

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

NEPR Received: May 28, 2026 2:39 PM
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IN RE: REVIEW OF LUMA’S INITIAL BUDGETS

CASE NO.: NEPR-MI-2021-0004

SUBJECT: LUMA’s Motion to Inform and Requesting Order Regarding PREPA’s Failure to Comply with Fiscal Year 2026 Approved Budget

**MOTION TO INFORM AND REQUESTING ORDER REGARDING PREPA’S
FAILURE TO COMPLY WITH THE APPROVED FISCAL YEAR 2026 BUDGET**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly referred to as “LUMA”) and respectfully state and request the following:

I. Introduction

1. This Motion arises from the Puerto Rico Electric Power Authority’s (“PREPA”) failure to implement the funding determinations established by the Puerto Rico Energy Bureau (“Energy Bureau”) in the Final Order on Electricity Rates issued and notified on April 15, 2026, in Case No. NEPR-AP-2023-0003, *In Re: Puerto Rico Electric Power Authority Rate Review* (“Rate Review Docket”). Under Section 7.5 of the Transmission and Distribution Operation and Maintenance Agreement (the “T&D OMA”), PREPA is required to fund the Service Accounts on a monthly basis using the applicable approved budget and revenue requirement. Although the Final Order on Electricity Rates approved the Fiscal Year 2026 revenue requirement applicable to LUMA, Genera PR LLC (“Genera”), and PREPA, PREPA failed to fund the Service Accounts consistent with those binding determinations and instead deposited an amount less than one-twelfth of the approved budget for LUMA.

2. Through this Motion, LUMA respectfully requests that the Energy Bureau order PREPA to use and implement the Fiscal Year 2026 budget and revenue requirement approved in the Final Rates Order as the binding and controlling budgetary determination for all purposes, including the calculation and funding of the Service Accounts under the T&D OMA.

II. Procedural Background

1. On June 20, 2025, the Energy Bureau issued a Resolution and Order in the captioned proceeding establishing Temporary Default Budgets for Fiscal Year 2026.

2. On July 3, 2025, LUMA, on behalf of itself, Genera and PREPA, submitted an application for permanent and provisional rates in the Rate Review Docket. As part of that filing, LUMA included the Fiscal Year 2026 Budget, which was prepared in accordance with various directives issued by the Energy Bureau, including the orders entered on February 12 and April 21, 2025, in the Rate Review Docket.

3. On July 31, 2025, the Energy Bureau issued a Resolution and Order in the Rate Review Docket establishing the Fiscal Year 2026 Provisional Budget for the Electric System.

4. Thereafter, following multiple procedural events in the Rate Review Docket, the Energy Bureau issued and notified, on April 15, 2026, the Final Order on Electricity Rates (the “Final Rates Order”). In the Final Rates Order, the Energy Bureau approved and established, among other determinations, the permanent Fiscal Year 2026 revenue requirement. *See* Final Rates Order, Chapter One, p. 43. That approved revenue requirement includes the specific permanent revenue requirement applicable to each operating entity, namely, LUMA, Genera, and PREPA.

5. Pursuant to the process set forth in Section 7.5 of the T&D OMA, LUMA transmitted a letter to PREPA on May 8, 2026, requesting funding for the Service Accounts in

accordance with the allocations and revenue requirements established by the Energy Bureau in the Final Rates Order.

6. Notwithstanding the clear determinations of the Final Rates Order, on May 14, 2026, PREPA deposited into the Service Accounts an amount that was less than one-twelfth of the approved Fiscal Year 2026 revenue requirement applicable to GridCo and LUMA.

7. Also on May 14, 2026, LUMA notified PREPA in writing of PREPA's failure to comply with the Final Rates Order. *See* Exhibit A. As explained in that correspondence, PREPA did not use the Fiscal Year 2026 approved revenue requirement and budgets established in the Final Rates Order as the basis for calculating the required monthly funding under the T&D OMA. Instead, PREPA deposited into LUMA's Service Accounts less than the amount required under the T&D OMA when calculated consistently with the Final Rates Order, while at the same time depositing amounts to Genera in excess of those corresponding under that same framework. *Id.*

8. PREPA's actions are inconsistent with both the plain determinations of the Final Rates Order and the funding mechanism mandated by Section 7.5 of the T&D OMA. The Final Rates Order is not discretionary guidance; it is a binding determination of this Honorable Energy Bureau that must be implemented as issued unless and until modified by further order. PREPA may not unilaterally disregard or selectively apply the revenue requirement and budgetary allocations approved by the Energy Bureau.

III. Conclusion and Request for Relief

9. LUMA, therefore, respectfully requests that the Energy Bureau order PREPA to adhere to and implement the Final Rates Order as the binding approval of the Fiscal Year 2026 budget and revenue requirement for all purposes, including the calculation and funding of the

Service Accounts under the T&D OMA, and to make any additional deposits required to cure the existing shortfall.

WHEREFORE, LUMA respectfully requests that the Energy Bureau issue an order: (i) requiring PREPA to apply the Fiscal Year 2026 budget and revenue requirement approved in the Final Rates Order as the operative and controlling determination for all relevant purposes; (ii) directing PREPA to calculate and fund the Service Accounts in accordance with such approved amounts and Section 7.5 of the T&D OMA; (iii) requiring PREPA to remedy any funding deficiency resulting from its failure to do so; and (iv) granting any further relief that the Energy Bureau deems just and proper.

RESPECTFULLY SUBMITTED.

In Guaynabo, Puerto Rico, on the 28th day of May 2026.



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CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that this motion was filed using the electronic filing system of this Energy Bureau and that electronic copies of this motion will be notified to the Puerto Rico Electric Power Authority, through its attorneys of record: Richard Cruz-Franqui, rcruzfranqui@gmlex.net; Mirelis Valle-Cancel, mvalle@gmlex.net; and Natalia Zayas Godoy, nzayas@gmlex.net; Alexis Rivera, alexis.rivera@prepa.pr.gov; and to Genera PR, LLC, through: Jorge Fernández-Reboredo, jfr@sbgblaw.com, Ernesto R. Ramos Maldonado, emaldonado@sbgblaw.com; Gabriela Castrodad García, gcastrodad@sbgblaw.com; Ricardo Pallens Cruz, ricardo.pallens@genera-pr.com; Ramón L. Ramos Aponte; ramon.ramos@jsyalaw.com; legal@genera-pr.com; and regulatory@genera-pr.com.

In Guaynabo, Puerto Rico, on the 28th day of May 2026.

/s/ Jan M. Albino López
Jan M. Albino López

Exhibit A