



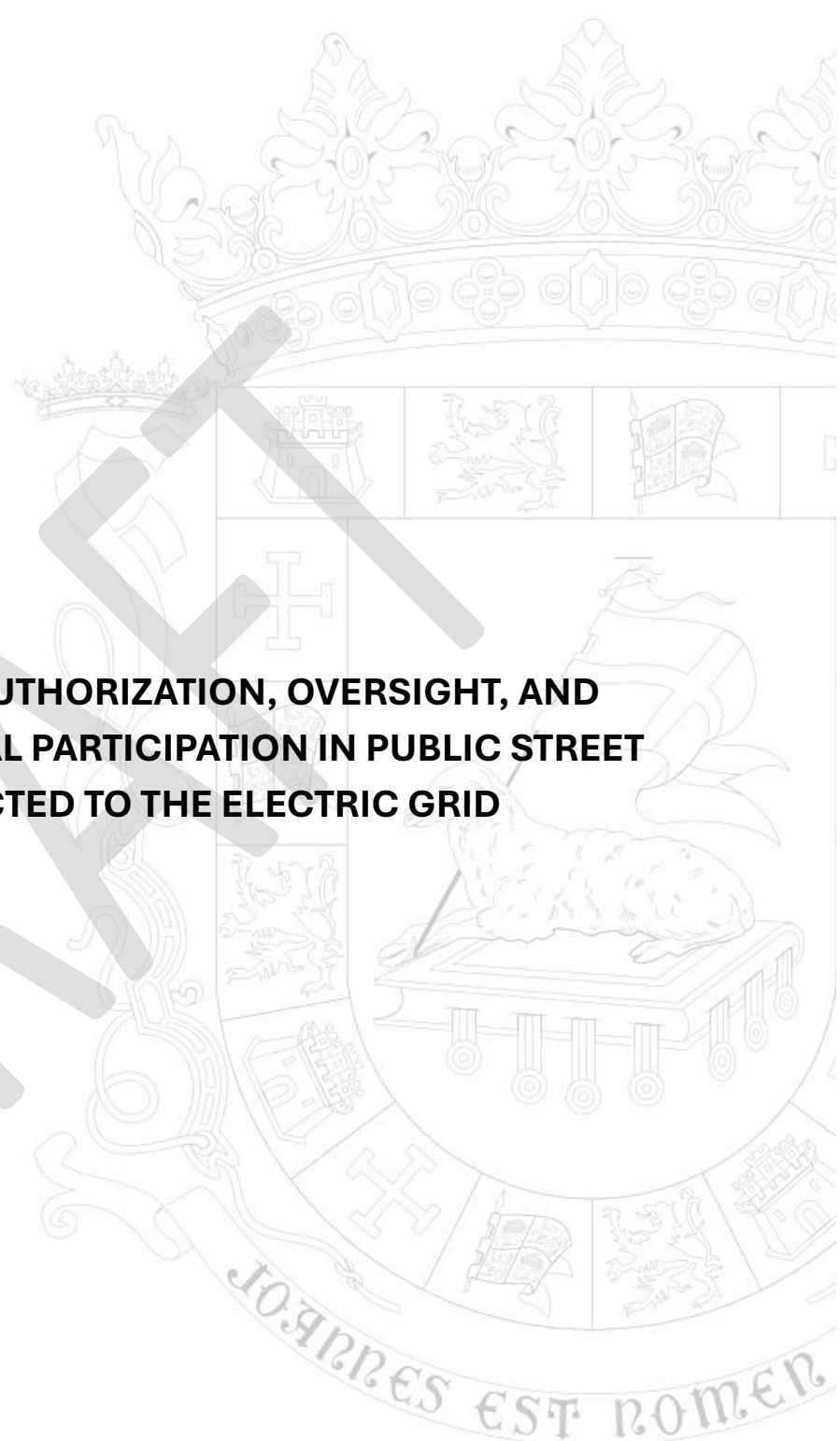
JUNTA REGLAMENTADORA DE
**SERVICIO
PÚBLICO**

NEGOCIADO DE ENERGÍA

GOBIERNO DE PUERTO RICO

**REGULATION FOR THE AUTHORIZATION, OVERSIGHT, AND
REGULATION OF MUNICIPAL PARTICIPATION IN PUBLIC STREET
LIGHTING CONNECTED TO THE ELECTRIC GRID**

DRAFT



JOHANNES EST NOME



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CHAPTER I – INTRODUCTORY PROVISIONS

Section 1.1 – Title

This regulatory document shall be known as the “Regulation for the Authorization, Oversight, and Regulation of Municipal Participation in Public Street Lighting Connected to the Electric Grid”.

Section 1.2 – Legal Authority

This Regulation is promulgated pursuant to the authority granted under Act No. 57-2014, as amended, known as the *Puerto Rico Energy Transformation and RELIEF Act*; Act No. 120-2018, as amended, known as the *Puerto Rico Electric System Transformation Act*; and Act No. 38-2017, as amended, known as the *Uniform Administrative Procedure Act of the Government of Puerto Rico*.

Additionally, this Regulation is adopted in accordance with the provisions of the *Transmission and Distribution System Operation and Maintenance Agreement*, executed by and among the Puerto Rico Electric Power Authority, the Puerto Rico Public-Private Partnerships Authority, and LUMA Energy, LLC, or any other entity that may execute an agreement of a similar nature in the future, pursuant to which the system operator is entrusted with the operation and maintenance of Puerto Rico’s electric transmission and distribution grid. This Regulation is further adopted taking into consideration the technical manuals and operational standards governing the design, installation, maintenance, and operation of the electric transmission and distribution grid.

Section 1.3 – Purpose and Executive Summary

It is the public policy of the Puerto Rico Energy Bureau to promote the reliability, resilience, safety, and efficient operation of Puerto Rico’s electric grid, while recognizing the importance of public street lighting as an essential component of public safety, urban mobility, and quality of life, in furtherance of the Government of Puerto Rico’s energy policy.

To that end, the Energy Bureau recognizes that municipalities may play a collaborative role in the repair, maintenance, and modernization of public street lighting systems within their respective jurisdictions. However, such participation must be carried out in a manner consistent with the safe and reliable operation of the electric grid, while

preserving the operational responsibilities delegated to the system operator and the regulatory jurisdiction of the Energy Bureau.

Accordingly, any municipal intervention involving public street lighting systems connected to the electric grid must be conducted in compliance with applicable technical standards, operational manuals governing the transmission and distribution grid, and the provisions of this Regulation.

Therefore, the purpose of this Regulation is to establish a uniform regulatory framework governing the execution, authorization, oversight, and supervision of collaboration agreements between municipalities and the system operator related to the repair, maintenance, installation, or modernization of public street lighting systems connected to the electric grid. This Regulation further seeks to:

1. Ensure that any municipal intervention in public street lighting systems connected to the electric grid is conducted in a manner consistent with the safety, reliability, and operational integrity of Puerto Rico's electric grid.
2. Establish uniform criteria defining the permissible scope of municipal interventions in street lighting infrastructure.
3. Ensure compliance with the technical standards applicable to the electric transmission and distribution grid.
4. Establish effective coordination mechanisms between municipalities, the system operator, and the Energy Bureau.
5. Establish requirements for oversight, certification, liability, and safety applicable to municipal interventions in public street lighting infrastructure.

Section 1.4 – Cost-Benefit Analysis

The Puerto Rico Energy Bureau certifies that the adoption and implementation of this Regulation does not create significant additional expenditures nor impose an adverse fiscal impact on the Energy Bureau, the Government of Puerto Rico, or the general public.

This certification is based on the fact that this Regulation does not establish new public spending programs nor impose additional direct financial obligations on the Government. Instead, it provides a uniform regulatory framework for the authorization, oversight, and supervision of agreements between municipalities and the system operator in connection with public street lighting activities.

Furthermore, this Regulation promotes the more efficient use of existing resources by enabling municipalities to participate in a structured and regulated manner in the repair, maintenance, and installation of public street lighting systems, which may contribute to expediting repairs and reducing operational delays without compromising the safety or reliability of the electric grid.

From a cost-benefit perspective, the Energy Bureau determines that the adoption of this Regulation provides substantial benefits, including:

1. The implementation of clear and uniform criteria governing municipal participation in activities related to public street lighting connected to the electric grid.
2. The reduction of operational risks through the mandatory application of technical standards and safety procedures.
3. Strengthened coordination among municipalities, the system operator, and the Energy Bureau.
4. Protection of the integrity, reliability, and resilience of the electric grid as critical infrastructure.
5. Increased efficiency in the execution of public street lighting work, particularly in emergency situations or during periods of high demand for repairs.

Additionally, this Regulation establishes a regulatory framework that enables municipal participation without altering the operational responsibilities of the system operator under the *Transmission and Distribution System Operation and Maintenance Agreement*, thereby avoiding contractual conflicts and compliance risks.

The Energy Bureau further recognizes that the adoption of this Regulation supports compliance with applicable federal requirements, including those governing the use and reimbursement of federal funds allocated for the repair and modernization of electric infrastructure.

Accordingly, the Energy Bureau concludes that the regulatory, operational, and safety benefits derived from this Regulation significantly outweigh any administrative costs associated with its implementation, while enhancing transparency, uniformity, and efficiency in the management of public street lighting connected to the electric grid, without requiring significant additional public expenditures.

Section 1.5 – Scope

This Regulation governs the execution, content, authorization, and oversight of collaboration agreements between municipalities and the system operator relating to the repair, maintenance, installation, or modernization of public street lighting systems connected to the electric transmission and distribution grid. Specifically, this Regulation establishes:

1. The regulatory principles governing municipal participation in activities involving public street lighting systems connected to the electric grid.
2. The criteria and procedures applicable to the authorization of agreements between municipalities and the system operator.
3. The classification of municipal interventions involving public street lighting systems.
4. The technical, operational, and safety requirements applicable to such interventions.
5. The oversight and enforcement mechanisms applicable to agreements and activities conducted pursuant to this Regulation.

This Regulation does not replace or modify the technical standards, operational manuals, or engineering specifications applicable to the electric transmission and distribution grid, which shall remain in effect in accordance with applicable laws and regulations.

Section 1.6 – Applicability

The provisions of this Regulation shall apply to:

1. All collaboration agreements between municipalities and the system operator relating to the repair, maintenance, installation, or modernization of public street lighting systems connected to the electric grid.
2. Any municipal intervention involving luminaires, street lighting poles, or other components of public street lighting systems connected to the electric transmission or distribution grid.
3. Any natural or juridical person performing work related to public street lighting systems pursuant to an agreement authorized under this Regulation.

This Regulation shall not apply to public street lighting systems that are entirely independent from the electric transmission and distribution grid, including autonomous lighting systems that are not interconnected to the electric grid.

Section 1.7 – Definitions

For purposes of this Regulation, the following terms shall have the meanings set forth below, unless the context clearly indicates otherwise.

1. **Energy Bureau** – The Puerto Rico Energy Bureau.
2. **Federal funds** – Any funds, grants, assistance, or financing programs provided by the Government of the United States, including, but not limited to, those administered by the Federal Emergency Management Agency (FEMA) or other applicable federal agencies, for the repair, reconstruction, or modernization of infrastructure.
3. **Municipal intervention** – Any work performed by a municipality or by contractors authorized by a municipality involving the repair, maintenance, installation, or modernization of public street lighting systems connected to the electric grid.
4. **Municipal street lighting agreement** – An agreement executed between a municipality and the system operator authorizing the municipality to participate in specific activities related to the maintenance, repair, installation, or modernization of public street lighting systems.
5. **Participating municipality** – A municipality that has entered into an agreement authorized under this Regulation to participate in activities related to public street lighting systems.
6. **Public street lighting** – A lighting system installed on public roads, highways, streets, avenues, plazas, or other public spaces for the purpose of providing illumination for public safety, vehicular traffic, or pedestrian use.
7. **System operator** – The entity responsible for the operation and maintenance of Puerto Rico’s electric transmission and distribution grid pursuant to the *Transmission and Distribution System Operation and Maintenance Agreement*.
8. **Technical standards** – The set of engineering standards, specifications, manuals, operational procedures, and safety requirements applicable to the design, construction, maintenance, and operation of the electric transmission and distribution grid.
9. **Transmission and distribution system** – The set of facilities, equipment, conductors, transformers, poles, structures, and related infrastructure used for the transmission and distribution of electric energy in Puerto Rico.

10. **Electric grid** – The system of infrastructure used for the generation, transmission, and distribution of electric energy in Puerto Rico, including the transmission and distribution system when referring to infrastructure regulated under this Regulation.

CHAPTER II – REGULATORY AUTHORITY AND INSTITUTIONAL COORDINATION

Section 2.1 – Jurisdiction of the Energy Bureau

The Puerto Rico Energy Bureau holds primary and exclusive jurisdiction over Puerto Rico’s electric grid, including its transmission and distribution components, pursuant to the provisions of Act No. 57-2014, *supra*.

Under such authority, the Energy Bureau has the power to adopt regulations, issue orders, and establish regulatory criteria necessary to ensure the safety, reliability, resilience, and efficient operation of Puerto Rico’s electric grid.

Accordingly, any agreement, program, or mechanism that allows municipal participation in activities involving public street lighting systems connected to the electric transmission and distribution grid shall be subject to the supervision, oversight, and decision-making authority of the Energy Bureau, which shall ensure that such municipal participation does not result in the technical, operational, or regulatory fragmentation of the electric grid, thereby guaranteeing the uniform application of standards throughout Puerto Rico.

Section 2.2 – Role of the System Operator

The operation and maintenance of Puerto Rico’s electric transmission and distribution grid is carried out pursuant to the provisions of the *Transmission and Distribution System Operation and Maintenance Agreement*, under which the system operator is entrusted with the responsibility to manage, operate, maintain, repair, restore, and modernize the transmission and distribution system.

Under such agreement, the system operator is responsible for:

1. The safe and reliable operation of the electric grid.
2. The maintenance and repair of transmission and distribution infrastructure.

3. The development of technical manuals, engineering standards, and operational procedures applicable to the electric grid.
4. The coordination of work involving infrastructure connected to the electric grid.

Nothing in this Regulation shall be interpreted as modifying or altering the operational responsibilities assigned to the system operator under the aforementioned agreement.

Section 2.3 – Relationship with the *Transmission and Distribution System Operation and Maintenance Agreement*

The provisions of this Regulation shall be interpreted and applied in a manner consistent with the *Transmission and Distribution System Operation and Maintenance Agreement* and with the operational responsibilities assigned to the system operator under such agreement.

In particular, this Regulation shall not be interpreted as a delegation of the Energy Bureau’s regulatory authority or as an alteration of the contractual obligations established under the aforementioned agreement.

Agreements between municipalities and the system operator executed pursuant to this Regulation shall be structured in such a manner that they:

1. Do not alter the contractual allocation of responsibilities established under the operation and maintenance agreement.
2. Do not compromise the integrity, reliability, or safety of the electric grid.
3. Are consistent with the policies, technical manuals, and operational procedures applicable to the transmission and distribution system.

Section 2.4 – Coordination Between Municipalities and the System Operator

Municipalities participating in activities involving public street lighting systems connected to the electric grid shall coordinate such activities with the system operator in accordance with the procedures established in this Regulation. Such coordination shall include, among other matters:

1. The planning and scheduling of work related to luminaires and other components of public street lighting systems.
2. The authorization of interventions involving infrastructure connected to the electric grid, in accordance with the classification of activities established in this Regulation.

3. The coordination of work that may require temporary service interruptions or intervention in distribution circuits.
4. Compliance with applicable technical and safety standards.

The system operator shall establish the operational coordination mechanisms necessary to ensure that authorized municipal interventions are carried out in a manner consistent with the safe operation of the electric grid.

Furthermore, the system operator shall be required to provide participating municipalities, in a timely, continuous and reasonable manner, access to the technical information necessary for the planning and execution of authorized work, including, but not limited to:

1. Inventories of luminaires and other public street lighting system components within the municipal jurisdiction.
2. The applicable scope of work for specific projects or intervention programs.
3. Relevant technical information regarding systems, circuits, and operational conditions affecting the execution of such work.

The Energy Bureau may require the adoption of additional coordination mechanisms, including the standardization of formats, communication protocols, and reasonable response times, when necessary to ensure operational efficiency, electric grid safety, and effective municipal participation.

Section 2.5 – Principle of Non-Delegation of Regulatory Authority

Municipal participation in activities involving public street lighting systems connected to the electric grid shall not, under any circumstance, constitute a delegation of regulatory authority or a limitation of the Energy Bureau's jurisdiction. The Energy Bureau shall at all times retain the authority to:

1. Oversee agreements executed pursuant to this Regulation.
2. Evaluate compliance with applicable regulatory provisions
3. Impose conditions, require modifications, or revoke authorizations when necessary to protect the safety, reliability, or integrity of the electric grid.

Section 2.6 – Compliance with Technical Standards

Any municipal intervention carried out pursuant to this Regulation shall comply with the technical manuals, engineering standards, and operational procedures adopted by the system operator for the design, construction, maintenance, and operation of the electric transmission and distribution system.

Compliance with such standards shall be mandatory for any natural or juridical person performing work involving public street lighting systems connected to the electric transmission and distribution grid.

The Energy Bureau may incorporate such technical manuals and operational standards by reference for purposes of this Regulation.

CHAPTER III – CLASSIFICATION OF PUBLIC STREET LIGHTING SYSTEMS

Section 3.1 – General Classification of Public Street Lighting Systems

For purposes of this Regulation, public street lighting systems shall be classified into the following categories:

1. Public street lighting systems integrated into the electric transmission and distribution system.
2. Special public street lighting systems not transferred to the electric grid.
3. Autonomous or stand-alone public street lighting systems.
4. Smart public street lighting systems.

The classification of a public street lighting system shall determine the applicable regulatory framework, the permissible scope of municipal intervention, and the applicable technical requirements.

Section 3.2 – Public Street Lighting Systems Integrated into the Electric Grid

Public street lighting systems shall be considered integrated into the electric grid when such systems:

1. Are connected to Puerto Rico's electric transmission or distribution system.

2. Form part of the electric infrastructure operated or maintained by the system operator.
3. Are supplied by distribution circuits forming part of the electric grid.

Such systems constitute electric grid infrastructure connected to the transmission and distribution system. Accordingly, any intervention involving these systems shall be carried out in compliance with the technical standards, operational manuals, and procedures established by the system operator, as well as the provisions of this Regulation.

Section 3.3 – Special Public Street Lighting Systems

Special public street lighting systems shall refer to lighting systems installed in public or private areas that:

1. Do not form part of the infrastructure of the electric transmission and distribution system.
2. Have not been transferred to the system operator for operation and maintenance.
3. Utilize luminaires, poles, or other equipment that are not part of the inventory or technical specifications of the electric grid.

Such systems may be owned by municipalities, governmental entities, private developers, or other natural or juridical persons. The operation, maintenance, and replacement of the components of such systems shall be the responsibility of their owner.

Section 3.4 – Autonomous Public Street Lighting Systems

Autonomous public street lighting systems shall refer to lighting systems that operate independently from the electric grid, including systems that:

1. Utilize stand-alone renewable energy sources, such as individual solar lighting units.
2. Are not interconnected to the electric transmission or distribution system.
3. Operate through local energy storage systems or other independent energy technologies.

Such systems shall not be considered part of the electric transmission and distribution system infrastructure unless they are subsequently interconnected to the electric grid.

Section 3.5 – Smart Public Street Lighting Systems

Smart public street lighting systems shall refer to lighting systems that incorporate control, monitoring, or remote management technologies through communication systems, sensors, or other information technologies. Such systems may include, among others:

1. Remote control systems for luminaires.
2. Energy consumption monitoring systems.
3. Fault detection or predictive maintenance technologies.
4. Integration with telecommunications networks or other smart city technologies.

When such systems are connected to the electric transmission or distribution system, they shall comply with the applicable technical, operational, and safety standards governing the electric grid.

Section 3.6 – Determination of System Classification

In the event of uncertainty regarding the classification of a public street lighting system, the system operator shall make an initial technical determination based on the system's interconnection characteristics, ownership, operational control, and maintenance responsibilities.

Such determination shall be subject to review by the Energy Bureau when necessary to ensure compliance with this Regulation and with the regulatory framework governing the electric grid.

CHAPTER IV – AGREEMENTS BETWEEN MUNICIPALITIES AND THE SYSTEM OPERATOR

Section 4.1 – Nature of Municipal Street Lighting Agreements

Agreements executed between municipalities and the system operator relating to the repair, maintenance, installation, or modernization of public street lighting systems connected to the electric grid shall be considered operational collaboration agreements subject to the oversight of the Energy Bureau.

Such agreements are intended to enable municipal participation in specific activities involving public street lighting systems, provided that such activities are carried out in a manner consistent with the safe and reliable operation of the electric grid.

Nothing in such agreements shall be interpreted as a delegation of regulatory authority by the Energy Bureau or as a transfer of the operational responsibilities assigned to the system operator pursuant to applicable laws and existing contractual arrangements.

Section 4.2 – Authorization of Municipal Agreements

Any agreement executed between a municipality and the system operator for activities involving public street lighting systems connected to the electric grid shall be submitted to the Energy Bureau for evaluation and authorization in accordance with the provisions of this Regulation. The Energy Bureau shall evaluate such agreements to determine whether they:

1. Are consistent with applicable legal and regulatory provisions governing the electric transmission and distribution system.
2. Are consistent with the operational responsibilities assigned to the system operator under existing contractual obligations, including the *Transmission and Distribution System Operation and Maintenance Agreement*, in order to avoid contractual conflicts or risks of non-compliance.
3. Comply with applicable technical and safety standards governing the electric grid.
4. Clearly establish the allocation of operational, technical, and financial responsibilities between the parties.

The Energy Bureau may approve, deny, or condition the authorization of such agreements as it deems necessary to protect the safety, reliability, and integrity of the electric grid.

Section 4.3 – Minimum Content of Agreements

Any municipal agreement executed pursuant to this Regulation shall include, at a minimum, the following provisions:

1. Identification of the parties to the agreement.
2. Description of the scope of work that the municipality is authorized to perform.
3. Classification of permitted activities in accordance with this Regulation.
4. Operational coordination procedures with the system operator.
5. Technical requirements applicable to the authorized activities.
6. Certification and qualification requirements for personnel performing the work.

7. Inspection, supervision, and quality control procedures.
8. Insurance requirements and provisions governing liability and indemnification.
9. Incident notification and reporting protocols.
10. Access to relevant public street lighting system information necessary for the planning and execution of authorized work.
11. Duration of the agreement and conditions for its modification or termination.
12. Financial structure applicable to the agreement, including, as appropriate, mechanisms for advance funding, reimbursement of expenses, cost eligibility criteria, and terms for payment disbursement.
13. Specific timelines for the evaluation, certification, and payment of completed work, consistent with reasonable administrative efficiency standards.
14. Dispute resolution mechanisms between the municipality and the system operator, including the potential involvement of the Energy Bureau as mediator or adjudicative authority within its jurisdiction.
15. Provisions ensuring transparency in project costs, estimates, and scope of work, including access to the applicable Scope of Work and other relevant technical documentation.
16. Clear allocation of operational, technical, and financial responsibilities between the parties, in accordance with this Regulation and the applicable legal framework.

The Energy Bureau may require the inclusion of additional provisions as necessary to ensure compliance with this Regulation and with the regulatory framework governing the electric grid.

Section 4.4 – Registry of Agreements

The Energy Bureau shall maintain a registry of agreements authorized pursuant to this Regulation. Such registry shall include, among other information:

1. The participating municipality.
2. The date of execution of the agreement.
3. The duration of the agreement.
4. The scope of authorized work.
5. The status of the agreement.

The registry may be used by the Energy Bureau for purposes of regulatory oversight, compliance monitoring, and electric grid planning.

Section 4.5 – Conditions of Authorization

The authorization of municipal agreements shall be subject to ongoing compliance with the provisions of this Regulation and with the technical and operational standards applicable to the electric grid.

The Energy Bureau may impose specific conditions on any authorized agreement when necessary to protect the safety, reliability, or integrity of the electric grid.

Section 4.6 – Modification or Termination of Agreements

Any material modification to an agreement authorized under this Regulation shall be submitted to the Energy Bureau for prior evaluation and approval.

The Energy Bureau may require the modification, suspension, or termination of an agreement if it determines that the agreement:

1. Is incompatible with the safe and reliable operation of the electric grid.
2. Fails to comply with the provisions of this Regulation.
3. Creates operational or safety risks for the electric grid.

Termination of an agreement shall not relieve the parties of their obligations under applicable legal, contractual, or regulatory requirements.

Section 4.7 – Compliance with Federal Funding Requirements

Where municipal interventions involving public street lighting systems are funded, in whole or in part, with federal funds, including, but not limited to, funds provided by the Federal Emergency Management Agency (FEMA) or other applicable federal programs, agreements authorized under this Regulation shall strictly comply with all applicable federal requirements related to eligibility, documentation, procurement, technical standards, safety requirements, and any other applicable federal regulations.

Municipalities and the system operator shall be responsible for ensuring that all activities conducted under such agreements are structured and implemented in a manner consistent with applicable federal requirements, so as not to compromise the eligibility of costs for reimbursement or the recovery of federal funds.

Additionally, such agreements shall establish a clear financial structure to ensure the effective execution of projects, which may include, as appropriate:

1. Advance funding mechanisms to facilitate the timely initiation of work.
2. Procedures for reimbursement of eligible expenses in accordance with applicable federal requirements.
3. Defined terms and timelines for payment disbursement and reimbursement processing.

The Energy Bureau may require that agreements include provisions to ensure timely access to the funds necessary for project execution, as well as transparency in project costs, estimates, and use of funds.

Failure to comply with applicable federal requirements may constitute grounds for the suspension, modification, or revocation of authorization granted under this Regulation, without prejudice to any other regulatory or legal actions that may apply.

Section 4.8 – Project Planning and Prioritization

The Energy Bureau, in coordination with the system operator and participating municipalities, may establish mechanisms for the planning and prioritization of public street lighting projects.

Municipalities may participate in identifying priority areas within their respective jurisdictions, taking into consideration factors such as:

1. Public safety.
2. Population density.
3. Critical infrastructure.
4. Condition and status of public street lighting systems.

Project prioritization shall be carried out based on objective and transparent criteria, consistent with funding availability, applicable federal requirements, and electric system planning.

Nothing in this section shall be interpreted as transferring control over electric system planning to municipalities, as final determinations shall remain within the authority of the Energy Bureau and the system operator.

CHAPTER V – CLASSIFICATION AND SCOPE OF MUNICIPAL INTERVENTIONS IN PUBLIC STREET LIGHTING SYSTEMS

Section 5.1 – General Principles of Municipal Intervention

Municipal participation in activities involving public street lighting systems connected to the electric grid shall be governed by the principles of electrical safety, grid reliability, operational coordination, and compliance with applicable technical standards.

All municipal interventions shall be conducted in a manner consistent with the safe and reliable operation of the electric transmission and distribution system.

Accordingly, municipal interventions involving public street lighting systems shall be classified based on their nature, technical complexity, and potential impact on electric grid infrastructure.

Section 5.2 – Classification of Municipal Interventions

For purposes of this Regulation, municipal interventions involving public street lighting systems connected to the electric grid shall be classified into the following categories:

1. Level I: Basic Maintenance Activities.
2. Level II: Supervised Technical Interventions.
3. Level III: Electric Grid Construction or Modification Activities.

The classification of an intervention shall determine the applicable authorization requirements, supervision mechanisms, personnel certification requirements, and technical compliance obligations.

Section 5.3 – Level I Interventions: Basic Maintenance Activities

Level I interventions shall include basic maintenance activities that do not involve modifications to electric grid infrastructure and do not require work on energized conductors or critical components of the electric distribution system.

Examples of Level I activities may include, among others:

1. Replacement of existing luminaires with equivalent approved luminaires.
2. Replacement of photocells or lighting control devices.
3. Cleaning or routine maintenance of luminaires.

4. Minor repairs to luminaire arms or mounting hardware.
5. Preventive or cosmetic maintenance of street lighting poles.
6. Vegetation trimming and clearing activities associated with luminaires and public street lighting system components, provided that they do not involve work on energized infrastructure.
7. Preventive maintenance activities necessary to ensure the continuity and proper functioning of the public street lighting system.

Level I interventions may be performed by municipalities pursuant to agreements authorized under this Regulation, provided that applicable technical and safety standards are followed.

The Energy Bureau may establish categories of Level I activities that may be performed without requiring individual prior authorization from the system operator, subject to predefined parameters and protocols.

Section 5.4 – Level II Interventions: Supervised Technical Intervention

Level II interventions shall include activities that, although not constituting substantial modifications to the electric grid, may affect electric grid infrastructure or require technical coordination with the system operator.

Examples of Level II activities may include, among others:

1. Installation of new luminaires on existing distribution poles.
2. Replacement of street lighting poles connected to the electric grid.
3. Replacement or repair of conductors associated with street lighting systems.
4. Installation of lighting control devices or street lighting management systems.
5. Connection of luminaires to existing distribution circuits.

Level II interventions shall require prior coordination and authorization from the system operator and must comply with applicable technical standards and operational procedures.

The system operator and the Energy Bureau may establish expedited authorization mechanisms for Level II interventions in situations involving high work volume or critical service needs, in accordance with predefined parameters.

Section 5.5 – Level III Interventions: Electric Grid Construction or Modification Activities

Level III interventions shall include activities involving substantial modifications to electric grid infrastructure within the transmission or distribution system.

Examples of Level III activities may include, among others:

1. Installation or modification of electric distribution circuits.
2. Installation of transformers or other electrical equipment associated with the distribution system.
3. Modifications to primary feeders or distribution circuits.
4. Installation of protective devices or sectionalizing equipment.
5. Any activity that may directly affect the operation of the electric grid.

Level III interventions shall not be performed directly by municipalities and shall be carried out exclusively by the system operator or by authorized contractors in accordance with applicable procedures governing electric grid operations.

Section 5.6 – Prohibited Activities

Municipal interventions shall not include any activity involving:

1. Work on energized conductors within the electric grid.
2. Interventions within electrical substations.
3. Modifications to protection systems of the electric distribution system.
4. Any activity that may compromise the safety, reliability, or operational stability of the electric grid.

The system operator may identify additional activities that, due to their technical nature or associated risks, shall be considered prohibited for municipal intervention.

Section 5.7 – Emergency Interventions

In emergency situations affecting public safety or the operation of public street lighting systems, municipalities may perform temporary actions necessary to mitigate immediate risks. In such cases, the municipality shall notify the system operator as soon as reasonably practicable and coordinate any subsequent actions required to restore the system in accordance with applicable technical standards.

Any emergency intervention conducted under this section shall be subject to subsequent review by the system operator and the Energy Bureau.

CHAPTER VI – TECHNICAL REQUIREMENTS AND APPLICABLE STANDARDS

Section 6.1 – Compliance with Electric Grid Technical Standards

Any municipal intervention conducted pursuant to this Regulation shall comply with the applicable technical standards, engineering manuals, design specifications, and operational procedures governing the electric transmission and distribution system.

Such standards are intended to ensure that any intervention involving public street lighting systems connected to the electric grid is carried out in a manner consistent with the safety, reliability, resilience, and efficient operation of the electric grid.

Section 6.2 – Incorporation by Reference of Technical Manuals

For purposes of this Regulation, the technical manuals and operational standards adopted by the system operator governing the design, construction, installation, maintenance, and operation of the electric transmission and distribution system are hereby incorporated by reference.

Such technical documents include, among others:

1. *Street Lighting System Design and Construction Manual.*
2. *Underground Electrical Distribution System Manual.*
3. *Overhead Electrical Distribution System Manual.*
4. *Transmission Line Structures Standard Configuration and Bill of Materials.*
5. Any other engineering manuals, technical bulletins, or operational standards adopted by the system operator governing electric grid infrastructure.

Municipal interventions authorized pursuant to this Regulation shall comply with the technical requirements established in such manuals.

The system operator shall ensure that the technical manuals and standards incorporated by reference are available and accessible to participating municipalities in formats suitable for consultation and implementation.

Additionally, the system operator shall provide reasonable guidance or technical assistance mechanisms, when necessary, to facilitate the proper interpretation and application of such standards by municipalities.

Section 6.3 – Compliance with Electrical Codes and Safety Standards

Any municipal intervention involving public street lighting systems connected to the electric grid shall comply with applicable electrical codes and safety standards, including, but not limited to:

1. The National Electrical Code (NEC).
2. The National Electrical Safety Code (NESC).
3. Applicable standards issued by the Institute of Electrical and Electronics Engineers (IEEE).
4. Applicable standards issued by the American National Standards Institute (ANSI).
5. *Occupational safety standards applicable under the Occupational Safety and Health Administration (OSHA).*
6. Any other applicable technical standards, codes, or regulations in force, including those adopted after the promulgation of this Regulation.

In the event of a conflict between applicable standards, the more stringent requirement from a safety standpoint shall prevail.

Section 6.4 – Compliance with Operational Procedures

Municipal interventions shall be carried out in accordance with the operational procedures established by the system operator for work involving infrastructure connected to the electric grid. Such procedures may include, among others:

1. Coordination protocols with grid control centers.
2. Work authorization procedures.
3. Safety procedures for work performed near energized conductors.
4. Inspection and certification procedures for completed work.

Section 6.5 – Technical Certification of Work

All work conducted pursuant to this Regulation shall be performed by properly qualified and certified personnel in accordance with the requirements established by the system operator and the provisions of this Regulation.

Where required by the system operator or the Energy Bureau, completed work shall be subject to technical inspection to verify compliance with applicable technical standards.

Section 6.6 – Review and Update of Technical Standards

The technical manuals and standards incorporated by reference under this Regulation may be revised, updated, or replaced by the system operator in accordance with applicable procedures.

Any such revisions shall apply to municipal interventions conducted under this Regulation as of the date such revisions become effective.

The Energy Bureau may require the review or modification of such standards when necessary to protect the safety, reliability, or operational integrity of the electric grid.

CHAPTER VII – PERSONNEL CERTIFICATION AND TRAINING REQUIREMENTS

Section 7.1 – Personnel Qualifications

Any municipal intervention authorized pursuant to this Regulation shall be performed by personnel possessing the necessary technical qualifications, professional certifications, and training required to perform work involving public street lighting systems connected to the electric grid.

Municipalities shall ensure that all personnel performing work under this Regulation hold the licenses, certifications, or professional credentials required under applicable laws and regulations.

Section 7.2 – Authorized Personnel

Work involving public street lighting systems connected to the electric grid may be performed by:

1. Municipal employees who meet the qualification and training requirements established in this Regulation.
2. Contractors or subcontractors duly authorized by the municipality and qualified in accordance with applicable technical and safety standards.
3. Personnel authorized by the system operator, where required by applicable operational procedures.

The municipality shall be responsible for ensuring that any contractor or subcontractor engaged to perform work related to public street lighting systems complies with all applicable technical and safety requirements.

Section 7.3 – Professional Licensing Requirements

Where the nature of the work requires it, municipal interventions shall be performed or supervised by professionals licensed in accordance with applicable law, including, among others:

1. Licensed engineers.
2. Licensed electricians.
3. Certified technicians meeting the applicable standards governing electric grid infrastructure.

The Energy Bureau may establish additional professional certification requirements when necessary to protect the safety or reliability of the electric grid.

Section 7.4 – Technical Training

Personnel performing work involving public street lighting systems connected to the electric grid shall complete the technical training programs required by the system operator or by the Energy Bureau:

1. Electrical safety procedures.
2. Standards applicable to the electric transmission and distribution system.
3. Procedures for working near energized conductors.
4. Proper use of specialized equipment and tools required for electrical work.
5. Operational coordination procedures with the system operator.

Section 7.5 – Occupational Safety Training

Personnel participating in work involving public street lighting systems shall comply with applicable occupational safety training requirements. Such training shall include, among other matters:

1. Identification and management of electrical hazards.
2. Proper use of personal protective equipment (PPE).

3. Safety procedures for working at heights.
4. Emergency response procedures related to electrical work.

Section 7.6 – Registry of Authorized Personnel

Municipalities participating in agreements authorized under this Regulation shall maintain an updated registry of personnel authorized to perform work related to public street lighting systems. Such registry shall include, among other information:

1. Name of the employee or contractor.
2. Applicable professional licenses or certifications.
3. Evidence of technical and safety training.
4. Expiration dates of applicable certifications.

The Energy Bureau or the system operator may request access to such registry when necessary for regulatory oversight or compliance verification.

CHAPTER VIII – LIABILITY, INSURANCE, AND INDEMNIFICATION

Section 8.1 – Liability for Municipal Interventions

Municipalities participating in activities involving public street lighting systems connected to the electric grid shall be responsible for the acts or omissions of their personnel, contractors, or subcontractors in the performance of such activities.

Municipalities shall ensure that all municipal interventions are conducted in compliance with the provisions of this Regulation, applicable technical standards, and relevant safety requirements.

Municipal liability shall be limited to damages, losses, or claims arising directly from acts or omissions attributable to work performed under the municipality's control, including its personnel, contractors, or subcontractors.

Municipalities shall not be responsible for damages or failures attributable to electric grid infrastructure, nor for acts or omissions of the system operator or other entities responsible for the operation of the electric grid, except to the extent that there is concurrent negligence attributable to the municipality.

Nothing in this Regulation shall be interpreted as transferring operational responsibility for the electric grid to any participating municipality.

Section 8.2 – Required Insurance

Any municipality participating in activities authorized under this Regulation shall maintain adequate insurance coverage to address the risks associated with municipal interventions involving public street lighting systems connected to the electric grid. Such insurance coverage may include, among others:

1. General liability insurance.
2. Professional liability insurance, where applicable.
3. Property damage insurance.
4. Workers' compensation insurance, as required by applicable law.

The Energy Bureau or the system operator may establish minimum coverage requirements when necessary to protect electric grid infrastructure and the public interest.

Section 8.3 – Indemnification

Municipalities participating in agreements authorized under this Regulation shall indemnify and hold harmless the system operator, the Puerto Rico Electric Power Authority, and any other entity responsible for the operation of the electric grid from claims, damages, or losses arising from municipal interventions conducted pursuant to this Regulation. Such indemnification shall include, among others:

1. Damage to electric grid infrastructure.
2. Damage to public or private property.
3. Personal injury or death related to work performed pursuant to this Regulation
4. Costs associated with the repair or restoration of the electric grid.

The indemnification obligation shall apply only to the extent that such damages or losses result from acts or omissions attributable to the municipality, its personnel, or its contractors.

Section 8.4 – Incident Notification

Municipalities shall notify the system operator and the Energy Bureau of any incident involving:

1. Damage to electric grid infrastructure.
2. Electric service interruptions.

3. Accidents related to public street lighting work.
4. Any situation that poses a risk to public safety or to the safe operation of the electric grid.

Such notification shall be made as soon as reasonably practicable following the occurrence of the incident.

Section 8.5 – Responsibilities of the System Operator

Nothing in this Regulation shall be interpreted as limiting or altering the responsibilities of the system operator under applicable contractual and regulatory provisions governing the electric transmission and distribution system.

The system operator shall remain responsible for the safe and reliable operation of the electric grid in accordance with applicable laws, regulations, and contractual obligations, including the *Transmission and Distribution System Operation and Maintenance Agreement*.

Section 8.6 – Shared Responsibility

Where damages or incidents result from concurrent actions of both the municipality and the system operator, responsibility shall be determined in accordance with applicable laws and the terms established in the relevant agreements.

The Energy Bureau may evaluate such situations when necessary to protect the integrity and reliability of the electric grid.

CHAPTER IX – OVERSIGHT, COMPLIANCE, AND ENFORCEMENT

Section 9.1 – Regulatory Oversight

The Energy Bureau shall exercise regulatory oversight over municipal agreements authorized under this Regulation and over any municipal interventions involving public street lighting systems connected to the electric grid.

Such oversight shall ensure that activities conducted pursuant to this Regulation are consistent with the safety, reliability, and efficient operation of the electric transmission and distribution system.

The Energy Bureau may require the submission of information, documents, or reports related to activities performed under authorized municipal agreements.

Section 9.2 – Inspections

The Energy Bureau and the system operator may conduct inspections to verify compliance with the provisions of this Regulation and with applicable technical standards governing the electric grid. Such inspections may include, among other matters:

1. Review of work performed on public street lighting systems.
2. Verification of compliance with applicable technical standards.
3. Evaluation of safety conditions related to municipal interventions.
4. Review of operational coordination procedures between municipalities and the system operator.

Municipalities shall cooperate with any inspection conducted pursuant to this section.

Section 9.3 – Compliance Reporting

Municipalities participating in agreements authorized under this Regulation shall maintain appropriate records of work performed on public street lighting systems connected to the electric grid.

The Energy Bureau may require periodic compliance reports that include, among other information:

1. Description of the work performed.
2. Date and location of interventions.
3. Personnel responsible for performing the work.
4. Any incidents or service interruptions associated with such interventions.

Municipalities and the system operator may implement electronic systems or digital platforms for the recording, monitoring, and traceability of interventions conducted under this Regulation.

The Energy Bureau may require the adoption of standardized data collection and reporting mechanisms when necessary for oversight, planning, and program performance evaluation purposes.

The system operator may also request additional documentation when necessary to ensure the safe and reliable operation of the electric grid.

Section 9.4 – Corrective Measures

Where the Energy Bureau determines that a municipal intervention or an agreement authorized under this Regulation fails to comply with applicable provisions, the Energy Bureau may require corrective measures. Such corrective measures may include, among others:

1. Correction of work performed in violation of applicable technical standards.
2. Temporary suspension of authorized activities.
3. Modification of operational procedures governing municipal interventions.

Section 9.5 – Non-Compliance

Failure to comply with the provisions of this Regulation may result in regulatory action by the Energy Bureau pursuant to the authority granted under applicable law. Such regulatory actions may include, among others:

1. Suspension or revocation of agreements authorized under this Regulation.
2. Imposition of additional conditions for the continuation of municipal activities.
3. Issuance of orders or directives necessary to protect the safety or reliability of the electric grid.

Section 9.6 – Coordination with the System Operator

The Energy Bureau may coordinate with the system operator in the supervision and evaluation of municipal interventions conducted pursuant to this Regulation.

The system operator may inform the Energy Bureau of any situation that may affect the safety, reliability, or integrity of the electric grid as a result of municipal activities.

Based on such information, the Energy Bureau may take any regulatory action it deems necessary to protect the electric grid.

Section 9.7 – Dispute Resolution

In the event of disputes between a municipality and the system operator regarding the interpretation, execution, or compliance with agreements authorized under this Regulation, the parties shall first attempt to resolve such disputes in good faith through direct coordination mechanisms.

If a resolution is not reached through such mechanisms, either party may request the intervention of the Puerto Rico Energy Bureau.

The Energy Bureau may act as a mediator or, where appropriate within its jurisdiction, as an adjudicative forum to resolve the dispute, in accordance with Act No. 38-2017, *supra*, and any other applicable laws or regulations.

The Energy Bureau may establish expedited procedures for the resolution of disputes related to public street lighting work, particularly in situations that may affect public safety, service continuity, or the use of federal funds.

Nothing in this section shall be construed as limiting the availability of other remedies under applicable law.

CHAPTER X – PENALTIES AND SANCTIONS

Section 10.1 – Enforcement Authority of the Energy Bureau

The Puerto Rico Energy Bureau may impose administrative sanctions for violations of the provisions of this Regulation pursuant to the authority granted under applicable law, including Act No. 57-2014, *supra*.

Administrative sanctions may be imposed upon municipalities, contractors, subcontractors, or any other natural or juridical person performing activities involving public street lighting systems in violation of this Regulation.

Section 10.2 – Violations of the Regulation

The following actions, among others, shall constitute violations of this Regulation:

1. Performing interventions involving public street lighting systems connected to the electric grid without the authorization required under this Regulation.
2. Performing work in violation of the technical standards applicable to the electric grid.
3. Conducting activities classified as prohibited interventions under this Regulation.
4. Failing to comply with personnel certification or training requirements applicable to the work performed.
5. Failing to comply with insurance, liability, or incident notification requirements.
6. Providing false or incomplete information to the Energy Bureau or to the system operator in connection with activities performed pursuant to this Regulation.

7. Failing to comply with applicable federal funding requirements related to interventions conducted under this Regulation.

Section 10.3 – Types of Sanctions

Where a violation of this Regulation is determined, the Energy Bureau may impose one or more of the following sanctions:

1. Administrative warnings or reprimands.
2. Orders requiring correction of work performed in violation of applicable technical standards.
3. Temporary suspension of authorization for municipalities to perform activities under this Regulation.
4. Revocation of municipal agreements authorized pursuant to this Regulation.
5. Administrative fines in accordance with the authority granted under applicable law, including Act No. 57-2014, *supra*.

Section 10.4 – Determination of Penalties

In determining the appropriate sanctions or penalties, the Energy Bureau may consider, among other factors:

1. The nature and severity of the violation.
2. The potential or actual impact of the violation on the safety or reliability of the electric grid.
3. The compliance history of the municipality or responsible party.
4. Corrective measures taken by the municipality or responsible entity.

Section 10.5 – Emergency Measures

Where the Energy Bureau determines that a municipal intervention presents an immediate risk to public safety or to the operation of the electric grid, it may issue immediate orders requiring the suspension of such activities or the implementation of urgent corrective measures.

Such orders may include the immediate suspension of work or any action necessary to protect the integrity and reliability of the electric grid.

Section 10.6 – Additional Remedies

The sanctions established in this Regulation shall be independent of any other remedies available under applicable law.

Nothing in this Regulation shall limit the authority of the Energy Bureau to adopt additional regulatory measures when necessary to protect the safety, reliability, or operational integrity of the electric grid.

CHAPTER XI – FINAL PROVISIONS

Section 11.1 – Bilingual Interpretation

This Regulation is adopted in both Spanish and English versions. In the event of any discrepancy, conflict, or interpretative ambiguity between the two versions, the English version shall prevail, in order to ensure consistency with the technical documents, engineering standards, and operational manuals governing the electric grid, which are predominantly drafted in that language.

If, after the approval and effectiveness of this Regulation, any of the laws forming its legal basis are amended, the provisions of this Regulation shall be interpreted in accordance with the applicable law in force. Any provision that is inconsistent with applicable law shall be deemed repealed to the extent of such inconsistency.

Section 11.2 – Non-Discrimination

The implementation and application of this Regulation shall be free from any form of discrimination on the basis of race, color, nationality, origin, social condition, age, political affiliation, religious beliefs or lack thereof, gender, sexual orientation, gender identity, genetic information, status or perceived status as a victim of domestic violence, sexual assault, or stalking, as well as military or veteran status, or physical or mental disability.

Section 11.3 – Severability

If any provision of this Regulation is declared invalid, illegal, or unenforceable by a court or competent authority, such determination shall not affect the validity or enforceability of the remaining provisions. The remaining provisions shall continue in full force and effect to the extent they can be applied without the invalidated provision.

Section 11.4 – Transitional Provisions

Agreements between municipalities and the system operator relating to public street lighting activities that are in effect at the time of adoption of this Regulation shall be reviewed to ensure their compatibility with the provisions established herein.

The Energy Bureau may require the modification of such agreements when it determines that they do not comply with the regulatory requirements established in this Regulation.

Section 11.5 – Repeal

Any provisions in other legislative or non-legislative regulations, manuals, procedures, circular letters, memoranda, or communications issued by the Energy Bureau that are inconsistent with this Regulation are hereby repealed.

Section 11.6 – Effective Date and Approval

This Regulation shall become effective in accordance with applicable law and thirty (30) days after its filing with the Department of State of Puerto Rico.

From that date forward, any municipal agreement or intervention involving public street lighting systems connected to the electric grid shall comply with the provisions of this Regulation.

Approved by the Puerto Rico Energy Bureau this ____ day of _____ 2026, in San Juan, Puerto Rico.