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COMMONWEALTH OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU

IN RE: REVIEW OF LUMA'S INITIAL BUDGETS	**CASE NO. NEPR-MI-2021-0004** **SUBJECT: Motion Submitting Third Amendment to Fiscal Year 2026 Budget**

MOTION SUBMITTING THIRD AMENDMENT TO FISCAL YEAR 2026 BUDGET

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

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

I. Introduction

1. LUMA respectfully submits this request to amend the Fiscal Year 2026 ("FY2026") Non-Federally Funded Capital ("NFC") Budget so that it accurately reflects the operational conditions, planning assumptions, and expenditures incurred under the Provisional Budget that the Honorable Puerto Rico Energy Bureau of the Public Service Regulatory Board ("Energy Bureau") approved in Case No. NEPR-AP-2023-0003.

2. LUMA developed its FY2026 operational and capital planning based on the Provisional Budget approved on July 31, 2025, which governed all spending and project execution until the Final Resolution and Order on Electricity Rates was issued by the time the Final Rate Order was issued on April 15, 2026, in Case No. NEPR-AP-2023-0003, LUMA had already advanced most of its annual operational plan, committed resources across capital portfolios, and incurred binding obligations necessary to maintain service reliability and support ongoing system

modernization. Accordingly, the retroactive application of the Final Rate Order's budget allocations produced differences between authorized funding levels and expenditures that had already been incurred under the Provisional Budget. The present amendment proposes a zero-sum reallocation of funds across six Program Briefs, aimed at aligning budget allocations with expenditures and commitments incurred prior to the issuance of the Final Rate Order, on April 15, 2026.

3. This amendment does not increase the total NFC amount approved in the Final Rate Order. Furthermore, LUMA does not request an increase or change to customer rates.

II. Relevant Background

4. On June 20, 2025, the Energy Bureau issued a Resolution and Order in the captioned proceeding establishing Temporary Default Budgets for Fiscal Year 2026. The only adjustments permitted were for contractually indexed operator service fees, while all other expenditure categories were proportionally reduced. The Energy Bureau emphasized that these temporary budgets would remain in effect only until superseded by provisional or final rates issued in the corresponding rate review proceeding, Case No. NEPR-AP-2023-0003.

5. On July 3, 2025, LUMA, on behalf of itself, Genera PR LLC and the Puerto Rico Electric Power Authority ("PREPA"), submitted an application for permanent and provisional rates in Case No. NEPR-AP-2023-0003, *In Re: Puerto Rico Electric Power Rate Review*.[1] 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 Case No. NEPR-AP-2023-0003.

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[1] *See Motion Submitting Rate Review Petition. Available* at https://energia.pr.gov/wp-content/uploads/sites/7/2025/07/20250703-AP20230003-Motion-Submitting-Rate-Review-Petition-2-1.pdf.

6. On July 31, 2025, the Energy Bureau issued a Resolution and Order in Case No. NEPR-AP-2023-0003 ("July 31st Order"), establishing the Fiscal Year 2026 Provisional Budget for the Electric System.[2] From this system-wide budget, LUMA, as the operator of the transmission and distribution system, was to administer the portion allocated to GridCo, referred to as the Fiscal Year 2026 T&D Provisional Operating Budget. *See* July 31st Order, p. 41.

7. On October 10, 2025, LUMA filed a *Motion Submitting Amendment to Fiscal Year 2026 T&D Provisional Budget*, through which LUMA requested that the Energy Bureau amend the FY2026 T&D Provisional Budget to recognize the FY2025 amended budget as the appropriate baseline for the FY2026 Provisional Budget.[3] That amendment did not seek to modify customer rates.

8. On October 24, 2025, the Energy Bureau entered a Resolution and Order ("October 24th Order") approving LUMA's request to amend the FY2026 Provisional Budget to reflect the amended FY2025 budget as its basis.

9. On March 25, 2026, LUMA filed a *Motion to Submit Fiscal Year 2026 Second Provisional Budget Amendment* ("March 25th Motion"), requesting authorization to reallocate approximately $58.9 million of previously approved budget to reflect updated funding availability, project execution realities, and system reliability priorities. This amendment did not seek to modify customer rates.

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[2] *Available* at https://energia.pr.gov/wp-content/uploads/sites/7/2025/07/20250731-AP20230003-Resolution-and-Order.pdf.

[3] LUMA also requested that the Federally Funded Capital Budget be revised from $1.2 billion to $718 million to align the budget with the FEMA Accelerate Reward Strategy (FAASt) Consolidated Project Plan List, but said request was denied by way of the Energy Bureau's October 24th Order.

10. Less than a month later, on April 15, 2026, the Energy Bureau issued its Final Rate Order in Case No. NEPR-AP-2023-0003,[4] establishing a new annual revenue requirement and adopting a permanent FY2026 budget consistent with that requirement.[5]

III. Request to Amend and Reallocate the FY2026 Budget

11. In accordance with the regulatory requirements established by the Honorable Energy Bureau, LUMA respectfully submits this request to amend and reallocate funds within the FY2026 NFC Budget.

12. The proposed reallocation is a zero-sum adjustment within the approved NFC budget, meaning the total approved NFC amount remains unchanged. The reallocation simply seeks to align budget allocations with expenditures and commitments that LUMA incurred under the July 31, 2025 Provisional Budget before issuance of the April 15, 2026 Final Rate Order.

13. A detailed explanation of the requested reallocation, including portfolio-level and program-level figures, is set forth in *Exhibit 1* to this motion.

14. The proposed amendment does not constitute a request for a temporary rate adjustment or rate modification under Section 6.25 of the *Puerto Rico Energy Transformation and RELIEF Act*, Act No. 57-2014, 22 LPRA § 1054x (2026), and does not modify LUMA's approved revenue requirement. LUMA is not requesting any increase or change to customer rates as part of this filing.

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[4] *Available* at https://energia.pr.gov/wp-content/uploads/sites/7/2026/04/20260415-AP20230003-Final-Resolution-and-Order.pdf.

[5] In its Final Rate Order, the Energy Bureau noted that it had not yet acted on LUMA's March 25th Motion as of the date of that order. *See* Final Rate Order, at Chapter Three, p. 114. As of the date of filing the present motion, the Energy Bureau has yet to consider the March 25th Motion.

15. The purpose of the proposed amendment is to ensure that the FY2026 NFC Budget accurately reflects the expenditures and commitments incurred throughout FY2026 under the Provisional Budget.

WHEREFORE, LUMA respectfully requests that this Honorable Energy Bureau **take notice** of the above; and **approve** and **amend** the Fiscal Year 2026 Budget as requested by LUMA.

RESPECTFULLY SUBMITTED.

In Guaynabo, Puerto Rico, on this 24th day of June, 2026.

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; Natalia Zayas Godoy, nzayas@gmlex.net; and Alexis G. Rivera Medina, alexis.rivera@prepa.pr.gov; and to Genera PR, LLC, through: Jorge Fernández-Reboredo, jfernandez@ecija.com, José J. Díaz Alonso, jdiaz@ecija.com; Ernesto Ramos Maldonado, eramos@ecija.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.

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Exhibit 1