

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

NEPR
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IN RE:

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

CASE NO. NEPR-MI-2021-0002

**SUBJECT: Informative Motion on the Status of
SOW: 4 x 25 MW BESS Interconnections at
LUMA 38kV System (March 2026)**

**INFORMATIVE MOTION ON THE STATUS OF SOW: 4 X 25 MW BESS
INTERCONNECTIONS AT LUMA 38KV SYSTEM (MARCH 2026)**

TO THE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC, and LUMA Energy ServCo, LLC, (jointly referred to as "LUMA"), through the undersigned legal counsel and respectfully submit the following:

I. Relevant Procedural Background

1. On March 26, 2021, this Honorable Puerto Rico Energy Bureau ("Energy Bureau") issued a Resolution and Order in the instant proceeding, ordering, in pertinent part, that the Puerto Rico Electric Power Authority ("PREPA") submit to the Energy Bureau the specific projects to be funded with Federal Emergency Management Agency ("FEMA") funds or any other federal funds at least thirty (30) calendar days prior to submitting these projects to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency ("COR3"), FEMA or any other federal agency ("March 26th Order"). It also directed PREPA to continue reporting to the Energy Bureau and FEMA within the next five years, the progress of all ongoing efforts related to the approval of the submitted projects not yet approved by the Energy Bureau. This Energy Bureau thereafter determined that this directive applied to PREPA and LUMA. *See* Resolution and Order of August 20, 2021.

2. On August 25, 2023, LUMA filed a *Motion Submitting One Scope of Work, Request for Confidentiality, and Supporting Memorandum of Law* (“August 25th Motion”). Therein, LUMA submitted the scope of work (“SOW”) for the “4 x 25 MW BESS Interconnections at LUMA 38kV System” transmission and distribution project (“4 x 25 MW BESS T&D Project”), for the Energy Bureau’s review and approval before submitting it to COR3 and FEMA.

3. On August 30, 2023, the Energy Bureau entered a Resolution and Order (“August 30th Order”) in which it approved the 4 x 25 MW BESS Project SOW, determining that this project was necessary to improve the system’s reliability.

4. Then, on January 3, 2025, the Energy Bureau entered a Resolution and Order (“January 3rd Order”) in which it ordered LUMA “to inform, on or before January 9, 2025, the status of the approval process, the actual contracted cost to construct, and the status of the [4 x 25 MW BESS Project].” *See* January 3rd Order, p.2.

5. On January 9, 2025, LUMA filed its *Informative Motion on the Status of SOW: 4 x 25 MW BESS Interconnections at LUMA 38kV System* to comply with the January 3rd Order.

6. On January 14, 2025, the Energy Bureau issued a Resolution and Order whereby it ordered LUMA to file a status report of the 4 x 25 MW BESS Project until its June 2025 completion date (“January 14th Order”). *See* January 14th Order, p. 2. The Energy Bureau directed that the status report include:

- i) The locations of the twenty (20) sites studied;
- ii) The final four selected sites;
- iii) The cost to complete the studies of the twenty sites.
- iv) Indicate the funds utilized to pay for these studies and the amount spent to date.
- v) The reimbursement status of these funds, or if they were advanced by FEMA
- vi) The [Detailed SOW (“DSOW”)] presented to FEMA and COR3;
- vii) The ROI and LUMA responses to such ROI requested by FEMA and COR3;

- viii) The FAASSt number for the project; and
- ix) An updated cost estimate based on the DSOW.

See Id.

7. In compliance with the January 14th Order, LUMA hereby submits its monthly status report as *Exhibit 1* to this Motion.

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 Guaynabo, Puerto Rico, on the 27th day of March 2026.



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Exhibit 1

*4x25 MW BESS Interconnections at LUMA 38 kV System Project Monthly Status Report
(March 2026)*

4x25 MW BESS Interconnections at LUMA 38 kV System Project

Monthly Status Report

March 27, 2026

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1.0 Introduction

In accordance with the Resolution and Order (R&O) dated January 14, 2025, issued by the Puerto Rico Energy Bureau (Energy Bureau) in Case No.: NEPR-MI-2021-0002 *In Re: Review of the Puerto Rico Power Authority's 10-Year Infrastructure Plan – December 2020*, LUMA is required to provide a monthly report regarding the 4x25 MW BESS Interconnections at the LUMA 38 kV project. This report focuses on the key activities and progress achieved by LUMA in the past 30 days for the Battery Energy Storage Systems (BESS or collectively as the “Project”) approved by the Energy Bureau in its Resolution dated August 30, 2023 (“August 30th Resolution”).

In addition, as established in the Energy Bureau’s February 5, 2026, Resolution and Order (“February 5th Resolution”) and the administrative refinement issued on February 11, 2026 (“February 11th Resolution”), LUMA continues to wait for the Puerto Rico Energy Power Authority’s (PREPA) modification of the Consolidated Project List which is required before reactivation of the Battery Energy Storage System projects. PREPA has not yet complied with the February 11th Resolution, the four projects remain inactive pending PREPA action.

2.0 Monthly Status Update

2.1 Detailed Scope of Work

LUMA remains committed to maintaining close coordination with the Energy Bureau, the Central Office for Recovery, Reconstruction and Resilience (COR3), PREPA, and the Federal Emergency Management Agency (FEMA) to ensure the BESS projects are prioritized and effectively incorporated into the Consolidated Project List. This coordination is essential to maintaining alignment among all key stakeholders and supporting the advancement of the FEMA Section 406 Hazard Mitigation (Section 406) proposal. To guide the next phases of review and submission, LUMA has established the following critical steps:

1. Ongoing Final Review by PREPA and COR3

Status: In Progress

LUMA continues to develop, in collaboration with subject matter experts, a strategy that addresses FEMA’s generation-related eligibility concerns. Several meetings were held in February and March 2026 by LUMA’s Grants Management team and, Renewables Integration team to advance this effort. These discussions and engagements remain ongoing.

LUMA is currently revising the BESS Hazard Mitigation (HM) justification to incorporate stakeholder feedback and ensure compliance with regulatory and funding requirements. LUMA’s subject matter experts are actively preparing HM documentation as part of this ongoing effort.

2. Integration of Stakeholder Feedback and Final Internal Review

Status: Pending

LUMA has incorporated the relevant feedback from PREPA and COR3 into the updated BESS narrative. The revised document will undergo internal review to confirm alignment with resilience

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objectives and FEMA's Section 406 criteria. Once the document is presented to PREPA, any additional improvements or recommendations will be addressed before formally submitting it to COR3 and FEMA.

3. Submission of FEMA Section 406 Justification

Status: Pending

Upon completion of internal and stakeholder reviews, LUMA will submit the finalized BESS Hazard Mitigation justification to FEMA for formal evaluation. The submission will include all necessary supporting documentation to ensure compliance with FEMA's Section 406 requirements and to facilitate an efficient review process.

2.2 Procurement

Since the BESS projects have been placed as "Process Discontinued", the procurement process is on hold until the projects are included in the Consolidated Project FAASSt List and activated in the Grants Portal. LUMA's Grants Management team updated the Section 406 narrative to ensure PREPA, COR3, and FEMA are aligned, allowing the BESS projects to be placed in the priority list and continue procurement efforts. LUMA continues to monitor FEMA reactivation status and will initiate procurement activities promptly once activation is authorized on the FEMA Accelerated Awards Strategy (FAASSt) List and the Grants Portal.

2.3 Design Status

The Preliminary Design has been completed. The selected vendor will manage the Detailed Design through a competitive procurement process. Design assumptions have been updated to reflect the latest guidance from PREPA, COR3, and FEMA, ensuring that the selected vendor will be able to develop a compliant and technically robust Detailed Design.

2.4 Project Schedule

The project schedule has been affected by the designation of the BESS projects as "Process Discontinued" in the FEMA Grants Portal. Once the projects are activated in the Grants Portal, LUMA will issue an updated schedule reflecting revised milestones and dependencies. Progress on the schedule remains contingent upon the inclusion of the projects in the Consolidated Project Priority List, which would allow LUMA to advance to subsequent phases.

- Procurement: To be determined (TBD)
- Construction Start: TBD
- Commissioning: TBD

3.0 Project Status

3.1 Project Reactivation

In accordance with the February 5th and February 11th Resolutions, LUMA is awaiting PREPA's modification of the Consolidated Project List to move forward with the reactivation of the BESS Project. As of this reporting period, PREPA has not complied with the February 11th Order, and therefore all four projects remain inactive. LUMA continues to monitor this requirement closely and is prepared to resume project activities once the necessary updates are completed.

3.2 Selected Sites

PREB previously approved \$4 million to support land acquisition activities for the BESS projects. However, due to the current "Process Discontinued" status of these projects in the FEMA Grants Portal, Due Diligence activities are temporarily on hold. Given that the projects remain inactive and LUMA cannot advance with land acquisition at this stage, we have requested through a budget amendment petition filed on March 25, 2026 as part of Case No.: NEPR-MI-2021-004 that the monies originally allocated for land purchase for FY2026 be reallocated and reinvested into the T&D System.

Specifically, the Phase 1 Environmental Site Assessment (ESA) — a critical step in the land acquisition process — cannot proceed until the BESS projects are reinstated on FEMA's Tier 1 list and reactivated in the Grants Portal. LUMA continues to monitor the status of the FEMA reactivation requirement to ensure that land acquisition activities, other than the purchase of the land, can resume promptly once authorization is granted.

Next steps and estimated timeline (Pending FEMA reactivation):

Table 1. Land Acquisition Milestones and Estimated Timeline

Milestone	Estimated Duration	Projected Completion
FEMA Tier 1 Inclusion & Grants Portal Activation	Several weeks	March (Pending PREPA)
Phase 1 ESA Initiation	2 Months	+2 Months from Activation
Land Appraisal & Due Diligence	1-2 Months	+3-4 Months
Negotiation & Legal Review	6-7 Months	+10-11 Months
Closing & Title Transfer	1 Month	+12 Months

3.3 Reimbursement Status

The reimbursement process is on hold; no reimbursement is available since the project has been placed in the FEMA Grants Portal as "Process Discontinued". Consequently, no new reimbursement requests can be initiated at this time. Presented below are the reimbursements that were received prior to the project's change in status.

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Table 2. Reimbursement Received

Project Title	Reimbursement Received
FAASt [4 x 25 MW BESS Interconnections on LUMA System] (Substation)	\$132,861.59
FAASt [4 x 25 MW BESS Interconnections Manatí] (Substation)	\$8,027.34
FAASt [4 x 25 MW BESS Interconnections Aguadilla TC] (Substation)	\$161,797.74
FAASt [4 x 25 MW BESS Interconnections Monacillos TC] (Substation)	\$47,355.27

3.4 Requests for Information

LUMA presented the document with the Section 406 Hazard Mitigation justification to PREPA and COR3 for review by November 2025, before submitting it to FEMA. The response to FEMA's request for information (RFI) is expected to be submitted in 2026 after the alignment mentioned in Section 2.1 of this document is completed.

3.5 FAASt Number

As indicated in Section 3.1 above, LUMA has identified four areas where it intends to site the projects. The FEMA FAASt numbers for the four BESS projects are:

Table 3. FAASt Number

Project Title	FEMA FAASt #
FAASt [4 x 25 MW BESS Interconnections Barceloneta] (Substation)	738671(Inactive)
FAASt [4 x 25 MW BESS Interconnections Manatí] (Substation)	752972 (Inactive)
FAASt [4 x 25 MW BESS Interconnections Aguadilla TC] (Substation)	750502 (Inactive)
FAASt [4 x 25 MW BESS Interconnections Monacillos TC] (Substation)	750503 (Inactive)

3.6 Updated Project Cost

The following table contains an updated cost estimate based on the Barceloneta, Manatí, Aguadilla, and San Juan Detailed Scopes of Work (DSOWs) submitted to FEMA.

Table 4. Class 3 Cost Estimate

Project Title	Class 3 Cost Estimate (\$)
FAASt [4 x 25 MW BESS Interconnections Barceloneta] (Substation)	\$55,941,767
FAASt [4 x 25 MW BESS Interconnections Manatí] (Substation)	\$57,640,005
FAASt [4 x 25 MW BESS Interconnections Aguadilla TC] (Substation)	\$52,720,520
FAASt [4 x 25 MW BESS Interconnections Monacillos TC] (Substation)	\$55,503,065