

PERMANENT RATE NEPR-MI-2020-0001

NEPR

Received:

Jun 24, 2026

12:22 PM

Response: RFI-LUMA-MI-2020-0001-20260624-Attachment A-1.

SUBJECT

June 15, 2026 FCA, PPCA & FOS Proposed Factors

REQUEST

1. Have any errors or revisions been identified by Genera or LUMA that affect the FCA, PPCA and FOS rates for July through September 2026 that have been proposed by LUMA in its June 15, 2026 Motion and supporting documents?

- a. If “yes” please identify, quantify and explain each correction and revision to those rates that has been identified.

RESPONSE

Following the Energy Bureau’s June 18 Order, LUMA revised the FCA to incorporate revised fuel costs that were shared by Genera with LUMA after LUMA submitted the June 15 Motion. The revised FCA calculation is included in the workbooks included as Exhibit 2.

Additionally, LUMA made a revision to the PPCA reconciliation to incorporate updated to the revised costs incurred by AES and Oriana which were not considered in the June 15 Motion had been submitted.

The following tabs were updated in the Proposed Factors Workbook:

- Attachment 1: FCA Factor Calculation
- Attachment 2: PPCA Factor Calculation
- Attachment 3 (FCA): Generation and Fuel Budget per Plant (FCA), as ordered by PREB.
- Attachment 4: FCA & PPCA Reconciliation per Genera’s Fuel report update post-filing.
- Attachment 5: Subsidy Riders (Annual Riders)
- Attachment 8: Bill Impact

These revisions are not due to error in LUMA’s calculation, methodology, or supporting documentation as filed. The FCA and PPCA costs changed solely because one of its source inputs (Genera’s reported fuel cost information and IPP’s invoices) was subsequently revised. LUMA is submitting revised supporting documentation reflecting the updated factors.

Permanent Rate

Additionally, with respect to Attachment 5, the figures reported in Lines 10 and 11—Estimated Total Cost of Subsidies (Help to Humans Subsidies) for the period of July 2026 through June 2027, and Prior Period Reconciliation, respectively—did not reflect the correct amounts. These values have been updated in the revised workbook submitted. The revisions do not impact the FCA or PPCA factors; Attachment 5 serves solely to accurately represent the bill impact reflected in Attachment 8.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.2.

SUBJECT

Fuel Delivery

REQUEST

2. Is Genera experiencing problems or delays in getting fuel delivered? If so, please explain, providing specifics of fuel delivery issues that LUMA or Genera are experiencing.

RESPONSE

This question is addressed to Genera. LUMA does not manage fuel supply contracts.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260625-PREB-Attachment A-3

SUBJECT

Fuel Delivery

REQUEST

3. Is Genera expecting problems or delays in fuel deliveries during the March through June 2026 period? If so, please explain, providing specifics of expected fuel delivery issues. Also, specify and explain any contingency plans to assure that sufficient fuel will be delivered to the system during those months to avoid having outages attributable to insufficient fuel availability.

RESPONSE

This question is addressed to Genera. LUMA does not manage fuel supply contracts.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.4.

SUBJECT

Force Majeure

REQUEST

4. Have Genera or PREPA received force majeure notifications from any fuel suppliers or transporters or from power suppliers so far in 2026? If so, please identify and provide a copy of each such force majeure notification.

RESPONSE

This question is addressed to Genera and the Puerto Rico Electric Power Authority (PREPA). LUMA does not manage fuel supply or transportation contracts. Regarding power suppliers, LUMA manages Generation Supply Contracts as agent of PREPA. LUMA has not received force majeure notifications in 2026 from independent power producers.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.5.

SUBJECT

Force Majeure (purchased power suppliers)

REQUEST

5. Have Genera or PREPA received force majeure notifications from any purchased power suppliers from March 2026 through June 2026? If so, please identify and provide a copy of each such force majeure notification.

RESPONSE

This question is addressed to Genera and the Puerto Rico Electric Power Authority (PREPA). Regarding purchased power suppliers, LUMA manages Generation Supply Contracts as agent of PREPA. LUMA has not received force majeure notifications from purchased power suppliers from March 2026 through June 2026.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.6.

SUBJECT

Transmission System Outages

REQUEST

6. During the reconciliation months of March 2026 through May 2026:
- a. Were there any transmission system outages that prevented generation from being supplied to serve electric load?
 - b. If the answer to part a is “yes” identify each transmission system outage in each month, March 2026, April 2026 and May 2026, that affected the system’s ability to transmit power generated and purchased to serve electricity demand.

RESPONSE

- a. No transmission system outages prevented generation from being supplied to serve electric load from March 2026 through May 2026.
- b. Refer to response 6(a).

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.7.

SUBJECT

Unplanned or Forced Outages

REQUEST

7. During the reconciliation months of March 2026, April 2026, and May 2026:
- a. Were any generating units unavailable due to unplanned or forced outages?
 - b. If the answer to part a is “yes” identify each forced/unplanned outage in March 2026, April 2026, and May 2026 by generating unit, date, time and duration. Also explain the cause of each such outage and identify, quantify and explain how it affected fuel and purchased power costs for each month. Include supporting calculations.
 - c. For the forced/unplanned outages identified in response to part b does LUMA or Genera have any analysis, calculations or estimates of the impact on monthly fuel costs and monthly purchased power costs related to those outages, including estimates of the amounts of fuel costs saved by not running the units that experienced the forced outages, and estimates of the additional costs for the replacement power? If not, explain why not.
 - d. If the response to part c is “yes” please identify and provide the analyses, calculations and estimates that LUMA and Genera have relating to the impact of those forced/unplanned outages on monthly fuel cost and monthly purchased power cost for March 2026, April 2026 and May 2026.
 - e. For the forced/unplanned outages identified in prior responses does LUMA or Genera have any analysis of the cause of those outages? If not, explain why not.
 - f. If the response to part e is “yes” please identify and analyze the causes of each of those forced/unplanned outages.

RESPONSE

- a. Yes.
- b. For this response, please see the table and explanation below.

RESPONSES TO JUNE 18, 2026 REQUESTS

Permanent Rate

Units	Date	Start Time	End Time	Duration	Cause (as reported by Genera PR or IPP)
San Juan 5 CC	8-Mar	8/3/26 11:58 AM	8/3/26 6:08 PM	6 hours & 10 min	Problems with hot-reheats by pass valve.
AES 1	16-Mar	15/3/26 5:58 PM	21/3/26 3:24 PM	5 days & 21 hours & 26 min	Boiler rupture.
San Juan 9	16-Mar	16/3/26 10:12 AM	16/3/26 1:24 PM	3 hours & 12 min	Auxiliary equipment trip.
San Juan 9	22-Mar	22/3/26 9:02 AM	22/3/26 11:49 AM	2 hours & 47 min	Sea water circulation pump 9-1 burned out, causing the equipment bus on side 2 to trip, which in turn tripped the entire unit.
San Juan 9	22-Mar	22/3/26 7:56 PM	25/3/26 7:09 PM	2 days & 23 hours & 13 min	Boiler rupture.
San Juan 5 STM	24-Mar	24/3/26 7:07 PM	24/3/26 11:07 PM	4 hours	Vibrations in turbine.
San Juan 5 CC	26-Mar	26/3/26 12:13 PM	26/3/26 6:54 PM	6 hours & 41 min	False activation of fire protection system and activation of field ground alarm caused by humidity in the exciter.
AES 1	28-Mar	28/3/26 2:39 AM	1/4/26 11:10 AM	3 days & 8 hours & 31 min	Rupture in FBHE.
Palo Seco 4	31-Mar	31/3/26 4:25 PM	31/3/26 6:58 PM	2 hours & 33 min	Loss of Bunker C pump and the other was not in automatic/standby.
Palo Seco 4	9-Apr	9/4/26 9:40 PM	10/4/26 10:37 PM	24 hours & 57 min	Steam leak in the boiler steam valve.
Costa Sur 5	10-Apr	10/4/26 12:37 AM	15/4/26 12:30 AM	4 days & 23 hours & 53 min	Boiler rupture.
Aguirre 2	12-Apr	12/4/26 7:19 AM	12/4/26 9:54 AM	2 hours & 35 min	Rupture in vacuum pump.
Aguirre 2	13-Apr	13/4/26 2:14 PM	13/4/26 4:47 PM	2 hours & 33 min	While personnel was trying to put in service vacuum pump. Genera PR later explained in a phone call that trip was caused by a human error because phases of electrical cables of the motor of vacuum pump 2-1 were connected incorrectly.
Costa Sur 5	15-Apr	15/4/26 12:55 AM	15/4/26 1:13 PM	12 hours & 18 min	Differential protection of boiler feed water.
Palo Seco 4	16-Apr	16/4/26 12:16 AM	20/4/26 8:29 AM	4 days & 8 hours & 13 min	Boiler rupture.

RESPONSES TO JUNE 18, 2026 REQUESTS

Permanent Rate

San Juan 5 CC	21-Apr	21/4/26 4:02 AM	21/4/26 9:21 AM	5 hours & 19 min	Fire protection alarm.
San Juan 5 CC	21-Apr	21/4/26 3:29 PM	21/4/26 4:20 PM	51 min	Problems with steam injection.
Palo Seco 4	27-Apr	27/4/26 7:54 AM	1/5/26 2:45 AM	3 days & 18 hours & 51 min	Boiler rupture.
Costa Sur 6	4-May	4/5/26 4:50 PM	4/5/26 6:38 PM	1 hours & 48 min	Failure in bunker c's regulating valve causing the valve to close and loss of fuel protection trip was activated.
Palo Seco 4	10-May	10/5/26 8:02 PM	13/5/26 12:45 PM	2 days & 16 hours & 43 min	Boiler rupture.
Palo Seco 3	21-May	21/5/26 1:06 PM	1/6/26 9:23 PM	11 days & 5 hours & 59 min	Boiler rupture.
San Juan 9	23-May	23/5/26 3:24 PM	24/5/26 7:00 PM	27 hours & 36 min	XMR NSST lockout.
Costa Sur 5	25-May	25/5/26 9:55 PM	28/5/26 1:03 PM	2 days & 16 hours & 8 min	Turbine tripped.

During March 2026, April 2026, and May 2026 the only forced outage event that contributed significantly to the variance from forecasted to actual Fuel and Purchased Power Costs was the continued outage of Combined Cycle San Juan 6 (CCSJ 6). However, due to other generation system characteristics and variances during each of these months¹, the negative effect of the outage at CCSJ 6 did not cause an increase in Fuel Charge Adjustment (FCA) Expenditure. The graphs below show the forecasted vs actual variance for Fuel and Purchased Power Costs each of the three months, and in each case there were other system characteristics that contributed to the overall negative variance from forecasted values that outweighed the impact of the continued outage of CCSJ 6.

In March 2026, the Expenditures under the FCA were below forecasted while Purchased Power Costs were above forecasted values. Higher than forecasted production at AES due to a forecasted maintenance outage that did not take place made up for the lower than forecasted generation from FCA facilities, including the impact of the continued outage at CCSJ 6. In April 2026, higher than forecasted generation at AES combined with lower than forecasted generation demand and market fuel prices resulted in lower than forecasted FCA Expenditures despite the continued outage of CCSJ 6. In May 2026, higher forecasted generation from AES and Costa Sur contributed to lower than forecasted FCA Expenditures despite the continued outage of CCSJ 6.

¹ Relevant generation system variances during the March through May 2026 period include 54% increase in production at Costa Sur and 31% in total fuel costs from forecastst, 9% decrease in average LNG \$/MMBtu from forecasts, and 24% increase in generation at AES compared to forecasted values.

Permanent Rate

Figure 7-1. Fuel Costs Under FCA

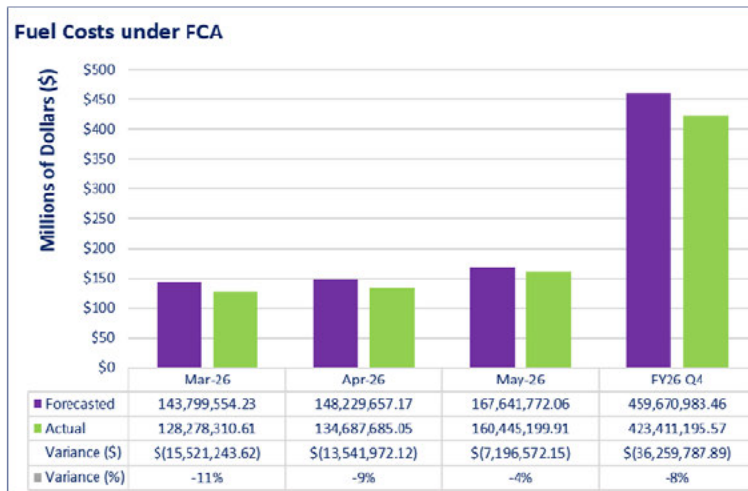
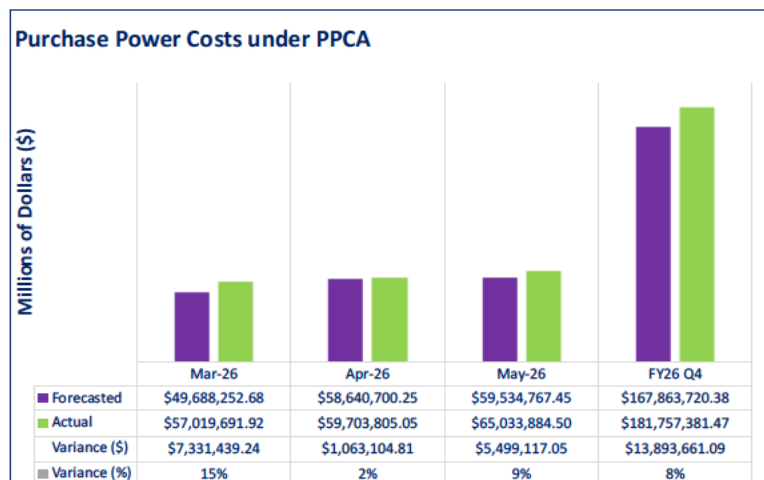


Figure 7-2. Purchase Power Costs Under PPCA



- c. No, LUMA does not prepare reporting regarding the economic impact of specific forced outage events. LUMA does prepare a monthly report titled Fuel & Purchased Power Drivers Report that analyzes the variance in generation plant performance from FCA forecasted values and their impact on Fuel and Purchased Power expenditures on a monthly basis. However, this analysis does not isolate the economic impact of specific forced outage events and instead analyzes the economic impact of total monthly variance from the FCA forecasted values which is caused by all types of operational and performance characteristics that stray from forecasted assumptions. This is performed to cover all operational differences from forecasts that affect the reconciliation process and contributes to the determination of the FCA and Purchased Power Charge Adjustment (PPCA) riders during the reconciliation process.
- d. The answer to part c is no.
- e. No. LUMA does not operate generation assets and, therefore, does not perform outage root cause analysis.

Permanent Rate

- f. The answer to part e is no.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.8.

SUBJECT

Unplanned or Forced Outages

REQUEST

8. During June 2026, have there been any unplanned or forced outages? If yes, identify each forced/unplanned outage by generating unit, date, time and duration.

- a. Are the June 2026 forced/unplanned outages expected to extend beyond June 30, 2026 and into July 2026 or beyond? If so, explain fully.
- b. If the answer to part a is “yes” how did LUMA and Genera consider the continuing generating unit outages in projecting fuel and purchased power cost for July through September 2026?

RESPONSE

Yes. During June 2026, there have been unplanned or forced outages. The following table identifies each event by generating unit, date, time, and duration:

Table 8-1. Forced and Unplanned Outages – June 2026

Units	Date	Start Time	End Time	Duration	Cause (as reported by Genera PR or IPP)
Palo Seco 3	1-Jun	1/6/26 10:21 PM	4/6/26 11:56 AM	2 days & 13 hours & 35 min	Boiler rupture.
AES 1	9-Jun	9/6/26 5:11 AM	11/6/26 11:27 PM	2 days & 18 hours & 16 min	Rupture in the FBHE.
AES 2	10-Jun	10/6/26 11:31 AM	10/6/26 2:31 AM	3 hours	Work on an inverter and they lost all the auxiliary equipment.
AES 2	13-Jun	13/6/26 8:22 AM	13/6/26 8:52 AM	30 Min	Problem with a BFWP.
San Juan 5 CC	13-Jun	13/6/26 11:24 PM	15/6/26 8:13 AM	1 days & 8 hours & 49 min	Problem with raw water supply from PRASA and low levels in demineralized water storage.
San Juan 9	17-Jun	17/6/26 11:24 PM	TBD	TBD	Opacity & fire in boiler side C.

- a. Yes.

Permanent Rate

- b. The only forced outage that occurred in June and remains unresolved is the June 17 forced outage of San Juan (SJ) 9. To date, Genera has not provided a projected synchronization date for the unit's return to service. However, SJ9 was not modeled as being on forced outage for purposes of the July through September 2026 projections, as the outage occurred after the modeling assumptions underlying the Fuel Charge Adjustment (FCA) and PROMOD runs had been finalized. Accordingly, the unit was treated as available during the modeled period. As a result, the projected FCA and Purchased Power Charge Adjustment (PPCA) did not incorporate the continuing outage of SJ9.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.9.

SUBJECT

Economic Dispatch

REQUEST

9. In March 2026, April 2026, and May 2026 were any generating units run for system reliability reasons and/or because of system constraints outside of normal economic dispatch in which the lowest variable cost units are called upon first to meet load? If so, identify the days and hours in which non-economic dispatch occurred and explain the related reasons.

RESPONSE

Please see the table below summarizing the instances in March 2026, April 2026, and May 2026 where generating units were dispatched outside normal economic order. The table identifies the specific days and hours of non-economic dispatch and provides the corresponding reasons.

Table 9-2. Non-Economic Dispatch Events: March–May 2026

Instances of Non-Economic Dispatch
L-51200 SOUCO – CAMBALACHE GP TRIPPED ON APRIL 16, 2026 AT 2102 HRS. AS RESULT L-50300 GOT LEFT RADIAL FROM AGSP. IN EVENT, BREAKERS OF LINES 51300 AND 50400 OPENED AT SOUCO. ALSO BKR 50220 OPENED. L-51200 RECLOSED AT CAMBALACHE AND L-51300 RECLOSED AT SOUCO. L-50400 NORMALIZED AT 2105 HRS, L-51200 AT 2106 HRS AND L-50300 AT 2107 HRS. BREAKERS 0080 AT CAMBALACHE AND 0014 AT SOUCO DID NOT RECLOSED. L-50200 REACHED 88% OF ITS CAPACITY AND L-37100 GUANICA-SAN GERMAN TC REACHED 95%. DUE TO THIS EVENT COSTA SUR 6 WAS TAKEN OUT OF SERVICE APRIL 17, 2026 AT 2342 HRS. COSTA SUR 5 AND ECOELECTRICA WERE BEING OPERATED AT LOWEST POSSIBLE OUTPUT AS CONTINGENCY.
SAN JUAN TM 5 WAS SYNCHRONIZED AT 13:09 HRS ON APRIL 17, 2026 TO LOWER THE TRANSFER ON LINE 50300 AND MAINTAIN ECOELECTRICA AND COSTA SUR AT MINIMUM STABLE LEVEL AS CONTINGENCY.
SAN JUAN TM 4 WAS SYNCHRONIZED AT 12:53 HRS ON APRIL 17, 2026 TO LOWER THE TRANSFER ON LINE 50300 AND MAINTAIN ECOELECTRICA AND COSTA SUR AT MINIMUM STABLE LEVEL AS CONTINGENCY.
SAN JUAN TM 3 WAS SYNCHRONIZED AT 12:35 HRS ON APRIL 17, 2026 TO LOWER THE TRANSFER ON LINE 50300 AND MAINTAIN ECOELECTRICA AND COSTA SUR AT MINIMUM STABLE LEVEL AS CONTINGENCY.
SAN JUAN TM 6 WAS SYNCHRONIZED AT 13:29 HRS ON APRIL 17, 2026 TO LOWER THE TRANSFER ON LINE 50300 AND MAINTAIN ECOELECTRICA AND COSTA SUR AT MINIMUM STABLE LEVEL AS CONTINGENCY.

Permanent Rate

Permanent rate NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.10.

SUBJECT

System Demand

REQUEST

10. In March 2026, April 2026, and May 2026 were there any hours in which sufficient generating and purchased power resources were not available to meet system demand for electricity? If so, identify the days and hours in which the available generating and purchased power resources were insufficient to supply the system demand for electricity and explain the related reasons sufficient resources were not available during those hours.

RESPONSE

Yes. The following table identifies the hours in March 2026, April 2026, and May 2026 in which available generating and purchased power resources were insufficient to meet the system demand for electricity. The table also provides the specific days and hours of insufficient resources, along with the corresponding reasons these resources were not available during those periods.

Table 10-3. Insufficient Resource Availability by Hour: March–May 2026

Date	Start Time	End Time	Duration	Cause <u>(as reported by Genera PR or IPP)</u>
15-Mar	15/3/26 9:10 PM	15/3/26 9:52 PM	42 Min	Costa Sur 5 ramp down from 410 MW to 300 MW and Costa Sur 6 ramp down from 360 MW to 330 MW.
21-Apr	21/4/26 3:46 PM	21/4/26 4:11 PM	25 Min	San Juan 5 CC trip with 147 MW and Aguirre 2 loss 110 MW.
4-May	4/5/26 5:06 PM	4/5/26 7:55 PM	2 hours & 49 Min	Costa Sur 6 trip.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.11

SUBJECT

Economic Dispatch

REQUEST

11. In March 2026, April 2026, May 2026, were there any days in which the most economical fuel source (e.g. LNG) was not available in sufficient quantities to enable full economic generation at any generating units? If so, identify the days during which the most economical fuel source was not available, and a higher cost fuel was used for generation. Also, explain the related reasons the most economic fuel source was not available to those generating units during those days.

RESPONSE

Per the costs reported by Genera PR and independent power producers, liquefied natural gas (LNG) and coal were the most economical fuel source during March, April and May 2026. For these months, Genera PR did not report to LUMA any instances in which sufficient fuel quantities were unavailable. Accordingly, based on the data collected by LUMA, there were no periods during those months in which fuel unavailability due to insufficient quantities affected economic generation.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.12

SUBJECT

Economic Dispatch

REQUEST

12. In March 2026, April 2026, and May 2026 were any new fuel supply contracts entered into for supply of natural gas or other fuel types? If yes, provide the following information:

- a. A copy of the contract, including the pricing, quantities and delivery terms.
- b. The names and job titles of the persons who negotiated the contract.
- c. Whether the persons identified in response to part b are employed by affiliated entities or related parties, and, if so, an explanation of the affiliated relationship.

RESPONSE

LUMA does not manage fuel supply contracts.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.13

SUBJECT

Ecoeléctrica

REQUEST

13. In March 2026, April 2026, and May 2026, were there any constraints on the power being supplied to the system by EcoEléctrica?

- a. Did the power supplied by Ecoeléctrica deviate from the projections? If so, please identify, quantify and explain those constraints and deviations.

RESPONSE

Yes, constraints to the power supplied by EcoEléctrica to the electrical system between March 2026 and May 2026 include hourly limitations for frequency regulation as needed, as well as outages that occurred during the three-month period. Details of the forced outage events that took place at EcoEléctrica are described in RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.14.

Below is a table of the monthly difference between forecasted and actual generation values at EcoEléctrica, along with the reasonings for deviation from the forecasted values.

Table 13-4. Forecast vs. Actual Generation Variances – EcoEléctrica

Month	Forecasted Generation (MWh)	Actual Generation (MWh)	Generation Difference (MWh)	Explanation
March 2026	287,709.16	272,516.17	-15,192.99	Lower capacity factor than forecasted due to a variety of factors such as the impact of frequency regulation. Additionally, EcoElectrica CT-2 experienced a short maintenance outage that limited generation output from March 7th to March 9th.
April 2026	279,040.94	263,784.50	-15,256.44	Lower capacity factor than forecasted due to a variety of factors such as the impact of frequency regulation.
May 2026	281,847.19	272,950.59	-8,896.60	Lower capacity factor than forecasted due to a variety of factors such as the impact of frequency regulation.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.14

SUBJECT

Ecoeléctrica

REQUEST

14. For March 2026, April 2026, and May 2026, were there any days or hours in which power to the system could not be supplied by Ecoeléctrica?

a. If so, please identify those days and hours and explain what prevented the EcoEléctrica power from being supplied.

RESPONSE

Yes, please see the table below, which outlines any days or hours in March 2026, April 2026, and May 2026 in which EcoEléctrica's power could not be supplied, along with the corresponding explanations.

Table 14-5. EcoEléctrica Power Unavailability by Day and Hour (March–May 2026)

Power Generation Failures at EcoElectrica				
Units	Start Date	End Date	Duration	Cause
Eco Electrica CT 2	3/7/26 7:52 AM	3/9/25 9:38 PM	61 hour & 46 min	CT 2 was taken out of service to work on hot reheat system corrective maintenance at 7:52 h. Unit was expected to synchronize (March 7th) at 15:00 h, but personnel found a rupture in the boiler reheater. March 9 - Unit CT 2 synchronized at 21:38 h

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.15

SUBJECT

Customer Battery Energy Sharing (CBES)

REQUEST

15. As of May 31, 2026 what amount of cumulative differences between (1) actual and (2) forecast amounts for Customer Battery Energy Sharing (CBES and CBES+) does LUMA show?

RESPONSE

As of May 31, 2026, the cumulative difference between actual and forecast amounts for the Customer Battery Energy Sharing (CBES and CBES+) Programs is \$6,962,886.23, as reflected in the table below.

Table 15-6. Cumulative Difference: Actual vs. Forecast CBES/CBES+

Months	Forecast	Actual	Variance
Jul-25	5,084,342.00	557,863.60	4,526,478.40
Aug-25	3,132,199.99	1,541,952.00	1,590,247.99
Sep-25	1,903,159.24	4,896,169.91	(2,993,010.67)
Oct-25	4,570,542.03	886,965.00	3,683,577.03
Nov-25	1,540,067.20	1,324,429.00	215,638.20
Dec-25	294,114.95	492,336.88	(198,221.93)
Jan-26	40,000.00	(53,694.00)	93,694.00
Feb-26	40,000.00	25,649.00	14,351.00
Mar-26	271,009.00	14,186.91	256,822.09
Apr-26	12,835.00	13,023.92	(188.92)
May-26	12,835.00	239,335.96	(226,500.96)
Jun-26			
FY2026 Total	16,901,104.41	9,938,218.18	6,962,886.23

This amount represents the net variance between forecasted amounts and the actual program costs incurred until May 31, 2026. Nonetheless, the costs incorporated into the Purchased Power Charge Adjustment (PPCA) vary from those presented in this table, as they include the \$882,456 forecast for June 2026.

Permanent Rate

Consistent with the applicable regulatory framework, variances are subject to reconciliation and are returned to or recovered from customers through the applicable reconciliation process.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.16

SUBJECT

Accelerated Storage Addition Program (ASAP)

REQUEST

16. For the Accelerated Storage Addition Program (ASAP), what is the cumulative difference for the ASAP (1) invoiced actual amounts and (2) LUMA's forecasted ASAP amounts through May 31, 2026?

RESPONSE

Accelerated Storage Addition Program (ASAP) Optimistic Forecast has a cap of [REDACTED]. As reflected in the table below, cumulative actuals are [REDACTED]. As of May 31, the cumulative difference for the ASAP (1) invoiced actual amounts and (2) LUMA's forecasted ASAP is [REDACTED].

Table 16-7. ASAP Cumulative Difference (Actual vs. Forecast)

Month	Forecasted Costs	Invoiced Actuals	Variance
Dec-24	[REDACTED]	[REDACTED]	[REDACTED]
Jan-25	[REDACTED]	[REDACTED]	[REDACTED]
Feb-25	[REDACTED]	[REDACTED]	[REDACTED]
Mar-25	[REDACTED]	[REDACTED]	[REDACTED]
Apr-25	[REDACTED]	[REDACTED]	[REDACTED]
May-25	[REDACTED]	[REDACTED]	[REDACTED]
Jun-25	[REDACTED]	[REDACTED]	[REDACTED]
Jul-25	[REDACTED]	[REDACTED]	[REDACTED]
Aug-25	[REDACTED]	[REDACTED]	[REDACTED]
Sep-25	[REDACTED]	[REDACTED]	[REDACTED]
Oct-25	[REDACTED]	[REDACTED]	[REDACTED]

² By Resolution and Order in Case No. NEPR-MI-2024-0002 dated March 5, 2025, the Energy Bureau approved the filing of ASAP costs in this docket (NEPR-MI-2020-0001) commencing with a filing of March 17, 2025, and approved the submittal of the costs for the months of December 2024, January 2025 and February 2025 in that filing. Therefore, the actual costs, rather than forecasted costs for the months of December 2024, January 2025, and February 2025 for ASAP were submitted in the March 17, 2025 filing in this docket. LUMA estimated that the costs for these months would be [REDACTED], [REDACTED] and [REDACTED], respectively, in its filing of February 28, 2025 in Case No. NEPR-MI-2024-0002. See Informative Motion and to Submit Estimate of Costs for ASAP in Compliance with Resolution and Order of January 14, 2025, and Request for Confidential Treatment.

RESPONSES TO JUNE 18, 2026 REQUESTS

Permanent Rate

Nov-25			
Dec-25			
Jan-26			
Feb-26			
Mar-26			
Apr-26			
May-26			
Total			

This amount represents the net variance between forecasted amounts and actual program costs incurred, which are incorporated into the Purchased Power Charge Adjustment (PPCA). Consistent with the applicable regulatory framework, such variances are subject to reconciliation and are returned to or recovered from customers through the applicable reconciliation process.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.17

SUBJECT

Fuel Deliveries

REQUEST

17. In March 2026, April 2026, and May 2026, were any incoming fuel deliveries diverted to another delivery location (e.g., because of delivery site conditions, weather, or other causes)?

- a. If so, please identify with specificity which fuel deliveries were diverted and include a short explanation of why the delivery diversion occurred and whether it impacted plant operations and generation availability.

RESPONSE

LUMA does not manage fuel supply contracts.

Permanent Rate

Permanent rate NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.18

SUBJECT

Natural Gas Shortfall

REQUEST

18. In March 2026, April 2026, and May 2026 were there any shortfalls in nominated/contracted natural gas deliveries?

a. If so, what was the dollar impact on fuel cost in each month, March 2026, April 2026, and May 2026 due to the reduced natural gas deliveries, such as but not limited to creating a need for increased reliance on diesel-fueled related peaking units to compensate for the lack of natural gas fueled generation? Explain fully and provide all related analysis and calculations of the related fuel cost impacts for each month.

RESPONSE

LUMA does not manage natural gas supply contracts.

Permanent Rate

PERMANENT RATE

NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.19

SUBJECT

Fuel Costs Reconciliation

REQUEST

19. Concerning the reconciliation amounts for fuel costs for the period ending May 31, 2026:

a. Please provide the journal entry to record the adjustments to the no.6 and no.2 fuel oil inventories that resulted in adjusting the May 2026 balances to the physical inventory quantities.

b. Was fuel expenses for the period ending May 31, 2026 reduced or increased to reflect the quantities of no. 2 and no. 6 fuel oil remaining in physical inventory as of May 31, 2026? If not, explain why not. If so, by how much (show quantities, unit cost and dollar impacts)?

c. Did the LUMA reconciliations of fuel cost for the period March through May 2026 reflect the impact of any adjustments for May 2026 physical fuel oil inventory measurements or adjustments and/or to account for the fact that the fuel remaining in inventory as of May 31, 2026 was not used through that date to generate electricity? If so, where is that shown in the fuel cost reconciliation for the period March through May 2026? If not, explain why not.

d. In its reconciliations for March through May 2026 did LUMA include any amounts in fuel cost for no. 2 or no. 6 fuel oil that had remained in inventory as of May 31, 2026? If so, please explain fully and identify the related amounts of such fuel cost.

e. Identify and provide the May 31, 2026 physical fuel oil inventory for no. 2 and no. 6 fuel oil. Please show in both quantities quantities remaining in physical inventory as of May 31, 2026 and the related cost amounts.

f. Identify and provide the adjustment for differences between actual May 31, 2026 fuel inventory and the J-28 report amounts and explain how that was reflected by LUMA as an adjustment to May 2026 fuel cost? Please show the impact on May 2026 fuel costs for no.2 and no.6 fuel oil that remained in inventory as of May 31, 2026.

g. Did the LUMA reconciliations of fuel cost for the period March through May 2026 reflect the impact of any fuel inventory adjustments? If yes, where are those reflected and in what amounts?

RESPONSE

a. LUMA does not manage fuel contracts or related financial activities.

b. Inventory difference identified at the end of the reconciliation period are not included in the calculation. Consistent with the methodology approved in prior reconciliations, any inventory

Permanent Rate

difference—once reviewed by the Puerto Rico Energy Bureau (PREB)—is incorporated as an addition to the beginning balance of the first month of the following reconciliation quarter. Accordingly, all May adjustments should be reflected in the June 2026 Fuel Report to be submitted by GeneraPR.

- c. Detailed computations on fuel were provided by Genera and were copied by LUMA into the reconciliation file, tabs FUELREP Busqueda, FUEL REP REPORTE and FUELREP Consumo Generacion, for March, April and May respectively. LUMA's role is strictly limited to incorporating this information into the calculation of the Fuel Charge Adjustment (FCA) factor, consistent with its obligations as the Transmission and Distribution (T&D) Operator. LUMA neither develops nor validates fuel prices, fuel forecasts, or fuel procurement assumptions, and therefore bears no responsibility for the accuracy or completeness of the fuel data provided by Genera.

LUMA cannot respond to the rest of the question because LUMA does not manage fuel contracts or related financial activities.

- d. The following files, provided by GeneraPR, include the physical fuel inventories:
- Genera-PREPA-Tanks Inventory-20260531 – YABUCOA_TK Inventory_Full Report_2026.05.31
 - Genera-PREPA-Tanks Inventory-20260531 – SAN JUAN_TK Inventory_Full Report_2026.05.31
 - Genera-PREPA-Tanks Inventory-20260531 – PALO SECO_TK Inventory_Full Report_2026.05.31
 - Genera-PREPA-Tanks Inventory-20260531 – MAYAGÜEZ_TK Inventory_Full Report_2026.05.31
 - Genera-PREPA-Tanks Inventory-20260531 – JOBOS_TK Inventory_Full Report_2026.05.31
 - Genera-PREPA-Tanks Inventory-20260531 – DAGUAO_TK Inventory_Full Report_2026.05.31
 - Genera-PREPA-Tanks Inventory-20260531 – COSTA SUR_TK Inventory_Full Report_2026.05.31
 - Genera-PREPA-Tanks Inventory-20260531 – CAMBALACHE_TK Inventory_Full Report_2026.05.31
 - Genera-PREPA-Tanks Inventory-20260531 – AGUIRRE_TK Inventory_Full Report_2026.05.31

LUMA cannot respond to the rest of the question because LUMA does not manage fuel contracts or related financial activities.

- e. The differences between the physical inventory and the fuel report as of the end of May 2026 are included in the file “LUMA – Precio Ponderado Analisis 2026.5.31 Values,” located in the Summary tab, column I. This file was prepared by GeneraPR. According to the submitted report, the variance between the actual inventory and the reported amounts is \$3,903,499.31.
- f. The adjustments are reflected on the tab FUEL REP MAR-26 REPORTE of the FAC-PPAC Reconciliation Mar-Apr-May 2026. This tab is directly copied from the monthly reports submitted by GeneraPR. See rows 7, 31, 57, 81, and 107, labeled as INVENTORY ADJUSTMENTS. Total adjustment computed by Genera was for \$2,418,880.58

Permanent Rate

- g. LUMA does not procure fuel, set fuel prices, or develop fuel cost projections. Rather, in order to calculate the FCA factor, LUMA requests that Genera provide the certified data that affects the FCA clause, as well as any applicable fuel credits or limitations, no later than five business days into the month. In response, Genera furnishes LUMA the fuel consumption report, the generation report, the plant inventory, the fuel purchases report, the Henry Hub index data, weight-average reports, the fuel price forecasts, scheduled generation units maintenance, and any additional information that will impact fuel costs. This information is generated, maintained, and controlled exclusively by Genera, not by LUMA. LUMA's role is strictly limited to incorporating this information into the calculation of the FCA factor, consistent with its obligations as the T&D Operator. LUMA neither develops nor validates fuel prices, fuel forecasts, or fuel procurement assumptions, and therefore bears no responsibility for the accuracy or completeness of the fuel data provided by Genera.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.20

SUBJECT

FCA & PPCA Reconciliation

REQUEST

20. Did LUMA include any provision for uncollectibles in its proposed FCA or PPCA factors to become effective on July 1, 2026? If so, what dollar amounts and what uncollectibles percentage was used?

RESPONSE

To the extent that the question is related to uncollectible fuel or purchase power costs, LUMA did not include any provision for uncollectibles in the proposed Fuel Charge Adjustment (FCA) and Purchased Power Charge Adjustment (PPCA) to become effective on July 1, 2026. LUMA relies on the Puerto Rico Energy Bureau (PREB) direction if determined it should be included in the calculation of the FCA and PPCA.

If the question is related to bad-debt factor, LUMA did not include any provisions for the bad-debt recovery. Chapter Six of the Final Resolution and Order on Electricity Rates entered on April 15, 2026 in Case No. NEPR-AP-2023-0003, provides that Energy Bureau will address the matter promptly in proceedings related to riders.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.21

SUBJECT

FCA & PPCA Reconciliation

REQUEST

21. In the FCA and PPCA, for the months of March, April, May 2026 monthly timeframe actual reconciliations, there are adjustment included that are related to "Prior Period Adjustment per PREB R&O". Provide the detail breakdown of what the adjustments are for, the buildup calculation for them, and the R&O that triggered the adjustment.

RESPONSE

The Puerto Rico Energy Bureau (PREB) determines and approves the prior-period adjustment as part of its quarterly review of the Fuel Charge Adjustment (FCA) and Purchased Power Charge Adjustment (PPCA) reconciliations. During this evaluation, the Energy Bureau assesses whether the reported variances are prudent and reasonable. Once approved, LUMA incorporates the full true-up—combining both the current-quarter results and the prior-period adjustment—into the next reconciliation cycle using a forecast retail kWh distribution. As a result, the billing factors for the current cycle may include adjustments related to December 2025 through February 2026.

This process ensures that significant cost variances are identified and corrected promptly, and that approved reconciliations flow into future billing cycles in a manner that aligns cost recovery with actual billings and expenses, ensuring that customers are paying for the appropriate amount of fuel.

The buildup calculations supporting this treatment are provided in the MAR-2026 RECONCILIATION, APR-2026 RECONCILIATION, and MAY-2026 RECONCILIATION tabs (columns H through K) of the FCA-PPAC Reconciliation Mar-Apr-May 2026 workbook. Specifically, cells J9 and J10 in each of these tabs reference the amounts ordered by the PREB, as detailed below:

Table 21-8. Prior Period Adjustments Breakdown (FCA & PPCA)

Period	Quarterly FCA PPA Ordered	Reference	Quarterly PPCA PPA Ordered	Reference
March 2026	\$(36,666,712.97)	Section II-1-c, Page 4, 19 December 2025 R&O	\$(5,882,691.90)	Section II-2-b, Page 4, 19 December 2025 R&O
April and May 2026	\$(12,283,791.73)	Section II-c, Page 3, 27 March 2026 R&O	\$3,497,550.94	Section II-1-b, Page 4, 27 March 2026 R&O

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.22

SUBJECT

FCA & PPCA Reconciliation

REQUEST

22. For the PPCA the month of July to September 2026 (Attachment 2), there is a Prior Period Reconciliation of over \$17M. What are the causes/drivers of such large variance and how did this variance compare to prior quarterly reconciliations?

RESPONSE

For this response, please refer to tables 22-1 and 22-2 below for the projected vs. actual expenses for reconciliation quarter (including prior period adjustments).

Table 22-9. Projected vs. Actual Expenses Reconciliation

Expenses	Projected Cost	Projected GWR	Actual Cost	Actual GWR	Cost Variance	GWR Variance
March 2026	\$49.7	479	\$57.0	549	\$7.3	70
April 2026	\$58.6	583	\$59.7	601	\$1.1	18
May 2026	\$59.5	607	\$65.0	633	\$5.5	26
Total	\$167.9	1669	\$181.8	1783	\$13.9	114

Expense differences were driven by the following:

March 2026

- AES had 79% higher generation than forecasted due to a forecasted maintenance outage at AES 2 that was moved up and took place in February

April 2026

- AES generated 6% above forecasted values due to changes in forecasted system conditions and plant limitations

May 2026

Permanent Rate

- AES generated 6% above forecasted values due to changes in forecasted system conditions and plant limitations, as well as a simulated forced outage that did not take place.
- Wind-sourced generation increased by 197% from forecasted values due to a combination of a low forecasted value based on historical performance, an additional wind turbine returning to service at Pattern Wind Farm, and greater wind resource abundance during May.

The Purchased Power Charge Adjustment (PPCA) Expenditure variance for March – May 2026, representing \$13.9 or 8% higher than forecasts, is significant compared to historical quarterly variances. For the same monthly period in 2025, actual PPCA Expenditures were 2% below forecasts. Likewise, in the previous quarterly period of December 2025 to February 2026 had PPCA Expenditures 4% below forecasted values. Every monthly and quarterly period will have unique drivers for the variance between forecasted and actual PPCA Expenditures, including variance in production from generation facilities and renewable resource abundance.

Table 22-2. Projected vs. Actual Revenues Reconciliation

Revenues	Power Purchase Expense	Prior Period Adjustment	Purchased Power Cost to be Recovered	Actual PPCA Billed	Billing Variance
March 2026	\$57.1	(\$2.0)	\$55.1	\$51.1	\$3.9
April 2026	\$59.7	\$1.1	\$60.7	\$53.8	\$7.0
May 2026	\$63.9	\$1.2	\$66.5 ³	\$57.4	\$9.1
Total	\$180.7	\$0.2	\$182.3	\$162.3	\$20.0

³ Includes the AES Heat Rate Compensation Adjustment for May 2026.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment A.23

SUBJECT

\$55 million fuel cost deferral identified in the Energy Bureau's December 19, 2025 Resolution and Order

REQUEST

23. These questions follow up on the potential impact of a \$55 million fuel cost deferral identified in the Energy Bureau's December 19, 2025 Resolution and Order:

- a. Referring to the Energy Bureau's December 19, 2025 Resolution and Order: Is LUMA, PREPA or Genera aware of any claim or dispute against New Fortress Energy (NFE) concerning NFE supplying natural gas to the system, including the claim identified in an estimate prepared by 3PPO regarding events that commenced on or around October 2024?
- b. How did LUMA account for the \$55 million fuel deferral required by the Bureau's December 19, 2025 Resolution and Order? Explain fully and provide the journal entries used by LUMA to record and track the impact of that fuel cost deferral.
- c. Did the \$55 million fuel deferral required by the Bureau's December 19, 2025 Resolution and Order impact LUMA's calculation of fuel cost reconciliation amounts for March 2026? If not, explain why not. If so, identify, quantify and explain the impact.
- d. Is the dispute with NFE concerning natural gas supply to the system identified in the Energy Bureau's December 19, 2025 Resolution and Order ongoing as of June 18, 2026?
- e. If the response to part d is "no", when was it resolved? Please identify and provide documentation containing the resolution of the dispute with NFE identified in the Energy Bureau's December 19, 2025 Resolution and Order.
- f. If the response to part d is "yes" please identify, quantify and explain how LUMA has continued to reflect the deferral of the \$55 million of disputed NFE natural gas costs.

RESPONSE

- a. LUMA took notice of the claim or dispute against New Fortress Energy (NFE) concerning NFE supplying natural gas to the system during Puerto Rico Energy Bureau's September 30 Resolution and Order through Permanent Rate docket (NEPR-MI-2020-0001) which resulted in an initial deferment of \$2,500,000. LUMA does not participate or take part of any 3PPO analysis, events or contract management.

Permanent Rate

- b. Deferred amounts are not recognized in the system’s accounting books. LUMA does not prepare journal entries for the deferral, as LUMA does not manage fuel contracts or associated financial activities.
- c. LUMA began assessing the impact in September 2025, when the first deferral of \$2.5 million was ordered by the Puerto Rico Energy Bureau (PREB), followed by a second deferral of \$52.5 million ordered by PREB in December 2025. The first deferral reduced the Fuel Charge Adjustment (FCA) cost per kWh applicable to the October-December 2025 quarter. The second deferral reduced the FCA factor applicable to the January-March 2026 quarter. Together, these deferrals affected the FCA revenues, the resulting reconciliation amounts, and the related prior-period adjustments.

To quantify the FCA impact, LUMA compared the approved deferral scenario against a counterfactual no-deferral scenario. The tables below present the estimated impact—in ¢/kWh—on the FCA, the reconciliation, and associated revenues. The analysis shows that, due to the application of these deferrals for the period from October 2025 through May 2026, billed revenues were reduced by \$54.3 million, which directly affected the reconciliation.

Table 23-1. FCA Estimated Impact - ¢/kWh

¢/kWh			
Quarter	\$55 M – Not Deferred	\$55 M Deferred	Dif
Oct-Dec 2025	12.0772	12.0158	0.0614
Jan-Mar 2026	12.2036	10.7627	1.4409
Apr-Jun 2026	11.6896	11.6349	0.0547
Jul-Sep 2026	12.5935	12.0799	0.5136
Revenues			
Quarter	\$55 M – Not Deferred	\$55 M Deferred	Dif
Oct-Dec 2025	473,086,413.68	470,680,841.24	2,405,572.44
Jan-Mar 2026	428,366,581.37	377,787,032.11	50,579,549.26
Apr-May 2026	286,029,150.70	284,691,559.01	1,337,591.69
Reconciliation			
Quarter	\$55 M – Not deferred	\$55 M Deferred	Dif
Oct-Dec 2025	26,202,886.67	23,702,886.67	2,500,000.00
Jan-Mar 2026	4,204,763.07	(36,666,712.97)	50,871,476.04
Apr-Jun 2026	(12,478,394.44)	(14,702,672.31)	(190,095.49)
Jul-Sep 2026	(46,844,281.10)	(1,163,891.06)	(45,680,390.04)

Permanent Rate

- d. LUMA is not a party to the referred dispute.
- e. Please see subpart (d).
- f. Please see subpart (d).

Permanent Rate

PERMANENT RATE

NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260624-Attachment B-1.

SUBJECT

Annual Riders Reconciliation

REQUEST

1. Have any errors or revisions been identified by LUMA that affect the CILT, SUBA-HH, SUBA-NHH and EE rates for July 2026 through June 2027 that have been proposed by LUMA in its June 1, 2026 Motion and supporting documents?

- a. If so, please identify, quantify and explain each correction and revision to those proposed rates that has been identified.

RESPONSE

LUMA is submitting a revised Help to Humans Subsidies (SUBA-HH) rider reconciliation to correct Puerto Rico Electric Power Authority's (PREPA) Contribution to the Puerto Rico Energy Bureau (PREB) in alignment with the orders entered in case no. NEPR-MI-2020-0007. In addition, LUMA reviewed the annual riders to incorporate the changes in the updated fuel dispatch, reflecting the fuel cost adjustments ordered in the June 18, 2026 Resolution and Order.

Permanent Rate

PERMANENT RATE

NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260624-Attachment B-2.

SUBJECT

Annual Riders Reconciliation

REQUEST

2. Refer to the Motion Submitting CILTA, SUBA-HH and SUBA-NNH Reconciliations and Calculated Factors, EE Program Costs and Proposed Factors ("Motion") dated June 1, 2026 and the Annual Reconciliation-CILT and Sub Riders (May 2025 to April 2026) ("Reconciliation") Excel file. As it relates to the CILT, the Motion states at page 5 that a refund was recorded as a result of a prior period adjustment, which corresponds to the recovery applied to the factors in effect for the reconciliation period May 2024 through April 2025.

a. Refer to the Reconciliation Summary tab on the reconciliation Excel file. As it relates to the CILT. Are the monthly prior period adjustments reflected on excel row 5 which total \$24,333,728 the refund referred to in the motion dated June 1, 2026?

b. If the answer to part "a" is no, please quantify the amount of the refund and identify by company schedule where it is reflected in Luma's annual factor filing workpapers.

RESPONSE

- a. No. The monthly prior-period adjustments shown on row five of the Reconciliation Summary tab, totaling 24.33 million dollars, do not represent the refund referenced in the June 1, 2026 Motion. As noted in the Motion, the prior-period adjustment was the primary driver causing the Contribution in Lieu of Taxes (CILT) reconciliation for May 2025 through April 2026 to produce a refund rather than a recovery. For this reconciliation period, the Energy Bureau approved a refund of \$22.6 million⁴, which materially reduced FY2026 CILT charges and is reflected in the total billed revenues of \$66.8 million. As stated in LUMA's response to response for information (RFI) A21, the prior-period adjustment, applied quarterly under the Fuel Charge Adjustment (FCA) and Purchased Power Charge Adjustment (PPCA) frameworks, receives equivalent treatment in the annual rider filings.

⁴ Resolucion y Orden del 30 de junio de 2025, Sección III, p. 5 ("Según establecido anteriormente, el Ajuste del Periodo Anterior para la cláusula CILTA es (\$22,644,704.77), el cual se aplicará durante el periodo de 1 de julio de 2025 a 30 de junio de 2026.")

Permanent Rate

- b. The refund corresponding to the CILT reconciliation is located in the Excel file "ANNUAL RECONCILIATION – CILT AND SUB RIDERS – MAY 2025 TO APRIL 2026," in the Reconciliation Summary tab, cell O10.

Permanent Rate

PERMANENT RATE

NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260624-Attachment B-3.

SUBJECT

Annual Riders Reconciliation

REQUEST

3. Refer to Attachment 5 and the FY 2027 Subsidies Forecast Excel file from LUMA's annual factor filing. Attachment 5 shows estimated costs for (1) the CILT subsidy totaling \$119,305,074, (2) the SUBA-HH subsidy totaling \$208,465,747, and (3) the SUBA-NHH subsidy totaling \$10,615,694 for FY 2027 (i.e., July 1, 2026 through June 30, 2027). The reference for each of these amounts is the Summary tab from the FY 2027 Subsidies Forecast Excel file. However, the Summary tab indicates that the estimated subsidy costs relate to the FY 2026 Subsidies Forecast.

- a. Is the reference to FY2026 Subsidies forecast in the FY2027 Subsidies Forecast Excel file merely a typo?
- b. Please explain the differences between the FY 2027 subsidies forecast and the FY 2026 subsidies forecast. Identify, quantify and explain each reconciling item between those forecasts.
- c. Please clarify which subsidies forecast was used.

RESPONSE

- a. Yes, the reference is a typographical error in the title; the file identification contains the correct date.
- b. The differences observed between the FY2026 and FY2027 subsidies are primarily attributable to the increase in the base rate and to the reallocation of the Residential Service for Public Housing Projects (RH3) and Lifeline Residential Service (LRS) subsidies as ordered by the Energy Bureau in the Final Resolution and Order on Electricity Rates (NEPR-AP-2023-0003).

Permanent Rate

Table 3-10. FY2026-FY2027 Subsidies Forecast

Subsidies Forecast				
Subsidies	FY2026	FY2027	Variance Abs	Driver
Life Preserving Equipment Discount	1,776,696	1,530,937	(245,759)	Lower load forecast.
General Agricultural Service	78,713	-	(478,713)	See response below Attachment B-6.
Church and Social Welfare Organization Discount	4,707,984	7,463,238	2,755,253	Base rate increase.
Residential Service for Public Housing Projects (RH3)	673,154	-	(673,154)	See response below Attachment B-4.
Lifeline Residential Service (LRS)	13,542,608	-	(13,542,608)	See response below Attachment B-4.
Hotel Discount	1,875,285	614,061	(1,261,224)	Law 22 of 2017 was applied. For many of these customers, this subsidy ends in December 2026.
Credits for Rural Aqueducts	2,806	4,686	1,880	In response to the rate increase.
Irrigation District	4,152,000	-	(4,152,000)	See response below Attachment B-5.
Fuel Adjustment Subsidy (Residential)	13,873,290	18,055,099	4,181,809	Higher forecast fuel cost compared to last year.
Common Areas for Condominiums	2,398,555	2,533,178	134,622	Base rate increase.
Downtown Commerce Subsidy	1,042	532	(510)	Lower load forecast
Residential Fixed Rate for Public Housing (RFR)	49,459,878	56,021,528	6,561,650	Base rate increase.
Municipal Public Lighting	106,393,808	116,328,87	9,935,067	Base rate increase.
Contribution to Puerto Rico Energy Bureau	16,529,308	16,529,308	-	See response below Attachment B-7.
Total Subsidies	215,865,129	219,081,441	3,216,312	
Contributions in Lieu of Taxes (CILT)-Municipalities	103,398,330	119,305,074	15,906,744	Base rate increase.
Grand Total	319,263,45	338,386,51	19,123,055	

c. The subsidies forecast used was the FY2027 Subsidies Forecast.

Permanent Rate

PERMANENT RATE

NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260624-Attachment B-4.

SUBJECT

Annual Riders Reconciliation

REQUEST

4. Refer to the Motion Submitting CILTA, SUBA-HH and SUBA-NNH Reconciliations and Calculated Factors, EE Program Costs and Proposed Factors ("Motion") dated June 1, 2026, and the FY 2027 Subsidies Forecast Excel file from LUMA's annual factor filing. As it relates to the SUBA-HH, the Motion states at page 5 that LUMA removed the Lifeline Residential Service ("LRS") and Residential Service for Public Housing Projects ("RH3") subsidy costs from the SUBA-HH. On the Summary tab of the FY 2027 Subsidies Forecast Excel file, it shows \$0 for each month, July 2026 through June 2027 for the LRS and RH3 subsidies.

- a. Please confirm that the Summary tab is where the LRS and RH3 subsidy costs discussed on page 5 of the Motion dated June 1, 2026 were removed. If not confirmed, identify by Company schedule where the LRS and RH3 subsidies are eliminated from the SUBA-HH rider.
- b. A review of the Annual Reconciliation revealed that the LRS and RH3 costs were not removed from the Reconciliation period of May 2025 through April 2026. How will the LRS and RH3 subsidy amount for May and June 2026 be addressed? Explain fully.
- c. What are the LRS and RH3 subsidy amounts for the months of May and June 2026?

RESPONSE

- a. LUMA confirms that the Lifeline Residential Service (LRS) and Residential Service for Public Housing (RH3) subsidies were removed in the Summary tab as ordered by the Energy Bureau in the Final Rate Order and Resolution for Electricity Rates (NEPR-AP-2023-0003).
- b. The reconciliation includes the LRS and RH3 subsidies, which are determined based on the difference between these tariffs and the General Residential Service (GRS) rate, using the base rates that remain in effect through June 2026. This reconciliation includes only this difference and does not incorporate any costs related to other riders. This reconciliation mechanism seeks to recover these subsidy costs through the Help to Humans Subsidies (SUBA-HH) rider, consistent with the structure approved in the 2017 Rate Case, to prevent a revenue shortfall relative to the FY2026 revenue requirement and to allow these amounts to be recovered or returned in FY2027.

Permanent Rate

During FY2026, these subsidy costs continue to be recovered through the approved Help to Humans Subsidies (SUBA-HH) rider, which remains in effect through the end of the fiscal year.

LUMA acknowledges that customers served under the RH3 and LRS tariffs were excluded from the billing of the 2026 Provisional Rider, effective September 1, 2025. The increase associated with the provisional rider, which was determined based on the preliminary revenue requirement, was recovered from the remaining customer classes when the provisional rider was calculated.

In the Final Order issued as part of the rate review, the Energy Bureau determined that, beginning in FY2027, recovery of the LRS and RH3 subsidy costs shall be achieved through the base rate applicable to all other customer classes rather than through the Help to Humans Subsidies (SUBA-HH) rider.

- c. For May 2026, the RH3 subsidy cost amounted to \$49,602.95, while the LRS subsidy cost totaled \$890,677.34, resulting in a combined subsidy cost of \$940,280.29. The cost for June 2026 is not yet available, as the billing cycle for that month has not concluded.

Permanent Rate

PERMANENT RATE

NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260624-Attachment B-5.

SUBJECT

Annual Riders Reconciliation

REQUEST

5. Refer to the Motion Submitting CILTA, SUBA-HH and SUBA-NNH Reconciliations and Calculated Factors, EE Program Costs and Proposed Factors ("Motion") dated June 1, 2026 and the FY 2027 Subsidies Forecast Excel file from LUMA's annual factor filing. As it relates to the SUBA-NHH, the Motion states at pages 5-6 that projected costs associated with the Irrigation District are excluded from the SUBA-NHH rider pursuant to the Final Order in the recent rate case. On the Summary tab of the FY 2027 Subsidies Forecast Excel file, it shows \$0 for each month, July 2026 through June 2027 for the Irrigation District.

- a. Is the Summary tab where the projected Irrigation costs discussed on pages 5-6 of the Motion dated June 1, 2026 were excluded? If not, identify by Company schedule where the projected Irrigation costs are eliminated from the SUBA-NHH rider.
- b. A review of the Annual Reconciliation revealed that irrigation costs were not removed from the Reconciliation period of May 2025 through April 2026. How will the projected irrigation costs for May and June 2026 be addressed? Explain fully.
- c. What are the projected irrigation costs for the months of May and June 2026?

RESPONSE

- a. Per LUMA's interpretation of the Final Resolution and Order on Electricity Rates issued in Case No. NEPR-AP-2023-0003 on April 15, 2026, it appears that the Energy Bureau allocated the irrigation related costs in the base rate as part of the Puerto Rico Electric Power Authority (PREPA) operations and maintenance (O&M) and other revenues associated with water sales. Therefore, the costs associated with PREPA's irrigation systems appear to be excluded for recovery under the Non-Help-to-Humans Subsidies (SUBA-NHH) rider, and no subsidy amounts were assigned to irrigation related services. Additionally, for this Fiscal Year, LUMA did not receive from PREPA any request for irrigation costs to be included the annual reconciliation. .
- b. The costs included for PREPA's irrigation systems in the reconciliation are allocated evenly on a monthly basis (\$346,000) according to the amount reported by PREPA, which has remained the same since LUMA's commencement: an annual total of \$4,152,000. Additionally, for this Fiscal Year, LUMA did not receive from PREPA any request for irrigation costs to be included the

Permanent Rate

annual reconciliation. LUMA does not manage the irrigation system assets nor establish the associated costs; these amounts are determined and provided solely by PREPA.

- c. The same determination applies as in part (b). The costs included for PREPA's irrigation systems in the reconciliation are allocated evenly on a monthly basis according to the amount reported by PREPA, which has remained unchanged since LUMA's commencement (\$4,152,000). Additionally, for this Fiscal Year, LUMA did not receive from PREPA any request for irrigation costs to be included the annual reconciliation. LUMA does not manage the irrigation system assets nor establish the associated costs; these amounts are determined and provided solely by PREPA.

Permanent Rate

PERMANENT RATE

NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260624-Attachment B-6.

SUBJECT

Annual Riders Reconciliation

REQUEST

6. Refer to the Motion Submitting CILTA, SUBA-HH and SUBA-NNH Reconciliations and Calculated Factors, EE Program Costs and Proposed Factors ("Motion") dated June 1, 2026 and the FY 2027 Subsidies Forecast Excel file from LUMA's annual factor filing. As it relates to the SUBA-NHH, the Motion states at page 6 that 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). On the Summary tab of the FY 2027 Subsidies Forecast Excel file, it shows \$0 for each month, July 2026 through June 2027 for the GAS subsidy.

- a. This issue does not appear to be addressed in the Final Order in the recent rate case. What is the basis for LUMA's understanding that the GAS was eliminated from the SUBA-NHH subsidy? Explain fully.
- b. Please confirm that the Summary tab is where the GAS subsidy was eliminated as discussed on page 6 of the Motion dated June 1, 2026. If not confirmed, identify by Company schedule where the GAS subsidy is eliminated from the SUBA-NHH.
- c. A review of the Annual Reconciliation revealed that the GAS su costs were not removed from the Reconciliation period of May through April 2026. How will the GAS subsidy amount for May and June 2026 be addressed? Explain fully.
- d. What are the GAS subsidy amounts for the months of May and 2026?

RESPONSE

- a. The new approved General Agricultural Service and Aqueduct Pumps Operated by Rural Communities (GAS) base cost exceeds the General Service at Secondary Distribution Voltage (GSS) base cost, resulting in agricultural customers billed under GAS losing the subsidy previously calculated as the differential between GSS and GAS. Under the revised rate structure, the GAS tariff now surpasses the GSS cost level, thereby eliminating the basis for the subsidy.
- b. LUMA confirms that the GAS subsidy was removed from the calculation of the Non Help to Humans Subsidies (SUBA-NHH).

Permanent Rate

- c. The reconciliation includes the GAS subsidy cost, which is determined based on the difference between GAS rate and the GSS, using the base rates that remain in effect through June 2026. This reconciliation includes only this difference and does not incorporate any costs related to other riders. This reconciliation mechanism seeks to recover these subsidies through the Non-Help-to-Humans Subsidies (SUBA-NHH) rider, consistent with the structure approved in the 2017 Rate Case. During FY2026, the GAS subsidy costs continue to be recovered through the approved Non-Help-to-Humans Subsidies (SUBA-NHH) rider, which remains in effect through the end of the fiscal year.
- d. For May 2026, the subsidy amounted to \$44,198.14, for June 2026 is not yet available, as the billing cycle for that month has not concluded.

Permanent Rate

PERMANENT RATE

NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260624-Attachment B-7.

SUBJECT

Annual Riders Reconciliation

REQUEST

7. Refer to the FY 2027 Subsidies Forecast Excel file from LUMA's annual factor filing, which includes the line item "Contribution to Puerto Rico Energy Bureau" with estimated costs totaling \$16,529,308 included in the SUBA-HH for FY 2027. This amount is the sum of monthly amounts of \$1,377,442, which are typed in amounts for each month, July 2026 through June 2027.

- a. Identify and provide the source document for the annual amount of \$16,529,308 and the monthly amounts of \$1,377,442.
- b. Were those amounts provided to LUMA by the Energy Bureau? If not, please identify the source.

RESPONSE

- a. The Contribution to Puerto Rico Energy Bureau" was inadvertently stated.
- b. LUMA has identified that the "Contribution to Puerto Rico Energy Bureau" figure included in its June 1 Motion submission does not reflect the correct data. LUMA is submitting as Exhibit 2 the corrected workbook which reflects the correct amount of \$16,332,163.29, which corresponds to the Puerto Rico Electric Power Authority (PREPA) Contribution to the Puerto Rico Energy Bureau established in the July 1, 2025 Order in Case No. NEPR-MI-2020-0007 for FY2026. LUMA notes that, at the time of its June 1 Motion submission, the order establishing the FY2027 Contribution to the Puerto Rico Energy Bureau had not been issued and, to date, has not yet been issued⁵. Accordingly, LUMA utilized the most recently established contribution amount, which corresponds to FY2026, as a proxy for FY2027. This revision did not result in a material change to the Help to Humans Subsidies (SUBA-HH) reconciliation and thus, annual factors.

⁵ In accordance with Section 4.02(A) of Regulation 8701, an Electric Service Company must report to the Energy Bureau, within sixty (60) days after the close of its Fiscal Year, the gross revenues for the preceeding fiscal year. See PREB, Amendment to Regulation No. 8618 on Certification, Annual Fees, and Operational Plans for Electric Service Companies in Puerto Rico, No. 8701 (February 17, 2016), The Energy Bureau establishes the annual fee for a given Electric Service Company within sixty (60) days after the companies present their gross income report. Id. § 4.03(B). Should the Electric Service Company opt to make its corresponding payment in a single installment, it must do so within sixty (60) days after the annual fee notice is notified. Id. § 4.04(A)(1). Should the company opt for quarterly installments, the first payment must be made within thirty (30) days after in which the current quarter ends. Id. § 4.04(A)(2). The cadence for the subsequent installments is listed in Section 4.04(A)(2) of Regulation 8701.

Permanent Rate

PERMANENT RATE NEPR-MI-2020-0001

Response: RFI-LUMA-MI-2020-0001-20260318-PREB-Attachment B-8.

SUBJECT

Annual Riders Reconciliation

REQUEST

8. Did LUMA include any provision for uncollectibles in its proposed CILT, SUBA-HH, SUBA-NH or EE factors to become effective on July 1, 2026? If so, what dollar amounts and what uncollectibles percentage was used?

RESPONSE

LUMA did not include any provision for uncollectibles in the proposed Contributions in Lieu of Taxes (CILT), Help to Humans Subsidies (SUBA-HH), Non-Help to Humans Subsidies (SUBA-NHH) or Energy Efficiency (EE) factors to become effective on July 1, 2026. Chapter Six of the Final Resolution and Order on Electricity Rates entered on April 15, 2026 in Case No. NEPR-AP-2023-0003, provides that Energy Bureau will address the matter promptly in proceedings related to riders. LUMA will implement the Energy Bureau's determination.