



June 03, 2026

Mrs. Mary Zapata
Executive Director
Puerto Rico Electric Power Authority

RE: Xzerta-Tec Solar I, LLC April Progress Report

Dear Executive Director:

Herewith, we are providing our monthly progress and status report including project activities required for the project completion. In the upcoming months, our team will continue sustaining meetings with both PREPA and LUMA to refine the engineering design and the facility's interconnection to the grid. The following table will be used to identify the project activities, and any other issues with their respective status and progression for the proper implementation of this project.

#	Activity	Description	Status	Comments
1	Design			
	A. Power Design - Drawings	LUMA has been responding and closing several open RFIs including the ones resubmitted in April and May 2026. Only 3 related to the network system are pending responses. It will delay the progress of the design for a few days. Luma and Xzerta have agreed the following resolution for the issue related to the DFR (Not required as per PPOA), LUMA decided to stay with the already approved DFR, Ametek TR-3000, and it will allow Xzerta to submit an approved equal. Xzerta with Eaton is still reviewing the available products in the market to determine if there is an approved equal. It was determined that Tesla 4000 has lower features compared to Ametek TR-3000. Xzerta instructed its team to proceed with the Ametek TR-3000 for the final design. Due to	Several RFIs were closed but additional information required. 90% of Detailed Design completed by January 30th.	Xzerta has expressed concerns regarding the separation of the 38K and 115K since will be required to enter in a private property which has a history of litigation with PREPA. This issue will potentially impact the construction, and it will provoke delays by others impeding the entrance to the premises. Based on the force majeure events triggered by others and previously by LUMA, the project schedule has continued to slip or

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	the issue with the local vendor, Xzerta may have difficulties purchasing this product. Still Xzerta will look for alternative ways to purchase the item or find an approved equal. Final 100% detailed design was scheduled to be submitted by May 31st, 2026 but it will be submitted in June instead. Xzerta received approval from the CBDG ER2 program the following: NEPA study, procurement of long lead items, the replacement of products such as racks and BESS if needed and the 90% detailed design. Xzerta is working with vendors to refresh all quotes and negotiate T&C of contracts. Procurement of all LLI have been delayed with a new target by June 30th.		push down drastically impacting COD with no recovery and will have further detrimental consequences in the financial side. PREPA has released FNTF, to allow Xzerta to proceed with procurement and financial support. After latest products approval by LUMA, Xzerta will proceed with the procurement of the LLI and the RFP for choosing an EPC.
B. Relay Study	Relay Study was submitted on Sept 21, 2022. This item will remain open until the synchronization happens	Open	Even though LUMA did not provide any comments of Relay study, an updated study will be released 90 days before the synchronization process.
C. Products	Documentation for the inverters, batteries, Transformer, Protective relays, GCBs, BESS and MV switchgear were transmitted for approval, but LUMA stated that they will not approve any Products related to the solar farm or facility but only the interconnection. As of March 2026, LUMA has approved the majority of the LLI products related to the interconnection. The only open item is related to the CT, PT and CPVT because Xzerta was waiting for the Manufacturer documentation to be updated. Hitachi has provided refresh quotes by April 28, 2026 and notified Xzerta		LUMA previously stated that the products will not be approved until the final design has been submitted and approved. Notwithstanding, Xzerta has completed the final design, which is pending for approval to proceed with detailed design of the Communications and Protective Systems even though the approval of products is imperative to complete the

		that the lead times of some products could reach 30 months. Xzerta is working to improve logistics to minimize impacts, but those lead times are worst case scenarios. Xzerta is still negotiating the terms of contract with Ingeteam.		detailed design and to order those long lead items. The schedule has continued to slip due to major delays generated by LUMA affecting COD because of the inability to proceed with the detailed design without the approval of the products and the procurement of the products with long lead times identified as critical path. LUMA has recently approved some but others not. Ordering any products without proper approval is high risk and major liability.
	D. SCADA list	Our team is in receipt of the current SCADA list sample shared by LUMA. Based on this sample, our team will develop the preliminary SCADA Point list and will add all available alarms and events based on the final design. Eaton has commenced the SCADA design, protective relays based on submitted relay study, comms design and the latest approved interlocking by LUMA.	In progress	Under development by Eaton but waiting for final field validation by LUMA.
	E. Other Design	This item will be followed under Item A	Closed	
2	F. Commercial			
	Certifications	filed with the Puerto Rico Energy Bureau for Xzerta Tec's Electric Service Company Certification as required under Rule 8701	Completed	Approved
	A. Loans	Term Sheet was received. A financial Structure was sent to PREPA for their evaluation.	Completed	Final underwriting closed upon FNTP released and construction permits approval. Xzerta received the NEPA approval by the CBDG ER2 and DOE Grant programs. Also, the AUGF

				was released. PRDOH NTP is pending approval.
	B. Leases	Yearly Extensions are only required but fully acquisition will be observed in the future	Completed	
	C. Mars CPA Report	Commissioned a report from our accounting firm Mars CPA regarding the possible incentives available to the project under the Puerto Rico Incentives Code, to review the prior decree granted to the project by the Department of Economic Development and to establish the final structure regarding the tax equity of the project.	Completed	
	D. LUMA Interconnection Agreement	LGIA has been signed, notarized and executed.	Closed with amend	Closed but a new amend will be released to allow Xzerta handle the construction within Hatillo TC.
	E. CBDG ER2/PRDOH	Status and Progress – Recently completed a single audit by PRDOH without findings. Received AUGF but waiting for NTP	Progress on going	Grant Approved
	F.			
3	Contracting			
	Land Survey and Topographic Survey	Geomatic Solutions and Surveying, PSC	Completed	
	A. Plant Design	Roman Duran Engineers, LLC	Completed	
	B. Archaeological Study	Fernando Alvarado	Completed	
	C. Environmental Site Assessment Phase I-A D. Phase I-B	Tycroes group AVA Environmental	Completed Delivered	Phase B received and under review
	Habitat Study	Alejandro Cubiña	Completed	
	E. Foundation Design	Carlos Rivera, P.E.	Completed	
	F. Anchoring	Allurack	Completed	
	G. Electrical Design	-Miguel Ortiz, P.E. executed -Lisaidyn Perez Contract renewed -Enerzinx -Roman Duran Engineers, LLC contract has been executed. -DEA contract executed -Eaton Contract – Executed. -Ingeteam - Contract under negotiations	Open	

	H. SCADA Systems Design	Lisaidyn Perez and Eaton	Completed	Eaton's contract has been executed as of 09/29/2025
	I. Modeling and Simulations	Enerzinx	Completed	S&L and LUMA stated that it is in compliance with all MTR's
	J. Relay Study	Enerzinx	Completed	On Feb 21, 2023, S&L and LUMA's completed the Interconnection and Facility Studies determine that Preliminary design is in compliance with all MTRs.
	K. Transmission Lines	RD Eng LLC - transmission line design DEA - the Sag and Tension Analysis EATON – SCADA, Comms and Protection Scheme	Completed	Final Design Submitted on 06/27/2025 for approval. LUMA provided their comment on July 28 th , 2025. LUMA shared their design templates which are under evaluation.
3	L. Construction			
	Permits	Completed the following: 1. Location 2. Environmental 3. Endorsements by - Highway and Transportation Authority - Puerto Rico Energy Bureau - Cultural Institute - Puerto Rico Telecommunications Bureau - Puerto Rico Aqueduct and Sewer Authority - Department of Agriculture 4. Permits Management Office (OGPe) – Construction Permit approved and Xzerta was validated as an electrical contractor 5. NWP-14 – Not required since there are not jurisdiction wetlands and water on the properties 6. NEPA – Approved	Partially Completed. See status on individual items	LUMA / PREPA approved the usage of ROW/ Easement, was finally signed and executed.

		7. Farmland Report - Approved Pending 8. NPDES General Permit – Not required until construction starts		
	A. Land Acquisition	1. Leases were in placed securing the land but there will be a estates acquisition later this year.	Completed	
	B. Contractors	No major changes, waiting for final drawings with Luma comments to be completed. Preliminary Scope of work was distributed to potential EPC, waiting for their updates of the quotes	In progress	General Contractor (GC), subcontractors and consultants' agreements are in process. RFP will be released.
4	C. Procurement			
	A. Material List	long lead products related to the interconnection have been approved by LUMA. The only open item is related to the CT/PT and CPVT which was pending on the manufacturer. LUMA released their templates as a guideline. CBDG approved the procurement of long lead items at the end of December 2025.	Approvals received for LLI related to Interconnection	Refer to Material List Annex 1 found below for further information, item 1 above and Dispute table below.
	Orders	All approvals for the LLI related to the interconnections have been provided. CBDG PM approved Procurement is pending on the final negotiations of T&Cs and release of funds by the financial institution. Major lead time is the GCBs and Main Transformer, which about 114 weeks.	In progress	Long lead times of equipment will impact final implementation of project and COD. Design approval is causing major schedule slips and financial impacts. A notice of delay has been transmitted but with the additional delays on LUMA's side, it is foreseen having further delays impacting the COD.
5	B. Implementation			
	Installation	Preliminary definition of scope of works has been created and shared with proponents. Contractors (BLDM, LORD, Aireko, Solar Mounts and Dynamic Solar among others) visited the premises in December once again in order to	In progress	Waiting for acceptance of proposed design changes and final design. RFP will be released in May 2026.

		update their quotes, but final prices and contract are pending on the final approvals. LUMA has recently changed their mind in regard to perform only the construction of the modification at Hatillo TC and offered Xzerta to make construction instead. Xzerta has accepted the proposed change and it is pending on LUMA to release the amend to the LGIA.		
	A. Testing	Master Plan to be generated after approval of the design and upon receiving PREPA's approved testing protocols. Master plan and test procedures will be generated in accordance with PREPA/LUMA approved testing protocols and operations.	Not started	LUMA submitted their test protocols. The master plan will be based on this information and the final approval of design
	B.			

Dispute Items Table

The following table identified the open items that are in dispute since 2022 and requires a prompt resolution as stated in Xzerta 2nd Dispute Notice and Notice of Delay

1	Dispute item	Description	Status	Comments
	A. Cost for interconnection study	Xzerta position was that it will not bear the cost for all proposed changes nor pay in full for the requested interconnection study by LUMA since it was others that did not comply with PREPA's design standards and further, it is not a contractual obligation.	Closed	
	B. PREPA's Interconnection Facility Construction and provision of materials	The PPOA places the responsibility of the interconnection construction and provision of materials on Xzerta. PREPA may elect to perform the construction, but Xzerta will always provide the materials. LUMA is pushing to perform the construction and purchasing of materials neglecting the PPOA terms.	Closed	This item partially affects the design completion, and the procurement commencement as stated in the meeting of May 2 nd . As of May 14, 2024, LUMA has agreed via email with the terms of the PPOA where LUMA will perform the construction and have Xzerta providing the materials.

	C. LUMA's Interconnection agreement	LUMA is requiring Xzerta to enter into a new interconnection agreement. Xzerta position is this interconnection agreement is not in compliance with the PPOA and further, the PPOA has all required terms and conditions for the interconnection	Closed	Several items were discussed at the meeting of January 10, 2025. Then after, LUMA and Xzerta agreed on January 30 th , 2025, with the latest LGIA T&Cs. Executed
	D. Use of Right of Way	The usage of ROW was agreed by all parties since the route was already established within the PPOA. LUMA Land Office continues to maintain language in the CONDITIONED PERMIT FOR USE OF ELECTRICAL LINE EASEMENT that hinders the capacity of Xzerta to enter into the aforementioned conditioned permit, particularly due to the time limits to be imposed and other items related to LUMA's interconnection agreement.	Closed	Final version signed and executed on November 20, 2024.
	E. Increase Interconnection Costs.	LUMA's estimate of the interconnection surpasses the original estimated value of 3.2M established within the PPOA. Xzerta is requesting PREPA to increase the cap value of Article 4.6 and PPOA inflation factor for the power purchasing by 2% as approved by PREB Motion of May 2021.	Closed	PREPA agreed with this request and therefore, the item is not considered a dispute. Item will be addressed separately via an amendment of article 4.6 of the PPOA. Due to several other issues that required prioritization, this item has not been sent for a request to amend the cap and is pending on the final amount cost once the RFP process is completed.

The following table shows the status of RFIs:

#	Number	Description	Status	Date Submitted	Comments
1	RFI-001	Transformer specs and interconnection requirements (Y-D, D-Y or D-D)	Closed	4/26/2022	1 item remained open but followed by RFI-002. Transformer should be YG to Delta on the side of interconnection of 115 KV with PREPA with an internal shift of 30

2	RFI-002	Transformer specs (Not responded under RFI-001)	Closed	5/23/2022	Specifications received. Issues with Wind Conditions requirement. It will be followed through RFI-006
3	RFI-003	SCADA Communication Protocol and Sample of Points	Closed	5/23/2022	Received List.
4	RFI-004	Amount of demand Energy of PR	Closed	5/23/2022	Calculated at 0.0003% or 0.001 %
5	RFI-005	Request of Permit to usage of PREPAs ROW	Closed	5/23/2022	RFI was closed but Item is still open. LUMA requested to submit a request for usage of easement via another form since it is managed by their Dept of Land and Permits. Item is under Dispute.
6	RFI-006	Request for exemption to Wind Conditions requirements. Vendors unable to meet criteria of 160 MPH. Current design meets 120 to 140 MPH	Closed	6/2/2022	LUMA stated that the cited specification details the requirements for equipment to be owned, operated, and maintained by PREPA/LUMA. Knowing that this equipment will remain under the care, custody, and control of the proponent, LUMA will not provide technical input on alternate wind load criteria for transformer components, since it is not an evaluation factor to determine the Facility's capability to be interconnected to the grid. Current design meets ASCE req. Refer to PPOA sections 9.4(a) & (b).
7	RFI-007	Request for approval of GCB proposed product	Closed	6/2/2022	Hitachi GCB Breaker for 115 KV. It has been conditionally approved. LUMA requested to increase CC of GCB1 based on their current design, 145 KV @ 2000 A CC. LUMA stated that it will not be approved until final design is completed.
8	RFI-008	Request for approval of MV Switchgear proposed product	Closed	6/30/2022	LUMA stated that the MV switchgear approval is not within responsibilities. This will remain under contractor decisions regarding the solar farm or facility design. Synchronization of the protective relays of the main breaker 52-1 are required to properly intertwined with GCB 2 and GCB 52.
9	RFI-009	Request for approval of Protective Relays, Network Switch, Controller	Closed	2/21/2023	LUMA approved the products based on the results of the Interconnection and Facility

					Studies. Preliminary design is in compliance with MTRs. LUMA shared templates as guidelines.
10	RFI-010	Request for approval of Dynamic Studies	Closed	2/21/2023	S&L and LUMA's completed the Interconnection and Facility Studies. Preliminary design is in compliance with MTRs. Xzerta considers this item approved.
11	RFI-011	Request for approval of 3P Main Step-Up Oil Transformer 34/115KV	Closed	7/11/2022	LUMA approved the transformer based on the results of the Interconnection and Facility Studies, with no exception s taken
12	RFI-012	Request for Testing Protocols and operating procedures	Closed	8/1/2022	Delivered
13	RFI-013	Request for LUMA/ PREPA to confirm if the Seismic Design Category can remain in A instead D because there is no historical data that requires to consider inertial loads associated with earthquakes within the area	Closed	10/13/2022	LUMA will not evaluate the civil design aspects for the medium voltage switchgear, since this equipment is located upstream from the Main Power Transformer, and thus lies beyond LUMA's evaluation responsibilities for privately-owned Renewables projects. It will comply with ASCE stds.
14	RFI-014	Request PLS-CADD files for Transmission line detailed design	Closed	12/6/2022	LUMA provided the requested information and files
15	RFI-015	Response for Letter of Request of Permit to usage of PREPAs ROW	Closed	1/24/2023	Xzerta submitted to LUMA's Lands & Permits team on Nov 23, 2022, a 2nd request for the usage of existing easement/right-of-way that was reserved for future work on previously existing 115kV transmission line 39100 spanning westbound from Hatillo TC to Mora TC, in Isabela. It has been approved with the condition of been prepared for dual lines. A conditional permit was executed.
16	RFI-016	Request for Design Information for secondary circuit of 115KV transmission line	Closed	3/22/2023	LUMA provided the requested information and files
17	RFI-017	Request for Long lead Products Approval	Closed	9/9/2025	LUMA provided a set of templates to follow and it is under evaluation by our design team.
18	RFI-018	Request for GCBs 2000A approval	Closed	10/6/2025	Approved with no exception taken
19	RFI-019	Request for DFR and PAC approval	Closed	10/10/2025	During the meeting held on February 2 nd , LUMA explained the issue with proprietary soft app that it will not allow other products to

					be connected. It was agreed to provide two DSM and a DFR only for Hatillo using Tesla technology, which currently under test and customization. LUMA will have to provide final part number. DSM will be DigiSilent.
20	RFI-020	Request for RTAC approval	Open	10/10/2025	TBD
21	RFI-021	Request for Network Switches approval	Closed	10/10/2025	
22	RFI-022	MLPS Switch usage for main network switches	Closed	10/15/2025	
23	RFI-023	Telecom Equipment Information	Closed	10/15/2025	
24	RFI-024	487 B and field conditions request for information	Closed	10/15/2025	LUMA provided the as-built single line but suggested having a 3d scanning to validate field conditions. TBD
25	RFI-025	CT and PT approval	Open	10/31/2025	Waiting for updated Datasheets
26	RFI-026	Telecom switches & firewall models	Closed	2/13/2026	
27	RFI-027	Telecom alternative model for ISA3000	Closed	2/13/2026	
28	RFI-028	Telecom OPGW CAD template for telecom panel	Closed	2/13/2026	
	RFI-029	OPGW grounding template	Closed	2/13/2026	LUMA closed this one stating they didn't have the information. No resolution was obtained.
	RFI-030	DSM: Provide the information of the DigiSilent and the templates related to the DSM	Closed	2/26/2026	
	RFI-031	PAC: DFR templates using Tesla Product	Closed	2/26/2026	LUMA response did not resolve issue and RFI was reissued under 31.1. Final Response superseded RFI 19.
	RFI-032	Additional Clarification on Telecom CAD Templates	Closed	3/18/2026	Closed by May 21, 2026
	RFI-033	Additional Clarification on Automation CAD Templates	Open	3/18/2026	
	RFI-034	Additional Software and Licenses information Network	Closed	3/18/2026	Closed by May 21, 2026
	RFI-027 Old change to RFI-035	Hatillo TC Naming	Open	2/26/2026	This RFI was lost by LUMA when they renamed the previous ones. It will be submitted under RFI-035

The following table shows the status of Transmittals:

#	Number	Description	Status	Date Submitted	Comments
1	XTA-TRA-0001	Relay Study and Updated Preliminary design	Closed	9/21/2022	Interconnection and facility study completed by S&L and LUMA on Feb 21, 2023. It is determined that Xzerta proposed design is in compliance with all MTR's. Xzerta assumes that all preliminary design is approved and can proceed with the detailed design. No input has been provided on the Relay Study.
2	XTA-TRA-0002	Energy Yield Assessment	Closed	05/31/2023	LUMA releases on June 2 nd , 2023, an acceptance of this document. A second assessment is required to be performed once the system is implemented and ready for operations.
3	XTA-TRA-0003	Relay Study and Updated Preliminary design based on LUMA's Comments of 10/3/2022	Open	10/28/2022	Interconnection and facility study completed by S&L and LUMA on Feb 21, 2023. It determined that Xzerta proposed design is in compliance with all MTR's. As of today, Xzerta have not received any additional comments of the Relay Study thus this item is considered open.
4	XTA-TRA-0004	Xzerta Ltr 2nd Request of Permit Use of ROW and Rev 14 SLD Preliminary Design	Closed	11/23/2022	LUMA's team responded to Xzerta comments on August 8, 2024 regarding their concerns of the language utilizes especially those related to technical approach. A meeting was held to discuss those concerns and provide any additional clarification to LUMA Land Dept. It was agreed having Xzerta would provide again an alternative language for the permit. The item is still open and is affecting the design. .

5	XTA-TRA-0005	RFI 016 Request of Design Information for secondary circuit of 115KV transmission line	Closed	3/22/2023	
6	XTA-TRA-0006	Energy Yield Assessment and comments of Conditioned Permit for use of the electrical lines' easement	Closed	6/02/2023	

We continue to be committed to providing PREPA and the people of Puerto Rico with clean and efficient energy and to assist in achieving the targets established in the Integrated Resources Plan (IRP) and the Public Policy aimed at by the Government of Puerto Rico.

Sincerely,



Fernando Molini-Vizcarrondo

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Attachments:

Equipment and Components – Materials Status List

Equipment	Company/Brand	Status	Comments
PV Modules	RFPs Submitted to vendors	Proposal Received from Talesun and Trina Solar.	Interconnection Study completed and compliance with MTRs
Inverters	Ingeteam	Refresh of Proposal Received from Ingeteam to proceed with PO	Interconnection Study completed and compliance with MTRs
Battery Equipment	Vinfast/Narada	Refresh of Proposal Received from Vendors	Interconnection Study completed and compliance with MTRs
Racks and Anchoring	Allurack	Contract awarded	Waiting for Lond Lead Items approval
Main Switchgear	Eaton	Contract awarded waiting for Design approval	LUMA stated that Main Switchgear will remain under the contractor's prerogative. No approval necessary
GIS/GCB	Hitachi	Approved with no exceptions pending implementation	LUMA approved it requiring all to be 2000A rated.
Transformer 34.5/115K	Hitachi	Approved with no exceptions pending implementation.	Interconnection Study completed and compliance with MTRs
Meters	Eaton	Contract awarded waiting for Design approval	
Protective Relays, DFR and DSM	SEL	SEL relays approved. DFR and DSM waiting for approval	Interconnection Study completed and compliance with MTRs
Foundations	Pending Completion of design		
Posts & Towers	Generic	Preliminary Design submitted	
Cables & Miscellaneous	Caribe Sales	Revised proposal received. Final proposal will be delivered upon completing design	