

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

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IN RE:

ANNUAL COMPLIANCE REPORT OF
LUMA ENERGY SERVCO, LLC UNDER
ACT 82-2010

CASE NO. NEPR-MI-2020-0015

**SUBJECT: Submittal of 2026 Annual Compliance
Report under Section 2.9(c) of Act 82-2010**

**MOTION TO SUBMIT THE 2026 ANNUAL COMPLIANCE REPORT
TO THE PUERTO RICO ENERGY BUREAU:**

COMES NOW LUMA Energy ServCo, LLC (“LUMA”), through the undersigned legal counsel, and respectfully states, submits and requests the following:

1. In compliance with Section 2.9(c) of Act 82-2010, as amended¹, LUMA hereby submits to this Energy Bureau LUMA’s Annual Compliance Report regarding compliance with the Renewable Energy Portfolio (“RPS”) for the 2025 calendar year. *See 2026 Renewable Energy Portfolio Compliance Report* attached as *Exhibit 1*.

2. In addition to the data provided for RPS compliance, LUMA has included in the attached report a description of LUMA’s broad efforts to foster the growth of renewable energy in Puerto Rico, including, among others progress made in: modernizing the grid to advance the clean energy transition; the development of the Integrated Resources Plan which aims to reach clean

¹ Section 2.9(c) of Act 82-2010, known as the Public Policy on Diversification by Means of Sustainable and Alternative Renewable Energy in Puerto Rico Act”, as amended (“Act 82-2010”) requires each retail electricity supplier to submit to this Puerto Rico Energy Bureau of the Public Service Regulatory Board (“Energy Bureau”), for its review and approval, an Annual Compliance Report on or before March 31 of each calendar year following the calendar year for which the energy provider must meet the Renewable Energy Portfolio providing the information specified therein. 22 L.P.R.A. section 8131(c).

energy goals at the most reasonable cost; the increase of distributed renewable energy capacity under the Net Energy Metering Program and associated efforts to support responsible integration of these resources; and efforts to integrate additional new utility scale solar and energy storage projects.

WHEREFORE, LUMA respectfully requests the Energy Bureau to **take notice** of the aforementioned and **accept** LUMA's 2026 Annual Compliance Report in compliance with Section 2.9(c) of Act 82-2010.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 31st day of March 2026.

We hereby certify that we filed this notice and request using the electronic filing system of this Puerto Rico Energy Bureau.



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Exhibit 1

2026 Annual Compliance Report

2026 Renewable Energy Portfolio Compliance Report

NEPR-MI-2020-0015

March 31, 2026



Renewable Energy Portfolio Compliance Report

Executive Summary

LUMA remains committed to advancing renewable energy throughout Puerto Rico as part of our mission to modernize the electric grid and support an energy future that incorporates more solar, wind, battery storage and Distributed Energy Resources (DERs). These initiatives not only advance Puerto Rico's clean energy policy goals but also strengthen long term system reliability and resilience for our customers.

LUMA continues working closely with the Puerto Rico Energy Bureau (Energy Bureau), and other stakeholders to accelerate the adoption of renewable energy. Through this collaboration, we aim to expand renewable generation while enhancing grid performance and helping build the clean and resilient energy system the people of Puerto Rico expect and deserve.

This Annual Renewable Energy Compliance Report is submitted in compliance with the Public Policy on Energy Diversification by Means of Sustainable and Alternative Renewable Energy in Puerto Rico, Act 82-2010, as amended. The report includes required information under section 2.9(c) of Act 82-2010 (22 L.P.R.A. section 8131(c)).

Section 1 provides an overview of LUMA's broad efforts to support the growth of renewable energy in Puerto Rico. These efforts reinforce the public policy objective shared by LUMA to advance renewable energy deployment in Puerto Rico. Sections 2, 3 and 4 present detailed information for calendar year 2025 regarding renewable energy supplies that serve Puerto Rico's electric system.



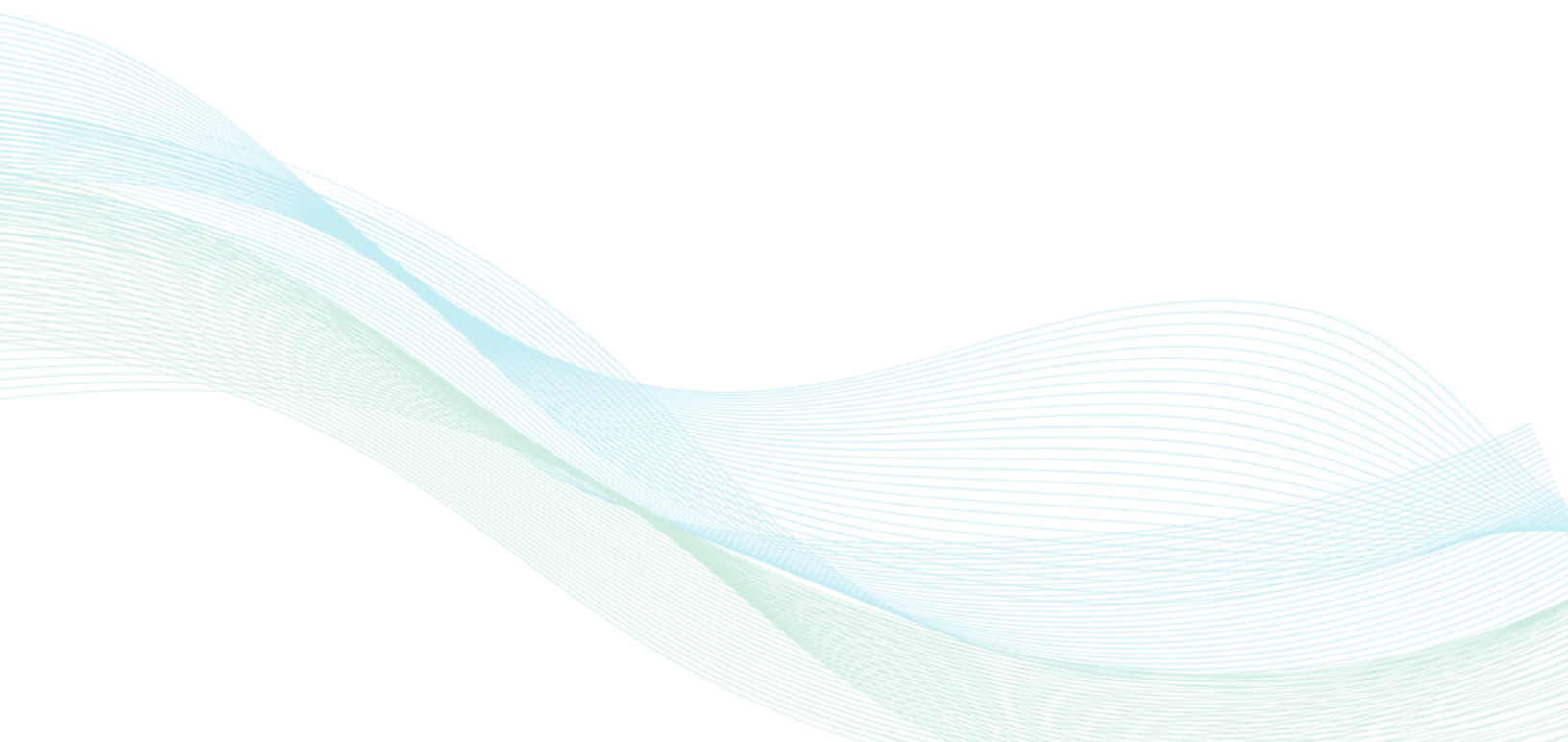
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Renewable Energy Portfolio Compliance Report

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Renewable Energy Portfolio Compliance Report

List of Acronyms

| ACRONYM | DEFINITION |
|------------------|--|
| BESS | Battery Energy Storage Systems |
| DER | Distributed Energy Resources |
| DG | Distributed Generation |
| IRP | Integrated Resource Plan |
| MW | Mega Watt |
| NEM | Net Energy Metering |
| PREPA | Puerto Rico Electric and Power Authority |
| PPOA/ESSA | Power Purchase Operating Agreement / Energy Storage Services Agreement |
| PV | Photovoltaic |
| RFP | Request for Proposals |
| SO | Standard Offer |
| T&D | Transmission and Distribution |

Renewable Energy Portfolio Compliance Report

1.0 Summary of Recent Progress

LUMA continues to advance the modernization of Puerto Rico's electric system and support the island's transition to clean energy. Although there is currently no applicable annual Renewable Portfolio Standard (RPS) requirement in effect, LUMA remains committed to facilitating long term compliance with Puerto Rico's established renewable energy targets. To date, LUMA has enabled the interconnection of more than 191,900 Net Metering customers, representing approximately 1,456 MW of installed renewable capacity. This progress reflects ongoing efforts to enhance system reliability, resilience, and renewable integration.

To enable even more renewable energy, LUMA is strengthening transmission and distribution lines, updating capacity maps, and repairing key distribution feeders to support new technologies and future clean energy growth. These efforts are essential to improving grid stability, accelerating project interconnection, and supporting Puerto Rico's long term economic and sustainable development.

Also fostering the deployment of new renewable energy resources in Puerto Rico, LUMA is completing the 2025 Integrated Resource Plan (IRP) that aims to reach Puerto Rico's clean energy goals at the most reasonable cost. The final 2025 IRP Report was filed on October 17, 2025, from which LUMA selected the Recommended Preferred Resource Plan.

The 2025 IRP included community and stakeholder engagement throughout the IRP development. For this reason, in October 2023, LUMA launched the Solution for Energy Transformation for Puerto Rico (SETPR) stakeholder engagement process to gather input from stakeholders via in-person meetings, virtual meetings, and a public website. In total, LUMA completed four SETPR meeting rounds, holding 35 workshops with 275 total participants. Meetings were hosted in 8 different municipalities and virtually, with English and Spanish sessions. Participants represented private companies, government, community groups, commercial/professional associations, generators, and individual customers.

LUMA is actively collaborating with stakeholders to advance utility scale solar, BESS, and hybrid projects through required studies and regulatory approvals. Despite delays from regulatory, planning, and procurement challenges, LUMA is managing an interconnection queue of 48 projects in the pipeline with approvals in place. The company also remains engaged in additional initiatives moving through RFP and regulatory review processes.

1.1 Net Energy Metering Program for Interconnection of Distributed Generation

Since assuming operational responsibility for Puerto Rico's electricity grid in June 2021, LUMA has significantly advanced the integration of distributed renewable energy resources. As of the fourth quarter of 2025, more than 191,900 customers have interconnected rooftop solar systems under the Net Energy Metering (NEM) program, of which over 165,000 interconnections have been completed by LUMA. These customer-sited systems now represent 1,456 MW of distributed generation capacity, with approximately 1,228 MW activated since LUMA began operations. Puerto Rico has also achieved a notable national standing, ranking third per capita¹ in activated NEM systems during this reporting period.

¹ Energy Information Agency November 2025: <https://www.eia.gov/electricity/data/eia861m/#netmeter>

Renewable Energy Portfolio Compliance Report

LUMA has strengthened interconnection efficiency by streamlining processes and reducing project activation timelines. For systems under 25 kW, the average NEM activation time during the October–December 2025 period was 18 days, reflecting consistent improvements in the timely processing and activation of customer solar installations.

1.2 Distributed Generation Interconnection

The rapid expansion of distributed generation (DG) in Puerto Rico continues to reshape system operations and future planning needs. The distribution grid now hosts over 206,000 DER systems totaling more than 1.5 GW of installed capacity, with installations growing at an average pace of 4,500 new systems per month. While LUMA has evaluated approximately 70,624 DER installations across 769 feeders as of April 2025, these assessments have only begun to quantify the substantial infrastructure needs arising from this accelerated growth.

LUMA continues to demonstrate its commitment to supporting the responsible integration of DER while safeguarding the safety, reliability, and operational integrity of Puerto Rico's electric power system. Significant corrective actions, along with the full implementation of smart inverter settings and expanded grid modernization initiatives, are necessary to maintain system reliability and support the infrastructure upgrades needed to manage voltage conditions associated with increasing DG adoption while protecting all customers.

1.3 Renewable Utility-Scale Resources

LUMA is actively collaborating with all stakeholders on initiatives involving utility-scale resources that aim to be interconnected with the transmission and distribution (T&D) system. Before being interconnected, studies must be completed, regulatory approvals obtained, and the contract between PREPA and the developer executed. LUMA collaborates with developers to interconnect various technology types alongside renewables to provide flexibility to the T&D system, including Solar, Battery Energy Storage Systems (BESS), and Solar projects paired with BESS.

To date, deployment has been impacted by a range of regulatory, planning, and procurement challenges. LUMA is presently managing an interconnection queue that includes approximately 16 utility-scale solar projects totaling 1,065.1 MW and approximately 32 utility-scale BESS projects totaling 2,021.2 MW that have received regulatory approvals. Additionally, LUMA is aware of and actively participating in new utility-scale initiatives that are currently undergoing RFP processes and regulatory review.

SOLAR POWER PLANTS

- The ongoing procurement efforts underway in Puerto Rico (Ciro One, Xzerta, Tranche 1 & Tranche 2) for new solar energy projects are expected to add a total of **1,065.1 MW** of capacity.

ENERGY STORAGE SYSTEMS

- The ongoing procurement efforts underway in Puerto Rico (ASAP SO1 Phase 1 & SO1 Phase 2, Tranche 1 & Tranche 2, Tranche 4, LUMA 4X25 and GENERA PR BESS) for new BESS resources are projected to add a total of **2,021.2 MW** of capacity.

Renewable Energy Portfolio Compliance Report

2.0 Annual Compliance Report

Table 1: Annual Compliance Report

| Category | Requirement from Law 82-2010 | CY 2024 | CY 2025 | Forecasted CY 2026 (Jan-Feb 2026 Actual + Mar-Dec 2026 Projected) ² |
|---|---|-----------------------|-----------------------|--|
| Energy Distributed and Renewable Component | Total Amount of Energy distributed to clients | 17,181,857 MWh | 16,337,471 MWh | 16,280,164 MWh |
| | Actual Amount of Energy procured from Renewable Sources (PPOAs) | 397,396 MWh | 449,252 MWh | 463,393 MWh |
| | Energy Exported to the Grid by Net Metering Customers (distributed energy) | 639,617 MWh | 904,891 MWh | 1,223,127 MWh |
| Renewable Energy Portfolio Compliance Metrics (MWh) | Energy procured from Renewable Sources to comply with the Renewable Energy Portfolio Standard (20% in CY24, 0% in CY25/CY26) ³ | 7,434,509 MWh | N/A | N/A |
| | Actual Amount of Energy procured from Renewable Sources (PPOAs) | 397,396 MWh | 449,252 MWh | 463,393 MWh |
| Costs of Renewable Energy Procurement | Cost of Renewable Energy procured from Renewable Sources (PPOAs) | \$63,633,438 | \$73,919,554 | \$72,349,922 |
| | Cost of RECs procured from renewable sources (PPOAs) | \$5,073,163 | \$5,078,221 | \$5,382,769 |
| | Administrative cost of REC registration and issuance fees | \$11,358 | \$12,582 | \$12,197 |
| | Grand Total Cost | \$68,717,959 | \$79,010,356 | \$77,744,889 |
| Cumulative RECs | Total number of RECs have been issued and are retained for future retirement | 4,160,368 RECs | 4,611,692 RECs | 5,075,633 RECs |

² Projections data source: January – February 2025 actuals / Unofficial estimates based on historical fleet performance. In the case of Ciro One that has no historical performance data, contracted pricing terms and an assumed capacity factor of 20.63% was used. Based on the most recent operational data, it was assumed that Ciro One has 30MW of dependable capacity.

³ As of March 19th, 2025, according to Act 1 – 2025, the interim Renewable Portfolio Standards before 2050 are no longer required, while the 100% renewable energy target by 2050 remains.

Renewable Energy Portfolio Compliance Report

3.0 Renewable Energy Projects with Power Purchase Contracts

Table 2: Renewable Energy Projects In-Service Capacity, and Costs of Energy and RECs for February 2026

| Company ⁴ | Capacity (MW) | Source | Total Cost (Energy & RECs) per kWh ⁵ |
|--|-----------------|----------------|--|
| Windmar Renewable Energy, Inc. (Cantera Martino) | 2.1 | Solar | Energy: 0.1940 \$/kWh RECs: 0.0350 \$/kWh Total: 0.2290 \$/kWh |
| AES Ilumina, LLC | 20 | Solar | Energy: 0.1712 \$/kWh RECs: 0.0315 \$/kWh Total: 0.2027 \$/kWh⁶ |
| San Fermin Solar Farm, LLC | 20 | Solar | Energy: 0.1615 \$/kWh RECs: 0.0310 \$/kWh Total: 0.1925 \$/kWh |
| Coto Laurel Solar Farm, Inc. (Windmar) | 10 | Solar | Energy: 0.1660 \$/kWh RECs: 0.0350 \$/kWh Total: 0.2010 \$/kWh |
| Horizon Energy, LLC | 10 | Solar | Energy: 0.1591 \$/kWh RECs: 0.0315 \$/kWh Total: 0.1862 \$/kWh⁷ |
| Oriana Energy, LLC | 45 | Solar | Energy: 0.1591 \$/kWh RECs: 0.0271 \$/kWh Total: 0.1862 \$/kWh⁸ |
| Humacao Solar Project, LLC | 40 | Solar | Energy: 0.1751 \$/kWh RECs: 0.0 \$/kWh Total: 0.1751 \$/kWh |
| Pattern Santa Isabel, LLC | 95 | Wind | Energy: 0.1704 \$/kWh RECs: 0.0 \$/kWh Total: 0.1704 \$/kWh |
| Landfill Gas Technologies of Fajardo (Fajardo) | 2.4 | Landfill Gases | Energy: 0.010 \$/kWh RECs: 0.0 \$/kWh Contract Total: 0.10 \$/kWh |
| Landfill Gas Technologies of Fajardo (Toa Baja) | 2.4 | Landfill Gases | Energy: 0.10 \$/kWh RECs: 0.0 \$/kWh Contract Total: 0.10 \$/kWh |
| Punta Lima | 26 | Wind | Energy: 0.1473 \$/kWh RECs: 0.0 \$/kWh Contract Total: 0.1473 \$/kWh |
| Ciro One Salinas | 30 ⁹ | Solar | Energy: 0.0791 \$/kWh RECs: 0.0 \$/kWh Contract Total: 0.0791 \$/kWh¹⁰ |

⁴ Listed in order of PPOA execution date with earliest PPOA first.

⁵ Energy price increases by 2% per year for all projects except for Landfill Gas (Fajardo and Toa Baja), Humacao Solar Project and Pattern.

⁶ The cost per kwh of energy for AES Ilumina is contracted cost and reflects an amendment to the PPOA that reduces the cost per kwh by a factor of 0.9.

⁷ The cost per kwh of energy for Horizon is contracted cost and reflects an amendment to the PPOA that reduces the cost per kwh by a factor of 0.9.

⁸ The cost per kwh of energy for Oriana is contracted cost and reflects an amendment to the PPOA that reduces the cost per kwh by a factor of 0.904.

Renewable Energy Portfolio Compliance Report

4.0 Production Cost of Renewable Independent Power Producers

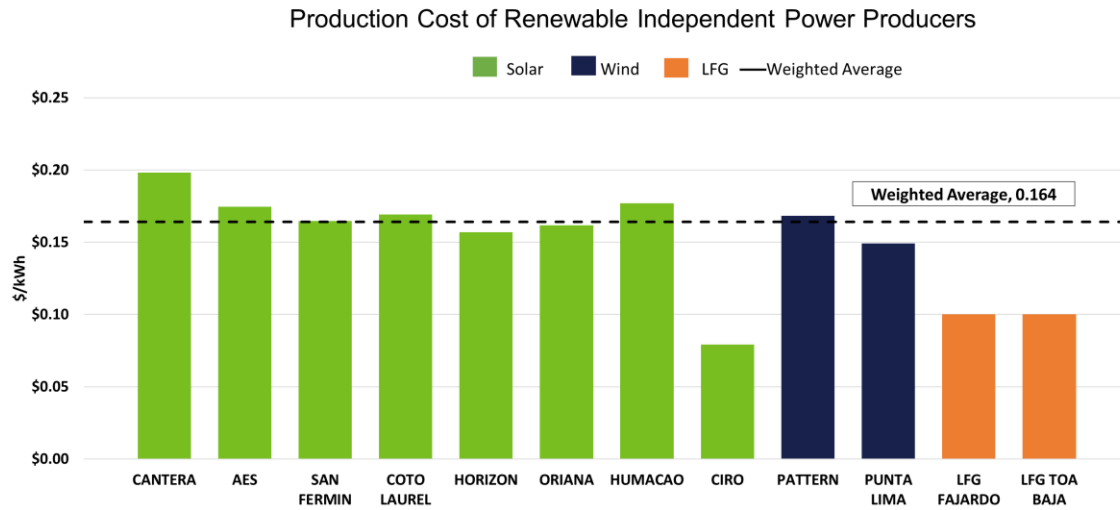


Figure 1: Production Cost of Renewable Independent Power Producers, below shows the production cost of all existing Renewable Power Purchase and Operating Agreement (PPOA) contracts for February 2026.

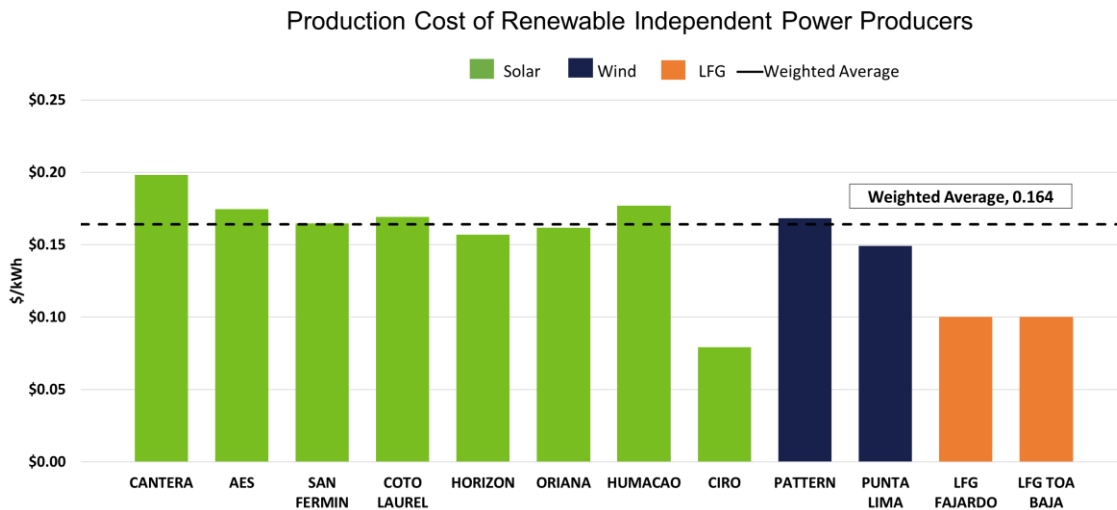


Figure 1: Production Cost of Renewable Independent Power Producers

⁹ While the contracted capacity of Ciro One is 90MW, the current capacity for the pre-operational phase is 30MW due to compliance with minimum technical requirements (MTRs).

¹⁰ The cost per kWh of energy for Ciro One reflects the amount during pre-operation phase.