

Rate Review

[REDACTED]

Are those accurate references for the February 28, 2026 fuel oil inventory reconciliation? If not, please provide accurate references.

- h. Should the "Data Reference" information be updated each time the fuel oil inventory is reconciled to the actual physical inventory quantities? If not, please explain.

RESPONSE

In accordance with the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement (T&D OMA), LUMA, as the T&D Operator,¹ is tasked with acting as agent of the Puerto Rico Electric Power Authority (PREPA) to, among other matters, represent PREPA before the Puerto Rico Energy Bureau (PREB) with respect to any matter related to the performance of any of the operation and maintenance (O&M) Services provided by Operator under the T&D OMA and prepare all related filings and other submissions before PREB.²

The Puerto Rico PREPA-GenCo-HydroCo Operating Agreement³ (PGHOA) further provides guidance on how fuel inventories and pricing information is shared between the T&D Operator and the PREPA GenCo LLC (GenCo) Operator. Sec. 3.5(c)(iii) provides that "GenCo and GenCo Operator shall prepare and submit to T&D Operator such information and documents as T&D Operator may reasonably request in order for T&D Operator to comply with PREB rate filing requirements, including pricing information and fuel inventory. GenCo and GenCo Operator shall provide such documents and information to T&D Operator at such times as such Parties may mutually agree, but in no event later than seven (7) Business Days prior to the time T&D Operator is required to file such documents or information with PREB." ⁴

Per the Resolution and Order entered by PREB on December 19, 2025 (December 19 Order), the submission of the quarterly reconciliation and proposed factors for the relevant period was due on March 16, 2026 at noon.⁵ Thus, pursuant to the December 19 Order and the PGHOA, the fuel costs and inventory information was due on Thursday, March 5, 2026 at 12:00 PM. GenCo Operator submitted the final February 2026 fuel purchases report and fuel inventory weighted average price report (referred to as the "Precio Ponderado Analysis") on March 6, 2026, and the projected fuel costs on March 10, 2026. Therefore, all the information that LUMA presented in the March 16 Submission is based on the information submitted on March 6 and 10, 2026. Since then and up to the submission of this report, LUMA has not received any

¹ Pursuant to the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement (T&D OMA) executed on June 22, 2020, among the Puerto Rico Electric Power Authority (PREPA), the Puerto Rico Public-Private Partnerships Authority (P3A) and LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, LUMA).

² T&D OMA, Sec. 5.1.

³ The Puerto Rico PREPA-GenCo-HydroCo Operating Agreement (PGHOA) executed on June 19, 2023, by and among the PREPA, PREPA GenCo LLC (GenCo), PREPA HydroCo LLC (HydroCo), LUMA Energy ServCo, LLC (LUMA), and the Puerto Rico Public-Private Partnerships Authority (P3A).

⁴ The Puerto Rico PREPA-GenCo-HydroCo Operating Agreement (PGHOA) executed on June 19, 2023, by and among the Puerto Rico Electric Power Authority (PREPA), PREPA GenCo LLC (GenCo), PREPA HydroCo LLC (HydroCo), LUMA Energy ServCo, LLC (LUMA), and the P3A.

⁵ Resolution and Order of December 19, 2025, Docket No. NEPR-MI-2020-0001.

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request from the GenCo Operator to amend, change or supplement the information that had been submitted on March 6 and 10, 2026 for purposes of the quarterly reconciliation and factors calculation.

Regarding the files and information submitted to the PREB for the quarterly reconciliation and proposed factors, LUMA is responsible for performing the reconciliation of fuel and purchased power costs and calculating the proposed factors for the next quarter using (i) fuel cost and inventory information provided by the GenCo Operator, (ii) unit availability forecasts provided by the GenCo Operator and Independent Power Producers, and (iii) LUMA's dispatch forecast prepared using those inputs and recorded and data driven unit performance. Nonetheless, LUMA's role in preparing the reconciliation and proposed factors does not, by itself, establish responsibility for the underlying fuel inventory and fuel cost data provided by other parties, including the GenCo Operator. In summary, the fuel costs and inventories are forwarded to PREB, either by using the data as input for calculations, forwarding, or transmitting reports and data sheets as received, without modifications of the underlying source data.

For example, for this filing, LUMA included as part of the record and forwarded (sent on, passed along, redirected, transmitted) PREB materials that were provided by the GenCo Operator, including the following:

- All documents included in the Public Folder\Inventory (Fuel) - February 28, 2026
- The Confidential Folder\Precio Ponderado Analisis _ 2026.2.28.xlsx

LUMA also prepared certain workpapers and calculation files to support the quarterly reconciliation and proposed factors, including:

1. FAC-PPAC Reconciliation Dec25-Jan-Feb26.xlsx

Nonetheless, the following tabs were copied and pasted directly from the GenCo Operator supplied report:

- FUELREP DEC25 BUSQUEDA
- FUEL REP DEC25 REPORTE
- FUELREP DEC25 Consumo Generación
- FUELREP JAN26 BUSQUEDA
- FUEL REP JAN26 REPORTE
- FUELREP JAN26 Consumo Generación
- FUELREP FEB26 BUSQUEDA
- FUEL REP FEB26 REPORTE
- FUELREP FEB26 Consumo Generación

2. Apr_Jun_2026_Proposed_Factors.xlsx

This worksheet includes outputs produced through formulas (verifiable in the working documents shared by LUMA) that incorporate data shared, produced and controlled by the GenCo Operator. For example, Attachment 3 FCA reflects outputs of the dispatch model that incorporates unit

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availability information controlled and provided by the GenCo Operator and Independent Power Producers, fuel cost information controlled and provided by the GenCo Operator, as well as, generation unit performance data.

During the March 25, 2026 Conference, the PREB discussed information contained in the Confidential Folder\Precio Ponderado Analisis_2026.2.28.xlsx report (“Precio Ponderado Report”). With respect to that report, LUMA reiterates that the Precio Ponderado Report was not prepared by LUMA, as stated in the March 25 Conference. Although for previous periods, LUMA prepared the Precio Ponderado Report utilizing the model, approach, formulas, and methodology approved by the PREB via its March 2021 Resolution and Order,⁶ the preparation of this report was made solely in accordance and in alignment with the terms of the then existing finance support services of the Shared Services Agreement. Importantly, the Shared Services Agreement finance support services, which included the preparation of the Precio Ponderado Report, expired on February 28, 2025; therefore, LUMA no longer is preparing, nor is it responsible for, producing the report.

Finally, LUMA notes that it has coordinated with Genera PR LLC, (Genera) in its capacity as the GenCo Operator, regarding continuity of processes and information flows relevant to regulatory submissions. This coordination has included knowledge transfer efforts, including engagement with personnel identified by the GenCo Operator for the 11 months following the end of Shared Services Agreement.

Because the subset of questions posed by the PREB under Item 2.1 is premised on the confidential spreadsheet Precio Ponderado Analisis _ 2026.2.28.xlsx, LUMA cannot meaningfully respond. LUMA did not compile or verify the underlying data reflected in that spreadsheet, nor did it prepare the spreadsheet. Rather, the spreadsheet was provided to LUMA by Genera and was submitted only as part of the materials LUMA received from Genera.

Furthermore, LUMA has not addressed items 2.2 and 2.3 because Genera has submitted answers to these questions. Nonetheless, the explanation provided above is equally applicable to those questions.

⁶ [20210331-MI20200001-RO-Factores-Apr-Jun-2021.pdf](#)