

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

NEPR

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**IN RE: PUERTO RICO ELECTRIC POWER
AUTHORITY PERMANENT RATE**

CASE NO.: NEPR-MI-2020-0001

**SUBJECT: Submission of CILTA, SUBA-HH,
SUBA-NHH and EE Reconciliations and Proposed
Factors and Request for Confidential Treatment**

**MOTION SUBMITTING CILTA, SUBA-HH, AND SUBA-NHH RECONCILIATIONS
AND CALCULATED FACTORS, EE PROGRAM COSTS AND PROPOSED FACTORS,
AND REQUEST FOR CONFIDENTIAL TREATMENT**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES now **LUMA Energy ServCo, LLC** (“ServCo”), (“LUMA”), and respectfully state and request the following:

I. Introduction

1. This Honorable Puerto Rico Energy Bureau’s (“Energy Bureau”) approval and revisions of the factors associated with several riders, including contributions in lieu of taxes cost adjustment (“CILTA”), help to human subsidies (“SUBA-HH”), non-help to human subsidies (“SUBA-NHH”), energy efficiency rider (“EE Rider”), Fuel Charge Adjustment, the Purchased Power Charge Adjustment, and the Fuel Oil Subsidy, arise under a Resolution and Order dated April 23, 2019, issued in cases nos. CEPR-AP-2015-0001 and NEPR-AP-2018-0003. The particulars of the timing to file annual proposed CILTA, SUBA-HH, SUBA-NHH, and EE Rider factors are stated in the Tariff Book for the Puerto Rico Electric Power Authority (“PREPA”). See PREPA Tariff Book, pp. 54, 56, 58 and 64-65. The filings before this Energy Bureau of the proposed factors are due before the end of the eleventh month of each annual period. *Id.* The proposed factors would become effective in the billing cycle of the first month of the annual period. *Id.*

2. On June 30, 2025, the Energy Bureau issued a Resolution and Order titled *Determinación sobre los Factores de las Cláusulas de Ajuste Anual para el periodo de julio 2025 a junio 2026 y sobre los Factores de las Cláusulas de Ajuste Trimestral para el periodo de julio – septiembre 2025*. In this order, the Energy Bureau determined, among other things, that the proposed annual factors for CILTA, SUBA-HH, SUBA-NHH, and EE, which will be effective as of July 1, 2026, including the proposed reconciliations for the period from May 1, 2025, to April 30, 2026, must be submitted to the Energy Bureau on or before May 31, 2026, at noon.

3. Exercising its role and duties over system regulatory matters pursuant to Section 5.6 of the Puerto Rico Transmission and Distribution Operation and Maintenance Agreement (“OMA”) as supplemented by the Puerto Rico Transmission and Distribution System Supplemental Terms Agreement, LUMA’s role is to perform the reconciliations and calculate the proposed factors for the CILTA, SUBA-HH, and SUBA-NHH riders, and calculate the EE Rider proposed factor, to be reviewed, modified, and approved by this Energy Bureau. With this Motion, LUMA is submitting proposed factors to apply from July 1, 2026, to June 30, 2027.

II. Regulatory Formulas for the CILTA, SUBA-HH, SUBA-NHH, and EE Riders

A. CILTA

4. The CILTA is a reconciling rate mechanism that recovers the cost of Contributions In Lieu of Taxes payments to municipalities on an annual basis. The CILTA shall apply to all gross kilowatt-hour (kWh) consumed by customers served on all LUMA rates, except the base usage contained in the Residential Fixed Rate. The formula to calculate the CILTA factor is:

$$CILTA = \frac{(CILT + \text{Prior Period Reconciliation})}{\text{Applicable Retail kWh Sales}}$$

B. SUBA-HH

5. The SUBA-HH is a reconciling rate mechanism that recovers the cost of certain subsidies that LUMA must provide to eligible customers annually. The SUBA-HH shall apply to all gross kWh consumed by customers served on all LUMA rates except the base usage contained in the Residential Fixed Rate. The formula to calculate the SUBA-HH factor is:

$$SUBA-HH = \frac{(Subsidies + Prior\ Period\ Reconciliation)}{Applicable\ Retail\ kWh\ Sales}$$

C. SUBA-NHH

6. The SUBA-NHH is a reconciling rate mechanism that recovers the cost of certain subsidies that LUMA must provide to eligible customers on an annual basis. The SUBA-NHH shall apply to all gross kWh consumed by customers served on all LUMA rates, except the base usage contained in the Residential Fixed Rate. The formula to calculate the SUBA-NHH factor is:

$$SUBA-NHH = \frac{(Subsidies + Prior\ Period\ Reconciliation)}{Applicable\ Retail\ kWh\ Sales}$$

D. EE

7. The EE Rider is a mechanism that provides for the cost recovery of all expenses associated with implementing and administrating energy efficiency programs approved by the Energy Bureau. The costs of the programs are recovered through a per kWh charge for all customers, the Energy Efficiency Charge (“EEC”). The formula to calculate the EEC factor is:

$$EE = \frac{(Total\ Cost\ of\ EE\ Programs + Prior\ Period\ Reconciliation)}{Applicable\ Retail\ kWh\ Sales}$$

III. Annual Reconciliation of the CILTA, SUBA-HH, SUBA-NHH, and EE Riders, and the Fiscal Year 2026 Forecast Costs and Factors

8. The estimated retail kWh sales for the period of July 1, 2026, through June 30, 2027, is 15,526,219,788.18 kWh.

9. LUMA respectfully notes that the reconciliation of the annual riders was impacted by the approval of the Provisional and Pension Riders, both of which became effective in September 2025 and were not incorporated into the forecasted costs used in determining the current annual riders. As a result, the CILT, Municipal Public Lighting, Life Preserving Equipment Discount and Hotels subsidies were impacted. For the CILT and Municipal Public Lighting subsidies, the impact reflects a natural increase in costs due to the addition of these two new charges. For the Life Preserving Equipment Discount and Hotels subsidy, the impacts arises from the application of a discount to the total billed amount. This discount is established by the Act to Authorize the Puerto Rico Electric Power Authority (PREPA) to Grant Credits on the Monthly Electricity Consumption Bills of Hotels and/or Paradores, Act No. 101-1985, 22 L.P.R.A. § 196 (2026), as amended, and as implemented by Regulation No. 7055 of November 21, 2005, Regulation for the Granting of Credits to Hotels, Condo-Hotels, Small Lodgings, Paradores, or Guesthouses of the Puerto Rico Electric Power Authority (November 21, 2005).

A. CILTA

10. The total CILT cost, prior period adjustment, and other adjustments to the billing from previous fiscal years totaled \$63,281,565.59. In contrast, revenues totaled \$66,755,067.85. As such, there are excess revenues in the amount of \$3,473,502.26. The CILTA forecasted cost for FY2027 is \$119,305,074.19. LUMA calculated a FY2027 CILTA rider factor of \$ 0.007460/kWh.

Notwithstanding that the new charges effective as of September 2025 increased the cost associated with this subsidy, a refund was recorded, as a result of a prior period adjustment. This adjustment corresponds to the recovery applied to the factors in effect for the reconciliation period spanning May 2024 through April 2025. The principal purpose of this adjustment is to reverse the amount recovered during the current year to address the revenue shortfall incurred in the reconciled period of the prior year, thereby ensuring that such amount is not recovered again in the subsequent year.

B. SUBA-HH

11. The SUBA-HH rider cost and prior period adjustment totaled \$211,889,337.80. Revenues totaled \$190,019,099.93. As such, there is a revenue insufficiency in the amount of \$21,870,237.87. The SUBA-HH rider forecasted cost for FY2027 is \$208,465,746.67. LUMA calculated an FY2027 SUBA-HH rider factor of \$0.014835/kWh. In compliance with the Energy Bureau's directive, LUMA notes that, as requested by the Energy Bureau, it has removed the Lifeline Residential Service (LRS) and Residential Service for Public Housing Projects (RH3) subsidy costs from the Help to Humans Subsidies (SUBA-HH) rider in the proposed annual riders that will be in effect from July 1, 2026, through June 30, 2027. *See* Final Rate Order, Chapter 7: Billing Determinants, Revenue Allocation, Rate Design, and Revenue Decoupling, at 34.

C. SUBA-NHH

12. The SUBA-NHH rider cost and prior period adjustment totaled \$19,276,649.77. Revenues totaled \$16,451,948.83. There was a revenue insufficiency for the SUBA-NHH rider of \$2,824,700.94. The SUBA-NHH forecasted cost for FY2027 is \$10,615,693.89. LUMA calculated an FY2027 SUBA-NHH rider factor of \$0.000866/kWh. LUMA notes that the projected costs associated with the irrigation system are excluded from the SUBA-NHH rider, as it is LUMA's

understanding that these costs were addressed in the Final Order of the Rate Case. In addition, LUMA understood that the General Agricultural Service (GAS) subsidy was eliminated because the approved cost per kWh for GAS was higher than that of General Service at Secondary Distribution Voltage (GSS), which serves as the comparable benchmark for determining the subsidy cost.

D. EE

13. On May 29, 2026, the Energy Bureau issued and notified a Resolution and Order with the subject 2026–2028 EE and DR Three-Year Plan Interim Approval in case no. NEPR-MI-2026-0002. In this order, the Energy Bureau determined, among other things, that funding for these programs shall continue through the EE Rider at the currently established rate, which is \$0.00853 per kWh. *See* Resolution and Order in the matter of *In Re: Energy Efficiency and Demand Response Three-Year Plan*, case no. NEPR-MI-2026-0002, p. 2.

E. Summary of Proposed Annual Riders

CILT-Municipalities	<i>\$/kWh</i>	\$	0.007460
Subsidies - Help to Humans	<i>\$/kWh</i>	\$	0.014835
Subsidies - Non-Help to Humans	<i>\$/kWh</i>	\$	0.000866
EE Rider	<i>\$/kWh</i>	\$	0.000853

IV. Documents Filed in Support of the Annual Reconciliation and the Proposed Factors

14. The file titled “*ANNUAL RECONCILIATION- CILT AND SUB RIDERS (MAY 2025 TO APRIL 2026)*” includes the CILTA and Subsidies reconciliations. The supporting files with all the data used for the reconciliations are included.

15. The file titled “*FY 2027 Subsidies Forecast*” includes the CILTA, and the subsidies forecasted costs with all formulas intact. Finally, the file “*Load Forecast 2025 Update*” includes all the data used to determine the projected load with formulas intact.

16. As detailed in the table below, LUMA is hereby submitting via email, twelve (12) Excel spreadsheets:

A. Public Files in Values Folder

- ANNUAL RECONCILIATION-CILT AND SUB RIDERS (MAY 2025 TO APRIL 2026)_Values.xlsx
- Load Forecast 2025 Update_Values.xlsx
- Customers Forecast 2025 Update_Values.xlsx
- FY2027 Subsidies Forecast_Values.xlsx
- 2027 Revenues Forecast_Values.xlsx
- Attachment 5 - CILT and SUBSIDIES RIDERS 2027_Values.xlsx
- Subsidies (CC&B Reports Supporting) May 2025 to April 2026_Values.xlsx
- Public Lighting- May 2025 to April 2026_Values.xlsx
- Load forecast modifiers FY2025_Values.xlsx
- CILT FY 2026_Values.xlsx
- CILT kWh (FY2027-FY2026)_Values.xlsx
- CILT \$ (FY2027-FY2026)_Values.xlsx
- CILT & SUB Costs MAY25-APR26_Values.xlsx

17. LUMA is also submitting confidential versions of the twelve (12) Excel spreadsheets with formulae intact as identified in the table below:

B. Confidential Folder

- ANNUAL RECONCILIATION-CILT AND SUB RIDERS (MAY 2025 TO APRIL 2026).xlsx
- Load Forecast 2025 Update.xlsx
- Customers Forecast 2025 Update.xlsx
- FY2027 Subsidies Forecast.xlsx
- 2027 Revenues Forecast.xlsx
- Attachment 5 - CILT and SUBSIDIES RIDERS 2027.xlsx
- Subsidies (CC&B Reports Supporting) May 2025 to April 2026.xlsx

- Public Lighting- May 2025 to April 2026.xlsx
- Load forecast modifiers FY2025.xlsx
- CILT FY 2026.xlsx
- CILT kWh (FY2027-FY2026).xlsx
- CILT \$ (FY2027-FY2026).xlsx
- CILT & SUB Costs MAY25-APR26.xlsx

V. Request for Confidential Treatment of Excel Files and Supporting Memorandum of Law

18. The confidential Excel files referenced in Section IV(B) of this Motion, are Excel spreadsheets submitted in native format (.xls) and with formulae intact. They include formulae and original calculations made by LUMA personnel that reveal confidential procedures. They also encompass sensitive commercial information belonging to LUMA and PREPA, thus protected by law from disclosure and should not be disclosed in native form.

A. Applicable Laws and Regulations to Submit Confidential Information Before the Energy Bureau

19. The bedrock provision on managing confidential information filed before this Energy Bureau is Section 6.15 of the *Puerto Rico Energy Transformation and RELIEF Act*, Act 57-2014, PR Laws Ann. Tit. 22 §§ 1051 - 1056 (2025), 22 L.P.R.A. §§ 1051 - 1056 (2026). It provides, in pertinent part, that: “[i]f any person who is required to submit information to the Energy [Bureau] believes that the information to be submitted has any confidentiality privilege, such person may request the [Bureau] to treat such information as such” 22 L.P.R.A. §1054n. If the Energy Bureau determines, after appropriate evaluation, that the information should be protected, “it shall grant such protection in a manner that least affects the public interest, transparency, and the rights of the parties involved in the administrative procedure in which the allegedly confidential document is submitted.” 22 L.P.R.A. §1054n(a).

20. Relatedly, in connection with the duties of electric power service companies, Section 1.10 (i) of the Puerto Rico Energy Public Policy Act, Act 17-2019, PR Laws Ann. Tit. 22 §§ 1141 – 1141r (2026), 22 L.P.R.A. §§ 1141 – 1141r (2026), provides that electric power service companies shall provide the information requested by customers, except for confidential information under the Rules of Evidence of Puerto Rico. 22 L.P.R.A. §§ 1141i(i). The confidential information shall be provided “only to the lawyers and external consultants involved in the administrative process after the execution of a confidentiality agreement.” 22 L.P.R.A. § 1054n(b). Finally, Act 57-2014 provides that this Energy Bureau “shall keep the documents submitted for its consideration out of public reach only in exceptional cases. In these cases, the information shall be duly safeguarded and delivered exclusively to the personnel of the [Bureau] who needs to know such information under nondisclosure agreements. However, the [Bureau] shall direct that a non-confidential copy be furnished for public review”. 22 L.P.R.A. § 1054n(b).

21. The Energy Bureau’s Policy on Confidential Information details the procedures a party should follow to request that a document or portion thereof be afforded confidential treatment. In essence, the referenced Policy requires identifying confidential information and filing a memorandum of law explaining the legal basis and support for a request to file information confidentially. *See Resolution* in the matter of *In Re: Policy on Management of Confidential Information in Procedures before the Commission*, case no. CEPR-MI-2016-0009 (August 31, 2016), Section A, as amended on September 16, 2016. The memorandum should also include a table that identifies the confidential information, a summary of the legal basis for the confidential designation, and the reasons why each claim or designation conforms to the applicable legal basis of confidentiality. *Id.*, paragraph 3. The party who seeks confidential treatment of information filed

with the Bureau must also file both a “redacted” or “public version” and an “unredacted” or “confidential” version of the document that contains confidential information. *Id.*, paragraph 6.

22. The aforementioned policy of the Energy Bureau on the management of confidential information in procedures states the following with regard to access to validated Trade Secret Information:

1. Trade Secret Information

Any document designated by the [Energy Bureau] as Validated Confidential Information because it is a trade secret under Act 80-2011 may only be accessed by the Producing Party and the [Bureau], unless otherwise set forth by the [Bureau] or any competent court.

Id. Section D (on Access to Validated Confidential Information).

23. Germanely, Regulation No. 8543, *Regulation on Adjudicative, Notice of Noncompliance, Rate Review, and Investigation Proceedings*, includes a provision for filing confidential information in adjudicatory proceedings before this Energy Bureau. To wit, Section 1.15 provides that “a person has the duty to disclose information to the [Bureau] considered to be privileged pursuant to the Rules of Evidence, said person shall identify the allegedly privileged information, request the [Bureau] the protection of said information, and provide supportive arguments, in writing, for a claim of information of privileged nature. The [Bureau] shall evaluate the petition and, if it understands [that] the material merits protection, proceed accordingly to . . . Article 6.15 of Act No. 57-2014, as amended.”

B. Grounds for Confidentiality

24. Under the Industrial and Trade Secret Protection Act of Puerto Rico, Act 80-2011, 10 L.P.R.A. §§ 4131-4144, industrial or trade secrets are deemed to be any information:

(a) That has a present or a potential independent financial value or that provides a business advantage, insofar as such information is not common knowledge or readily accessible through proper means by persons who could make a monetary profit from the use or disclosure of such information, and for which reasonable security measures have been taken, as circumstances dictate, to maintain its confidentiality.

10 L.P.R.A. §4131.

25. Correlatedly, Rule 513 of the Rules of Evidence of Puerto Rico provides that the owner of a trade secret may invoke the privilege to refuse to disclose and to prevent another person from revealing trade secrets, provided that these actions do not tend to conceal fraudulent activities or lead to an injustice. 32 PR Laws Annot. Ap. VI, R. 513. If a court of law mandates the disclosure of a trade secret, precautionary measures should be adopted to protect the interests of the trade secret owner. *Id.*

26. Trade secrets include, but are not limited to, processes, methods, mechanisms, manufacturing processes, formulas, projects or patterns to develop machinery, and lists of specialized clients that may afford an advantage to a competitor. *See* Statement of Motives, 10 L.P.R.A. §§ 4131-4144. As explained in the Statement of Motives of Act 80-2011, protected trade secrets include any information bearing commercial or industrial value that the owner reasonably protects from disclosure. *Id.*; *see also* Article 4 of Puerto Rico's Open Data Law, Act 122-2019, 3 L.P.R.A. § 9894 (exempting the following from public disclosure: (1) commercial or financial information whose disclosure will cause competitive harm; (2) trade secrets protected by a contract, statute or judicial decision (3) private information of third parties). *See* Act 122-2019, Articles 4 (ix) and (x) and (xi)). The Puerto Rico Supreme Court has explained that the trade

secrets privilege protects free enterprise and extends to confidential commercial information. *Ponce Adv. Med. v. Santiago Gonzalez*, 197 D.P.R. 891, 901-02 (2017) (citation omitted).

27. The Excel spreadsheets submitted herewith in native form and with formulae intact are protected as trade secrets. They have commercial value to LUMA and PREPA. They also reveal confidential processes and analyses to produce calculations supporting the public filing of the proposed factors for the CILTA, SUBA-NHH, SUBA-HH, and EE riders. LUMA and PREPA keep and maintain these native files confidentially and do not disclose them to the public or unauthorized third parties.

28. LUMA appreciates the importance of placing the Energy Bureau in the position of reviewing the reconciliations and fixing the annual factors. However, to avoid future competitive harm if original format spreadsheets with formulae and calculations are publicly disclosed, LUMA respectfully requests that the Excel files submitted today in the confidential folder be received, kept, and maintained confidentially by this Energy Bureau.

29. The confidential spreadsheets included a confidential are: (1) documents with commercial and financial value, and (2) involve data that is not common knowledge or readily accessible by third parties who may seek to profit from the data or gain commercial advantages. The spreadsheets are business documents showing processes, methods, and mechanisms that garner protection under Act 80-2011. They are original documents that have not been disclosed to third parties and whose disclosure would reveal sensitive and private commercial processes employed by LUMA and PREPA. The disclosure of this sensitive commercial information would place LUMA and PREPA in vulnerable and disadvantageous commercial positions that could affect LUMA customers and impact rates. Reasonable measures have been taken to protect the files from disclosure and avoid

unauthorized access by third parties that could seek to gain commercial advantages. It is respectfully submitted the confidential files are and contain trade secrets protected from public disclosure by Act 80-2011.

V. Conclusion

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned, **accept** the filing of the CILTA, SUBA-HH, SUBA-NHH, and EE reconciliations and annual calculated proposed factors, and **grant** the request to keep confidentially the spreadsheets that have been filed in Excel format and with formulae and identified as confidential to this Motion.

RESPECTFULLY SUBMITTED.

In Guaynabo, Puerto Rico, on this 1st day of June 2026.



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/s Katuska Bolaños Lugo
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CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of May, 2026, I filed the foregoing motion with the Clerk of the Puerto Rico Energy Bureau through the Bureau's electronic filing system. I further certify that on the same date I served a true and correct copy of the foregoing filing upon all parties of record in this proceeding via the Bureau's electronic filing system, in accordance with the applicable rules and regulations, including:

The Puerto Rico Electric Power Authority, through
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Genera PR LLC, though
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The Independent Consumer Protection Office, through
hrivera@jrsp.pr.gov.

In Guaynabo, Puerto Rico, on this 1st day of June 2026.

/s Katiuska Bolaños Lugo
Katiuska Bolaños Lugo

Exhibit 1

(Excel spreadsheets submitted via email)