

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

<b>NEPR</b>
<b>Received:</b>
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**IN RE:** PUERTO RICO ELECTRIC  
POWER AUTHORITY RATE REVIEW

**CASE NO.:** NEPR-AP-2023-0003

**SUBJECT:** LUMA’s Motion in Compliance  
with March 5<sup>th</sup> and March 10<sup>th</sup> Orders

**LUMA’S MOTION IN COMPLIANCE WITH MARCH 5<sup>TH</sup> AND MARCH 10<sup>TH</sup>  
ORDERS**

**TO THE HONORABLE PUERTO RICO ENERGY BUREAU, AND ITS HEARING  
EXAMINER, MR. SCOTT HEMPLING:**

**COME NOW LUMA Energy, LLC and LUMA Energy ServCo, LLC**, (jointly referred to as “LUMA”), and respectfully state and request the following:

1. On March 5, 2026, the Honorable Hearing Examiner, Mr. Scott Hempling, issued an *Order Requiring Confirmation of Annual Revenue Requirement and Submittal or Correction of Supporting Exhibits* (“March 5<sup>th</sup> Order”). Therein, the Hearing Examiner required LUMA to confirm or correct the Energy Bureau consultants’ understanding of the proposed Annual Revenue Requirement (ARR) and to update and refile revised revenue requirement schedules by March 9, 2026.

2. The March 5<sup>th</sup> Order arose from concerns that Exhibit 1106 did not fully incorporate Genera PR LLC (“Genera”)’s final revenue requirement (as reflected in Annex 3 to LUMA’s January 9<sup>th</sup> *Motion Submitting Revised Revenue Requirement*) and did not reflect the Puerto Rico Electric Power Authority (“PREPA”)’s February 23, 2026 filing.<sup>1</sup> The Hearing Examiner’s stated goals were to ensure an accurate presentation of the ARR that the Energy Bureau

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<sup>1</sup> See PREPA’s *Motion in Compliance with February 12, 2026, Hearing Examiner Order*, filed on February 23, 2026.

is legally bound to adjudicate in its final order, and to complete the evidentiary record with the documentary sources supporting that number.

3. On March 9, 2026, LUMA filed an *Urgent Motion for Extension of Time to Comply with March 5<sup>th</sup> Order*, seeking an extension of two (2) business days to comply with the March 5<sup>th</sup> Order's requirements.

4. On March 10, 2026, the Hearing Examiner issued an *Order Revising Deadline; Revising Procedure on Draft Rates* ("March 10<sup>th</sup> Order"), granting LUMA's requested extension. The March 10<sup>th</sup> Order directs LUMA to "focus on preparing a final, three-utility revenue requirement and supporting spreadsheets – one that incorporates the most recent information from Genera and PREPA."

5. In compliance with the March 5<sup>th</sup> Order, as adjusted by the March 10<sup>th</sup> Order, LUMA hereby files updated and revised Revenue Requirement Schedules that incorporate PREPA's February 23, 2026 filing, as well as Genera's final revenue requirement.<sup>2</sup>

6. Moreover, LUMA is filing an *Itemization of Revisions to March 5<sup>th</sup> Schedule*. See **Exhibit A** to this Motion.

7. LUMA hereby informs that, by tomorrow, it will submit clarifications and updates to the ARR figures contained in *LUMA's Revenue Requirement Brief*.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau and its Hearing Examiner **take notice** of the aforementioned; and **deem** LUMA in compliance with the March 5<sup>th</sup> Order, as adjusted by the March 10<sup>th</sup> Order.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 11<sup>th</sup> day of March, 2026.

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<sup>2</sup> Genera's revisions as set forth in Annex 3 to LUMA's January 9<sup>th</sup> *Motion Submitting Revised Revenue Requirement* are included in the revised Revenue Requirement Schedules submitted herewith.

**WE HEREBY CERTIFY** that this document was filed using the electronic filing system of this Energy Bureau and that electronic copies of this document will be served onto the following mailing list: mvalle@gmlex.net; alexis.rivera@prepa.pr.gov; jmartinez@gmlex.net; jgonzalez@gmlex.net; nzayas@gmlex.net; Gerard.Gil@ankura.com; Jorge.SanMiguel@ankura.com; Lucas.Porter@ankura.com; mdiconza@omm.com; golivera@omm.com; pfriedman@omm.com; msyassin@omm.com; regulatory@genera-pr.com; legal@genera-pr.com; mvazquez@vvlawpr.com; gvilanova@vvlawpr.com; dbilloch@vvlawpr.com; ratecase@genera-pr.com; jfr@sbgblaw.com; hriviera@jrsp.pr.gov; gerardo\_cosme@solartekpr.net; contratistas@jrsp.pr.gov; victorluisgonzalez@yahoo.com; Cfl@mcvpr.com; nancy@emmanuelli.law; jrinconlopez@guidehouse.com; Josh.Llamas@fticonsulting.com; Anu.Sen@fticonsulting.com; Ellen.Smith@fticonsulting.com; Intisarul.Islam@weil.com; alexis.ramsey@weil.com; kara.smith@weil.com; rafael.ortiz.mendoza@gmail.com; rolando@emmanuelli.law; monica@emmanuelli.law; cristian@emmanuelli.law; luis@emmanuelli.law; varoon.sachdev@whitecase.com; javrua@sesapr.org; agraitfe@agraitlawpr.com; jpouroman@outlook.com; epo@amgprlaw.com; loliver@amgprlaw.com; acasellas@amgprlaw.com; matt.barr@weil.com; Robert.berezin@weil.com; Gabriel.morgan@weil.com; corey.brady@weil.com; lindsay.greenbaum@analysisgroup.com; harrison.holtz@analysisgroup.com; charles.wu@analysisgroup.com; Brian.Gorin@analysisgroup.com; Bhumika.Sharma@analysisgroup.com; Rachel.Anderson@analysisgroup.com; lramos@ramoscruzlegal.com; tlauria@whitecase.com; gkurtz@whitecase.com; ccolumbres@whitecase.com; isaac.glassman@whitecase.com; tmacwright@whitecase.com; jcunningham@whitecase.com; mshepherd@whitecase.com; jgreen@whitecase.com; hburgos@cabprlaw.com; dperez@cabprlaw.com; howard.hawkins@cwt.com; mark.ellenberg@cwt.com; casey.servais@cwt.com; bill.natbony@cwt.com; zack.schrieber@cwt.com; thomas.curtin@cwt.com; escalera@reichardescalera.com; riverac@reichardescalera.com; susheelkirpalani@quinnemanuel.com; erickay@quinnemanuel.com; dmonserrate@msglawpr.com; fgierbolini@msglawpr.com; rschell@msglawpr.com; eric.brunstad@dechert.com; Stephen.zide@dechert.com; David.herman@dechert.com; Isaac.Stevens@dechert.com; James.Moser@dechert.com; michael.doluisio@dechert.com; Kayla.Yoon@dechert.com; mfb@tcm.law; lft@tcm.law; arosenberg@paulweiss.com; pbrachman@paulweiss.com; swintner@paulweiss.com; kzeituni@paulweiss.com; Julia@londoneconomics.com; Brian@londoneconomics.com; luke@londoneconomics.com; juan@londoneconomics.com; mmcgill@gibsondunn.com; LShelfer@gibsondunn.com; jcasillas@cstlawpr.com; jnieves@cstlawpr.com; pedrojimenez@paulhastings.com; ericstolze@paulhastings.com; arrivera@nuenergypr.com; apc@mcvpr.com; ramonluisnieves@rlnlegal.com; kbailey@acciongroup.com; shempling@scotthemplinglaw.com; rsmithla@aol.com; guy@maxetaenergy.com; jorge@maxetaenergy.com; rafael@maxetaenergy.com; dawn.bisdorf@gmail.com; msdady@gmail.com; mcranston29@gmail.com; ahopkins@synapse-energy.com; clane@synapse-energy.com; kbailey@acciongroup.com; zachary.ming@ethree.com; PREBconsultants@acciongroup.com; carl.pechman@keylogic.com; bernard.neenan@keylogic.com; tara.hamilton@ethree.com; aryeh.goldparker@ethree.com; roger@maxetaenergy.com; Shadi@acciongroup.com; MWhited@synapse-energy.com.



**DLA Piper (Puerto Rico) LLC**  
B-7 Tabonuco Street  
Suite 1501  
Guaynabo, Puerto Rico 00968  
Tel. 787-945-9122 / 9103  
Fax 939-697-6092 / 6063

*/s/ Margarita Mercado Echegaray*  
Margarita Mercado Echegaray  
RUA 16,266  
[margarita.mercado@us.dlapiper.com](mailto:margarita.mercado@us.dlapiper.com)

*/s/ Jan M. Albino López*  
Jan M. Albino López  
RUA 22,891  
[jan.albinolopez@us.dlapiper.com](mailto:jan.albinolopez@us.dlapiper.com)

*To be filed separately via email*  
[Revised Revenue Requirement Schedules]

***Exhibit A***  
***[Itemization of Revisions to March 5<sup>th</sup> Schedule]***

# Itemization of Revisions to March 5<sup>th</sup> Schedule

## NEPR-AP-2023-0003

On March 5, 2026, the Hearing Examiner issued an order *NEPR-AP-2023-0003 Hearing Examiner's Order Requiring Confirmation of Annual Revenue Requirement and Submittal or Correction of Supporting Exhibits*. Attached to this order was a spreadsheet (March 5 Schedule) which summarized the revenue requirement by entity and asking LUMA to review and confirm or correct. Included in the March 5 Schedule are **LUMA's Optimal Budget** (January 9 Filing), **Genera's Hybrid Budget** (January 9 Filing, Annex 3), and **PREPA's Update** (February 23 Filing).

## Impact to March 5 Schedule

It should be noted that LUMA's concerns about the March 5 Schedule (developed by PREB's consultants) relate primarily to corrections and redistributions of cost items within the same row. For clarity, a reconciliation of the revenue requirement in the March 5, 2026 R&O to the updated revenue requirement submitted in this March 11, 2026 filing is in Table 1, below. Table 1 shows adjustments of between only \$2 million and \$4 million across each of the three years in the Rate Period. These adjustments are limited to:

- Correcting for an omission in the March 5 spreadsheet (so that it matches the revenue requirement as filed January 9<sup>th</sup>), and
- Adjusting for a minor change to Bad Debt Expense, which is driven by the PREPA (Feb 23 submittal) and Genera (Jan 9 submittal, Annex 3) changes to the revenue requirement. Bad Debt Expense is a percentage of the total revenue requirement, so when the revenue requirement changes, so too will the Bad Debt Expense.

**Table 1 – Reconciliation of March 5 Revenue Requirement to March 11 Revenue Requirement**

		FY2026	FY2027	FY2028
March 5 R&O – Merged Petition	Subtotal Revenue Requirement <sup>1</sup>	5,575,395,555	5,865,648,608	5,976,864,867
	EE & DR Programs	75,359,172	103,320,048	116,574,280
	<b>Adjusted Total<sup>2</sup></b>	<b>5,650,655,127</b>	<b>5,968,968,656</b>	<b>6,093,439,147</b>
March 11 Filing –	Decrease in Bad Debt Expense	(4,917,863)	(2,417,308)	(1,985,007)

<sup>1</sup> This is the sum of cells F90:K90 (FY2026), M90:R90 (FY2027) and T90:Y90 (FY2028).

<sup>2</sup> This is the total petition, including LUMA's Optimal Budget, Genera's Hybrid (filed January 9 as *Annex 3*), and PREPA's February 23 update.

		FY2026	FY2027	FY2028
<i>Merged Petition - Revised</i>	Incorporation of Omitted Adjustments	8,750,000	5,866,071	4,375,000
	Decrease in 2% for Excess Expenditures	(49,800)	(286,214)	(385,992)
	<b>Total Revenue Requirement<sup>3</sup></b>	<b>5,654,437,465</b>	<b>5,972,827,634</b>	<b>6,095,443,148</b>

Please see the tab *Merged Petition – Revised* in the workbook *LUMA-Annex-1-Revenue Requirement Schedules-26.03.11* for the revised March 5 Schedule. LUMA has added a new column Z, *LUMA Notes*, which contains additional detail on each modified line. Further details on any modifications to the March 5 Schedule are detailed in the section below.

## Revisions to March 5 Schedule

Below is a list of changes made to the March 5 Schedule (see tab *Merged Petition – Revised* in revenue requirement workbook):

### Revenue Section

- Line No. 7 (Excel row 11): Formula omitted Line No.6 from the sum for each year.
  - Cells F11, M11, and T11 were updated to correct this formula
- Line No. 8 (Excel row 13): This row should also reflect an adjustment to *Other Income*, identified in the first update to the revenue requirement (August 28, 2025 filing, again in the November 11, 2025 filing and the January 9 filing).
  - Cells F13, M13, and T13 were updated to reflect this adjustment

### Expense Section

- Line No. 36 (Excel row 47): Columns G, N, and U of this row should reflect cumulative adjustments to *Technical and Professional Services*, filed as part of the August 28, 2025 filing, November 11, 2025 filing, and January 9 filing.
  - These amounts were included in PREB's original spreadsheet in what is now Line No. 70 (Excel row 89), but because they weren't incorporated into the expenses at the KOE level, PREB's calculation for the *2% for Excess Expenditures* missed this change.
- Lines No. 42 (Excel row 53) *PREPA Restructuring & Title III* costs: This row should reflect an adjustment to include LUMA's portion of these costs, which was identified in the August 28, 2025 filing, and again in the November 11, 2025 filing, and January 9 filing.
  - Cells G53, N53, and U53 were updated to reflect this adjustment

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<sup>3</sup> See Line No. 75, *Merged Petition - Revised*

- Line No. 43 (Excel row 54): *FOMB Advisor Costs allocated to PREPA* were moved to the *System Costs* column
  - LUMA's numbers do not match those submitted by PREPA in their working papers. LUMA used forecast estimates for these amounts received from the FOMB.
- Line No. 47 (Excel row 59): To facilitate a simpler buildup of Operating & Maintenance Expenditure subtotals in this worksheet, removed Fuel & Purchase Power (F&PP) costs from this subtotal. This amount is re-introduced into the *Total O&M Expenses* further down (Line No.71, Excel row 89).
- Line No. 51 (Excel row 66): Bad Debt Expense is calculated as 2.97% of the revenue requirement. See Table 1, above, for a breakdown of the changes. Bad Debt Expense has also been moved to the *System Costs* column, from the GridCo column.
- Line No. 52 (Excel row 67): Similar to Bad Debt Expense, 2% for Excess Expenditures is also driven by a calculation, this time involving LUMA's revenue requirement only. As described above (see *Line No. 36...*), this number differs slightly from PREB's calculation as the adjustment to Line No. 36 was not contemplated. Line No. 52 addresses this. See Table 1, above, for a breakdown of the changes.
- Line No. 54 (Excel row 70): Moved PREPA's pension costs from Holdco to Retireco, consistent with their working papers.
- Line No. 70 (Excel row 88): See Line No. 36... above. The amounts in this row were added to Line No. 36 and zeroed out here.
- Line No. 71 (Excel row 89): The formula for this row has been adjusted to bring in Fuel & Purchased Power costs, which were removed in Line No. 47, above. **This row reflects the full revenue requirement including Fuel & Purchased Power costs.**
- Lines No. 72 - 74 (Excel rows 91 - 93): These rows are added to back out the costs of pension, EE and DR programs, and Outage Event Reserve replenishment costs, which are funded by sources other than the base rate.
- Line No. 75 (Excel row 94): This row isolates the base rate funded revenue requirements for each of the entities.
- Line No. 76 (Excel row 96): This row mirrors Line No. 71, above, and represents the full revenue requirement including Fuel & Purchased Power costs.
- Line No. 77 (Excel row 97): This row adds System Costs to the costs isolated in Line No. 75, to show the **Full Total Base Rate AAR Petition.**