



Received:

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May 14, 2026

**To: Puerto Rico Electric Power Authority (“PREPA”)**

Attention: Mary C. Zapata Acosta  
Executive Director  
PO BOX 364267  
San Juan, Puerto Rico 00936-4267

**RE: Notice of PREPA's Failure to Comply with April 15 Rate Order**

Dear Executive Director Zapata:

LUMA Energy LLC and LUMA Energy ServCo, LLC, (“LUMA”) in our capacity as Operator of the Puerto Rico Transmission and Distribution System (“T&D System”) pursuant to the Puerto Rico Transmission and Distribution Operation and Maintenance Agreement (“T&D OMA”),<sup>1</sup> writes you to request an urgent rectification of the May 2026 Service Accounts funding replenishment in line with the Puerto Rico Energy Bureau’s (“PREB’s”) April 15, 2026 Rate Order (“April 15 Rate Order”)<sup>2</sup> applicable for Fiscal Year 2026 (“FY26”).

In accordance with the April 15 Rate Order, LUMA, PREPA and Genera were assigned their respective funding requirements for FY26. Specifically, one twelve (1/12) of the FY26 budget represents: \$92,941,000 to LUMA, \$24,060,00 to Genera and \$7,961,000 to PREPA respectively. Therefore, on the sixth (6<sup>th</sup>) Business Day of the month, which was May 8, 2026, LUMA requested the Service Accounts funding replenishment in line with Section 7.5 of the T&D OMA<sup>3</sup>. However, on the tenth (10<sup>th</sup>) Business Day of the month, which is today, May 14, 2026, the Puerto Rico Electric Power Authority (“PREPA”) failed to fund the service accounts in accordance with PREB’s April 15 Rate Order.

Below is a comparison of the required funding amounts as per PREB’s April 15 Rate Order and the figures PREPA replenished based on its calculations.

Account	April 15, 2026, Rate Order Monthly Funding	PREPA’s Funding	Difference
LUMA Operating Account	\$75,911 <sup>4</sup>	\$62,049	(\$13,862)

<sup>1</sup> The Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement executed on June 22, 2020, by and amongst the Puerto Rico Electric Power Authority (“PREPA”), the Puerto Rico Public-Private Partnerships Authority (“P3A”) and LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, “LUMA”).

<sup>2</sup>Final Resolution and Order on Electric Rates in case number [NEPR-AP-2023-003 April 15, 2026 R&O](#)

<sup>3</sup> No later than the tenth (10<sup>th</sup>) business day of each month, PREPA shall replenish the Operating Account so as to maintain a funding level equal to four and a half (4.5) months. Additionally, no later than the tenth (10<sup>th</sup>) business day of each month, PREPA shall replenish the Capital Account – Non-Federally Funded so as to maintain a funding level equal to the sum of anticipated Capital Costs – Non-Federally Funded for the subsequent four and a half (4.5) months.

<sup>4</sup> LUMA’s Operating Budget April 15,2026, Rate Order Monthly Funding number includes: \$63.77M for GridCo Operating Expenditures plus \$11.614M for LUMA’s Service Fee plus \$528K from the 2% allocation (2% based on \$664K times 79.5%). The 79.5% allocation is based on \$63.77M in Operating Expenses divided by the sum of \$63.77M plus \$16.443 in NFC.



<b>LUMA Non-Federally Funded Capital Account (“NFC”)</b>	\$16,579	\$15,305	(\$1,274)
<b>GenCo Operating Account</b>	\$24,060 <sup>5</sup>	\$26,138	\$2,078
<b>Energy Efficiency Account</b>	\$1,004	\$1,157	\$153
<b>Accelerated Storage Addition Program (“ASAP”)</b>	\$367	\$0	(\$367)

Nonetheless, PREPA is also not funding the service accounts in accordance with the T&D OMA requirements<sup>6</sup>. For the Energy Efficiency Program (“EE”), PREPA’s replenished amount was based on the January 23, 2026, R&O.<sup>7</sup> Additionally, Genera’s operating account was overfunded, which is not in compliance with the April 15 Rate Order requirements. Furthermore, for ASAP, PREPA has yet to provide the required specification of the corresponding amount.

It is essential that all Service Accounts are funded in accordance with the established guidelines to ensure that the customers receive the level of service they deserve. Proper and timely funding is critical to supporting the ongoing improvement and stabilization of Puerto Rico’s electrical grid.

LUMA remains fully committed to providing high-quality service to our customers, and we remain available to collaborate and identify effective solutions that support the sustained advancement of the system.

Sincerely,

*Francisco Prego*

[Francisco Prego \(May 14, 2026 19:57:13 EDT\)](#)

**Francisco Prego**

Vice President, T&D OMA Contract Management

cc: Edison Avliés Deliz, President, PREB; [eavilesdeliz@jrsp.pr.gov](mailto:eavilesdeliz@jrsp.pr.gov)  
 Antonio Torres, Associate Commissioner, PREB; [atorres@jrsp.pr.gov](mailto:atorres@jrsp.pr.gov)  
 Robert Mujica, Executive Director, FOMB; [robert.mujica@promesa.gov](mailto:robert.mujica@promesa.gov)  
 Fausto Hernández, Infrastructure Manager, Economic Growth & Revitalization, FOMB; [fausto.hernandez@promesa.gov](mailto:fausto.hernandez@promesa.gov)  
 Josué A. Colón Ortiz, Executive Director, P3A; [josue.colon@p3.pr.gov](mailto:josue.colon@p3.pr.gov)  
 Valerie Beauchamp, Chief Financial Officer, PREPA; [valerie.beauchamp@prepa.pr.gov](mailto:valerie.beauchamp@prepa.pr.gov)  
 Mary Zapata, Executive Director, PREPA; [mary.zapata@prepa.pr.gov](mailto:mary.zapata@prepa.pr.gov)  
 Alejandro J. Figueroa Ramírez, Chief Regulatory Officer, LUMA; [alejandro.figueroara@lumapr.com](mailto:alejandro.figueroara@lumapr.com)  
 Andrew Smith, Chief Financial Officer, LUMA; [andrew.smith@lumapr.com](mailto:andrew.smith@lumapr.com)  
 Ángel E. Rotger Sabat, Chief Legal Officer, LUMA; [angel.rotger@lumapr](mailto:angel.rotger@lumapr)

<sup>5</sup> Genera’s Operating Budget April 15, 2026, Rate Order Monthly Funding number includes: \$17.382M for GenCo Operating Expenditures plus Genera’s \$2.215M in Genera’s Service Fee plus Genera’s NFC Budget of \$4.462M. Note that PREB did not allocate Shared Services for Genera, therefore the GenCo Property and Casualty Insurance applicable monthly amount of \$4.158M must come out of Genera’s Operating Budget.

<sup>6</sup> Section 7.5 of the T&D OMA.

<sup>7</sup> Energy Efficiency Rider Funds [NEPR-MI-2022-0001 January 23, 2026 R&O](#)