

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

NEPR Received: Mar 17, 2026 2:53 PM
--

IN RE: PUERTO RICO ELECTRIC
POWER AUTHORITY RATE REVIEW

CASE NO.: NEPR-AP-2023-0003

**SUBJECT: Motion Submitting Revised
Revenue Requirement Schedules and
Revised Portion of LUMA’s Revenue
Requirement Brief**

**MOTION SUBMITTING REVISED REVENUE REQUIREMENT SCHEDULES AND
REVISED PORTION OF LUMA’S REVENUE REQUIREMENT BRIEF**

**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 5th Order”). Therein, the Hearing Examiner required LUMA to confirm or correct the Puerto Rico 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. Following an extension granted by the Hearing Examiner,¹ LUMA filed *LUMA’s Motion in Compliance with March 5th and March 10th Orders*. Therein, LUMA filed revised Revenue Requirement Schedules that incorporated Genera PR LLC (“Genera”)’s final revenue requirement (as reflected in Annex 3 to LUMA’s January 9th *Motion Submitting Revised Revenue*

¹ See *Hearing Examiner’s Order Revising Deadline; Revising Procedure on Draft Rates*, issued on March 10, 2026 (“March 10th Order”).

Requirement), and PREPA's February 23, 2026 filing.² Moreover, LUMA informed it would be submitting clarifications and updates to the ARR figures contained in *LUMA's Revenue Requirement Brief*, filed on January 26, 2026.

3. On March 13, 2026, in response to inquiries by the Hearing Examiner, LUMA produced a revised version of the Revenue Requirement Schedules. For clarity of the record, LUMA hereby submits the revised Revenue Requirement Schedules that LUMA produced on March 13, 2026. See *Exhibit A*.

4. Furthermore, LUMA hereby submits a revised version of Section VI (titled "System Revenue Requirement"), at pages 113-116, of *LUMA's Revenue Requirement Brief*, filed on January 26, 2026, attached hereto as *Exhibit B*.

5. The revised Section VI reflects updated ARR figures consistent with the revised Revenue Requirement Schedules.

WHEREFORE, LUMA respectfully requests that the Energy Bureau and its Hearing Examiner **take notice** of the aforementioned.

RESPECTFULLY SUBMITTED.

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

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; hrivera@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;

² See *PREPA's Motion in Compliance with February 12, 2026, Hearing Examiner Order*, filed on February 23, 2026.

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

/s/ Jan M. Albino López
Jan M. Albino López
RUA 22,891
jan.albinolopez@us.dlapiper.com

Exhibit A
[Schedules filed separately via email]

Exhibit B
[Errata to LUMA's Revenue Requirement Brief]

VI. System Revenue Requirement

A. PREPA's Annual Revenue Requirement is required for the utility to provide service based on prudently incurred costs.

PREPA's Annual Revenue Requirement ("ARR") includes the base rate revenue requirements for Operating and Non-Federally-Funded Capital Expenditures of Genco (Genera), HydroCo (PREPA), and GridCo (LUMA), as well as the Operating Expenses of Holdco (PREPA). Nearly half of the total ARR reflects the costs of fuel and purchased power (FCA and power purchase cost adjustment "PPCA" riders). The ARR also includes costs funded by the riders, specifically those related to Energy Efficiency and Demand Response programs (funded by the EE and PPCA riders), as well as Pensions, Fuel Costs, and Outage Event Reserves for GridCo and Genco (Storm Rider). The base rate revenue requirement also reflects amounts for Operator Fees, Bad Debt Expenses, and Federal Funding Cost Share (Commonwealth Match Obligation). The total ARR is adjusted upward to include the costs of subsidies in the form of Contributions In Lieu of Taxes (CILT) and Subsidies, Public Lighting (Municipal), and other SUBA riders.

1. Optimal Revenue Requirement

PREPA's Optimal ARR is set forth on Schedule B-1-Optimal. PREPA's Optimal Total ARR for Test Year 2026, Adjusted to Match Pass-Through Revenue and Expenses, is \$5,653,219,732.¹ When the CILT and SUBA subsidy costs of \$279,076,694 are added, the total Optimal ARR is \$5,932,296,426.² The Total Optimal Base Rate ARR is \$3,141,247,260.³

¹ See updated B-1 OPTIMAL filed March 12, 2025 at Column J, Line No. 19.

² *Id.* at Column J, Line No. 19 plus Line No. 17.

³ *Id.* at Column J, Line No. 20. The Total Base Rate ARR includes everything except Fuel and Purchased Power costs and CILT and SUBA subsidies.

The major components of the Total Optimal ARR for FY2026 include the Total Optimal Base Rate ARR of approximately \$3.141B⁴ and Fuel and Purchased Power costs of approximately \$2.437B.⁵

PREPA's Optimal Total ARR for Test Year 2027, Adjusted to Match Pass-Through Revenue and Expenses, is \$5,971,609,901.⁶ When the CILT and SUBA subsidy costs of \$279,076,694 are added, the total Optimal ARR is \$6,250,686,595.⁷ The Total Optimal Base Rate ARR is \$3,504,479,835.⁸

The major components of the Total Optimal ARR for FY2027 include the Total Optimal Base Rate ARR of approximately \$3.504B⁹ and Fuel and Purchased Power costs of approximately \$2.364B.¹⁰

PREPA's Optimal Total ARR for Test Year 2028, Adjusted to Match Pass-Through Revenue and Expenses, is \$6,094,225,413.¹¹ When the CILT and SUBA subsidy costs of \$279,076,694 are added, the total Optimal ARR is \$6,373,302,107.¹² The Total Optimal Base Rate ARR is \$3,665,019,136.¹³

⁴ *Id.* The Total Optimal Base Rate ARR includes costs proposed to be funded through riders, including the Energy Efficiency and Demand Response program costs of approximately \$75.3M, the OERA costs of \$120M and \$30M and the Pension costs of approximately \$211.1M. This can be seen in Column J, Line 20.

⁵ *Id.* at Column J, Line 2.

⁶ *Id.* at Column P, Line No.19.

⁷ *Id.* at Column P, Line No. 17 plus Line 19.

⁸ *Id.* at Column P Line 20. The Total Base Rate ARR includes everything except Fuel and Purchased Power costs and CILT and SUBA subsidies.

⁹ *Id.* The Total Optimal Base Rate ARR includes costs proposed to be funded through riders, including the Energy Efficiency and Demand Response program costs of approximately \$103.3M, the OERA costs of \$120M and \$30M and the Pension costs of approximately \$307.4M. This can be seen in Column P, Line 20.

¹⁰ *Id.* at Column P, Line 2.

¹¹ *Id.* at Column V, Line 15.

¹² *Id.* at Column V, Line 19.

¹³ *Id.* at Column V, Line 20. The Total Base Rate ARR includes everything except Fuel and Purchased Power costs and CILT and SUBA subsidies.

The major components of the Total Optimal ARR for FY2028 include the Total Optimal Base Rate ARR of approximately \$3.665B¹⁴ and the Fuel and Purchased Power costs of approximately \$2.313B.¹⁵

2. Constrained Revenue Requirement

PREPA's Constrained ARR is set forth on Schedule B-1 Constrained. PREPA's Constrained Total ARR for Test Year 2026, Adjusted to Match Pass-Through Revenue and Expenses, is \$5,211,206,731.¹⁶ When the CILT and SUBA subsidy costs of \$279,076,694 are added, the total Constrained ARR is \$5,490,283,425.¹⁷ The Total Constrained Base Rate ARR is \$2,699,234,259.¹⁸

The major components of the Constrained Total ARR for FY2026 include the Total Constrained Base Rate ARR of approximately \$2.699B¹⁹ and the Fuel and Purchased Power costs of approximately \$2.437B.²⁰

PREPA's Constrained Total ARR for Test Year 2027, Adjusted to Match Pass-Through Revenue and Expenses, is \$5,447,266,536.²¹ When the CILT and SUBA subsidy costs of \$279,076,694 are added, the total Constrained ARR is \$5,726,343,230.²² The Total Constrained Base Rate ARR is \$2,980,136,469.²³

¹⁴ *Id.* The Total Optimal Base Rate ARR includes costs proposed to be funded through riders, including the Energy Efficiency and Demand Response program costs of approximately \$116.6M, the OERA costs of \$30M and the Pension costs of approximately \$307.2M. This can be seen in Column V, Line 20.

¹⁵ *Id.* at Column V, Line 2.

¹⁶ See updated B-1 CONSTRAINED filed March 12, 2025 at Column J, Line No. 19.

¹⁷ *Id.* at Column J, Line No. 17 plus Line 19.

¹⁸ *Id.* at Column J, Line No. 20. The Total Base Rate ARR includes everything except Fuel and Purchased Power costs and CILT and SUBA subsidies.

¹⁹ *Id.* The Total Constrained Base Rate ARR includes other costs proposed to be funded through riders, including the Energy Efficiency and Demand Response program costs of approximately \$75.3M, the OERA costs of \$120M and \$30M and the Pension costs of approximately \$211.1M. This can be seen in Column J, Line 20.

²⁰ *Id.* at Column J, Line No. 2.

²¹ *Id.* at Column P, Line No. 19.

²² *Id.* at Column P, Line No. 17 plus No. 19.

²³ *Id.* at Column P, Line No. 20. The Total Base Rate ARR includes everything except Fuel and Purchased Power costs and CILT and SUBA subsidies.

The major components of the Constrained Total ARR for FY2027 include the Total Constrained Base Rate ARR of approximately \$2.980B²⁴ and the Fuel and Purchased Power costs of approximately \$2.364B.²⁵

PREPA's Constrained Total ARR for Test Year 2028, Adjusted to Match Pass-Through Revenue and Expenses, is \$5,516,430,189.²⁶ When the CILT and SUBA subsidy costs of \$279,076,694 are added, the Total Constrained ARR is \$5,795,506,883.²⁷ The Total Constrained Base Rate ARR is \$3,087,223,912.²⁸

The major components of the Total Constrained ARR for FY2028 include the Total Constrained Base Rate ARR of approximately \$3.087B²⁹ and the Fuel and Purchased Power costs of approximately \$2.313B.³⁰

Genera has also set forth a hybrid approach. The impacts of Genera's hybrid approach are set forth in Exhibit 1106, Annex 3, Updated Final Revenue Requirement.xlsx.

LUMA notes that it plans to update the revenue requirement to add additional revenue to cover expenses to respond to class action lawsuits and other lawsuits that have been filed in the wake of the recent court decision finding that LUMA's liability waiver is not constitutional. Exhibit 1062 (estimating one-time costs of \$400,000 process claim intake development and implementation costs, and estimated annual costs of \$1,159,475, and explaining that LUMA cannot currently quantify insurance costs and potential compensation payouts).

²⁴ *Id.* The Total Constrained Base Rate ARR also includes other costs proposed to be funded through riders, including the Energy Efficiency and Demand Response program costs of approximately \$103.3M, the OERA costs of \$120M and \$30M and the Pension costs of approximately \$307.4M. This can be seen in Column P, Line 20.

²⁵ *Id.* at Column P, Line No. 2.

²⁶ *Id.* at Column V, Line No.19.

²⁷ *Id.* at Column V, Line No. 17 plus No.19.

²⁸ *Id.* at Column V, Line No. 20. The Total Base Rate ARR includes everything except Fuel and Purchased Power costs and CILT and SUBA subsidies.

²⁹ *Id.* The Total Constrained Base Rate ARR also includes other costs proposed to be funded through riders, including the Energy Efficiency and Demand Response program costs of approximately \$116.6M, the OERA costs of \$30M and the Pension costs of approximately \$307.2M. This can be seen in Column V, Line 20.

³⁰ *Id.* at Column V, Line No. 2.