 17th day of February, 2026.

WE HEREBY CERTIFY that this motion was filed using the electronic filing system of this Energy Bureau and that electronic copies of this motion will be notified to the Puerto Rico Electric Power Authority, through its attorneys of record: Richard Cruz-Franqui, rcruzfranqui@gmlex.net; Mirelis Valle-Cancel, mvalle@gmlex.net; and Natalia Zayas Godoy, nzayas@gmlex.net; and to Genera PR, LLC, through: Jorge Fernández-Reboredo, jfr@sbgblaw.com, Stephen Romero Valle, sromero@sbgblaw.com; Ricardo Pallens Cruz, ricardo.pallens@genera-pr.com; Ramón L. Ramos Aponte; ramon.ramos@jsyalaw.com; legal@genera-pr.com; and regulatory@genera-pr.com.



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Exhibit 1
Q2 Report
Supporting schedules to be submitted via email

Exhibit 2
Budget to Actuals worksheet to be submitted via email