

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

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IN RE:
ENERGY EFFICIENCY AND DEMAND
RESPONSE THREE YEAR PLAN /
IN RE: ENERGY EFFICIENCY AND
DEMAND RESPONSE TRANSITION
PERIOD PLAN

CASE NO.:
NEPR-MI-2026-0002 /NEPR-MI-2022-0001

SUBJECT:
Auto-enrollment in the Customer Battery
Energy Sharing Program for the 2026
summer

**JOINT MOTION FOR AUTHORIZATION OF ADDITIONAL AUTO-ENROLLMENT OF
BATTERIES IN THE CUSTOMER BATTERY ENERGY SHARING PROGRAM FOR
THE SUMMER 2026 SEASON**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME NOW Sunrun Inc. (“Sunrun”) and **SunStrong Management LLC** (“SunStrong”), through their undersigned legal counsel, and **Tesla, Inc.** (“Tesla”) (collectively referred to as the “**Joint Aggregators**”) respectfully submit this motion requesting the following:

I. INTRODUCTION

The Joint Aggregators represent the primary providers of networked residential battery storage in Puerto Rico that are participating in the Customer Battery Energy Sharing Program (“CBES Program”). The CBES Program has proven to be an effective program that has helped minimize or avoid load shed events caused by generation shortfalls during the summer months.

The CBES Program’s capacity was scaled rapidly in 2025 to approximately 50 MW over a four-hour period through the use of auto-enrollment for eligible customers, which

was approved by the Energy Bureau of the Public Service Regulatory Board of Puerto Rico (“Energy Bureau”) following the April 2 Executive Order by Governor González Colón declaring an energy emergency. The use of auto-enrollment allowed participation in the CBES Program to grow to over 81,000 customers in 2025.

There is an opportunity to build on the success of the CBES Program by increasing the enrolled capacity of the program ahead of the 2026 summer season. Tens of thousands of customer batteries are currently installed and capable of being aggregated through the CBES Program, if given the opportunity. This motion respectfully requests confirmation that the existing auto-enrolled cohort of customers can remain enrolled in the CBES Program through FY2028 and seeks approval for the use of auto-enrollment to enroll new customers into the CBES Program throughout 2026. If granted, these modifications will increase the dispatchable capacity of the CBES Program and make it even more effective at avoiding and reducing load shed events throughout 2026.

II. RELEVANT PROCEDURAL HISTORY

1. On January 31, 2025, LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly referred to as “LUMA”) filed a *Motion to Submit Revised Energy Efficiency and Demand Response Transition Period Plan* and a *Motion to Submit Permanent Customer Battery Energy Sharing Program Proposal In Compliance With Resolutions and Orders of October 23, 2024 and December 5, 2024* which included a proposed program structure for the CBES program which would begin July 1, 2025 and run for three years.

2. On April 3, 2025, the Energy Bureau issued a *Resolution and Order* that partially approved the CBES Program proposal and established a schedule for further consideration of certain program elements.
3. On April 24, 2025, the Energy Bureau held a Technical Conference where LUMA presented proposals to address projected generation shortfalls during the summer 2025. LUMA stated that they expected over 90 generation shortfall events and that they were considering an expansion of the CBES Program.
4. On April 30, 2025, the Energy Bureau issued a *Resolution and Order* that required LUMA to file additional information regarding the summer emergency demand response proposals including the expansion of the CBES Program.
5. On May 20, 2025, the Energy Bureau issued a *Resolution and Order* conditionally approving the expanded “CBES+ Program,” specifically approving Scenario B which included use of auto-enrollment with those auto-enrolled customers providing a reduced event capacity. Scenario B envisioned reaching an enrollment level of approximately 60,000 customers.
6. On May 29, 2025, the Energy Bureau issued a *Resolution and Order* approving Scenario B of the CBES+ Program and the remaining unapproved portions of the permanent CBES Program proposal which included implementation of a DERMS platform. The Energy Bureau ordered LUMA to not cease or curtail dispatch during grid emergencies or artificially constrain the program size if it would result in avoided outages for non-participated customers.

7. On March 2, 2026, LUMA filed its Three-Year Plan for the permanent energy efficiency and demand response programs ("TYP") for FY2027 and FY 2028, which includes continuation of the CBES Program through June 30, 2028.
8. On March 4, 2026, the Energy Bureau issued a Resolution and Order initiating the NEPR-MI-2026-0002 proceeding for the review of the 2026-2028 TYP.

III. BASIS FOR THE MOTION

While the expanded CBES Program did help improve the generation shortfall situation in Puerto Rico in 2025, it has the potential to provide even more capacity and beneficial impact in 2026. Tens of thousands of additional customer-sited batteries are available to be enrolled in the program to increase the emergency capacity that is available to help avoid load shedding should the generation shortfall continue. The Joint Aggregators estimate that additional auto-enrollment could provide up to an incremental 30 MW of capacity for a four-hour dispatch, if necessary.

Although we understand that the CBES Program helped prevent many outages, in 2025, there were still some manual load shed events, even when CBES was dispatched, because the size of the generation shortfall exceeded the capacity of CBES. The approximately 50 MW of capacity that was available for four-hour dispatches in 2025 was not able to fully avoid all load shed events, demonstrating the usefulness of having additional capacity available for 2026. Additional auto-enrollment will increase CBES's capacity for 2026 and allow CBES to avoid and/or mitigate even larger generation shortfalls - thus mitigating more blackouts - in 2026. The Joint Aggregators understand that the island expects to face similar generation capacity challenges in 2026 and that the

CBES Program is expected to be used throughout the season when available reserves are forecasted to drop below the 200 MW threshold.

Additionally, on February 10, 2026, Secretary of Energy Chris Wright renewed the 202(c) order stating that emergency conditions continue to exist in Puerto Rico due to a shortage of generation.¹ The order finds that forced outage rates remain high and that the system remains at risk as it prepares for peak demand season this summer due to conventional generation units still under repair. The risk of storms or periods of excessive heat are also substantial risks that could result in generation shortfalls.

Enrolling more customer batteries that are already deployed and available will enhance grid reliability. It is preferable to have additional capacity enrolled in the CBES program so that the emergency capacity resource is available, even if the full capacity is not ultimately needed. The alternative is a constrained CBES Program that may end up providing insufficient capacity resulting in unnecessary outages on the island. In the Energy Bureau's May 29, 2025 *Resolution and Order*, it was ordered that LUMA should not "*...artificially limit the size of the CBES Program in a fashion that would result in avoidable outages for non-participating customers.*"² We believe that this directive is still appropriate and that unnecessary outages should not be risked by preventing further customer enrollment.

¹ The Federal Power Act Section 202(c) emergency orders were originally issued on May 16, 2025, and extended on August 14, 2025, November 12, 2025, and most recently on February 10, 2026. These orders on generation and transmission measures are available at <https://www.energy.gov/ceser/federal-power-act-section-202c-puerto-rico-electric-power-authority-prepa>.

² *Resolution and Order*, NEPR-MI-2022-0001, May 29, 2025, Public Service Regulatory Board of the Puerto Rico Energy Bureau, pg. 3.

In the event that the capacity enrolled in the CBES Program exceeds what is needed for grid emergencies, there are options to modulate the resource's output in order to ensure the CBES Program resource is used responsibly and according to system needs. This may include dispatching subsets of batteries or limiting the amount of energy per battery that is discharged during a dispatch. These controls and flexibility provide an important ratepayer protection and will ensure that only necessary capacity will be used during events. Importantly, if no events are called then no CBES payments will be made. Allowing for additional auto-enrollment to begin sooner rather than later ensures that CBES is able to respond to larger generation shortfalls, should they occur during the summer of 2026. This is essentially a free option to call on a large-scale emergency resource, should it be needed.

The catalyzing factor for the rapid CBES Program growth in 2025 and potential growth in 2026 is the use of the auto-enrollment process. Auto-enrollment was conditionally approved as included in Scenario B by the Energy Bureau on May 20, 2025 and fully approved on May 29, 2025. The Energy Bureau's approval for the use of auto-enrollment was initially limited to enrolling customers quickly into the CBES Program for the critical summer and early fall period during 2025. LUMA has stated in filings multiple times that those auto-enrolled customers would remain in the CBES program through the end of FY2028, which the Joint Aggregators support.³ However, the Energy Bureau must

³ See the *Monthly Status Report CBES+* filed on November 20, 2025 in NEPR-MI-2022-0001 which states: "Thus, LUMA plans to maintain the existing CBES framework which includes opt-in and auto-enrolled customers through the end of fiscal year FY28." (pg. 3). See also LUMA's *Response to January 9, 2026 Request #6* in the aforementioned docket which states: "Accordingly, LUMA, in partnership with aggregators, do not expect to unenroll customers from the program, either at this time or in the near future." (pg. 6). Finally, in LUMA's *Three-Year Energy Efficiency and Demand Response Plan* filed in the aforementioned docket on March 2, 2026 which states: "The Energy Bureau's May 29, 2025, Resolution and Order approved an auto-enrollment mechanism for CBES. As a result, there are now more than 80,000

approve the use of auto-enrollment to add new customers to CBES for the 2026 summer season.

Auto-enrollment has proven to be a resounding success. By streamlining the process by which aggregators can enroll customer batteries while providing those customers adequate notice, ability to unenroll, and compensation for the limited use of the battery in their home, auto-enrollment has facilitated participation in the CBES Program by tens of thousands of home batteries. Unenrollment levels have been extremely low and customers are satisfied sharing a portion of their battery's capacity in exchange for predictable, recurring compensation. Sunrun surveyed its customers at the end of 2025 and found that customers rated their average satisfaction with their CBES experience extremely highly. Sunrun also noted that less than 7% of auto-enrolled customers opted-out of participating in CBES in 2025.

Due to the success of auto-enrollment, LUMA intends to maintain existing auto-enrolled customers through the end of FY2028. The only barrier to substantially increasing the emergency capacity available in the CBES Program is an order from the Energy Bureau approving the continued use of auto-enrollment for new customers. The Joint Aggregators request expedited authorization to allow aggregators and LUMA to begin the auto-enrollment process immediately. While the primary need for dispatch occurs during the peak summer months of July and August, the administrative

participants enrolled. With this TYP, LUMA proposes to continue auto-enrollment of customers through FY28." (pg. 34)

requirements for enrollment necessitate an immediate regulatory mandate to ensure this capacity is ready to support the grid.

Auto-enrollment is a multi-step process that requires substantial time and resources from both the Joint Aggregators and LUMA in order to ensure that enrollment is accurate and sufficient customer protections are provided. The following is a brief overview of the necessary steps to complete the auto-enrollment process which demonstrates why approval is needed well before the start of the summer season.

First, assuming auto-enrollment is approved by an order from the Energy Bureau, the Joint Aggregators must complete a data reconciliation process by which new batteries are matched to LUMA's customer account and interconnection records. This step for tens of thousands of batteries is necessary to ensure accurate participation in the CBES Program. For any unmatched sites, the aggregator has an opportunity to rectify the customer's account records and attempt another submission to maximize fleet participation. Next, eligible customers must be provided a 30-day notice in which they can review the terms and conditions for the CBES Program and determine whether they would like to exercise their right to opt-out of participating in the program. Finally, the aggregator is responsible for ensuring all participating batteries are configured in the aggregator's platform and tested to ensure that they will respond to dispatch signals.

In order to complete this process prior to July 1, 2026, **the Joint Aggregators respectfully request that the Energy Bureau issue an Order by April 15, 2026 to expedite approval of the continued use of rolling auto-enrollment for the remainder of calendar year 2026.** This would provide adequate time to complete the auto-

enrollment process and have the new battery capacity ready for use by July 1. Approval after April 15 may result in less capacity being available at the start of the 2026 summer season.

Importantly, the Joint Aggregators are not requesting additional changes to the CBES Program or the critical customer protections for potential program participants. Specifically, newly enrolled customers would receive comparable compensation for their participation in the CBES Program, will have the ability to modify their backup reserve level at their discretion, and will be able to opt-out of the program entirely at any time, all subject to the terms between customers and their respective aggregators. Aggregators will also conduct a clear, bilingual customer education and outreach campaign to explain program terms and the opt-out process.

IV. REQUEST FOR RELIEF

WHEREFORE, the Joint Aggregators respectfully request that the Energy Bureau:

1. **CONFIRM** the continued enrollment and participation in the CBES Program for the existing 2025 CBES+ auto-enrolled cohort through the end of FY28.
2. **APPROVE** the use of rolling auto-enrollment for the remainder of calendar year 2026 in order to enroll currently non-participating residential customers with a battery storage system, especially those that have been installed since the last auto-enrollment cohort in June 2025, into the CBES Program.
3. **DIRECT** LUMA to provide the data-sharing and administrative support necessary to facilitate the timely enrollment and verification of these customers in the CBES Program.

4. **ISSUE** an order by April 15, 2026, in order to ensure that the auto-enrollment process can begin so that new additional capacity will be available for use by July 1, 2026.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, on March 31st, 2026.

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