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

IN RE: IN RE: REVIEW OF THE PUERTO RICO ELECTRIC POWER AUTHORITY'S 10-YEAR INFRASTRUCTURE PLAN-DECEMBER 2020	**CASE NO. NEPR-MI-2021-0002** **SUBJECT: Motion in Compliance with the August 27, 2026, Resolution and Order**

MOTION IN COMPLIANCE WITH THE AUGUST 27, 2026, RESOLUTION AND ORDER

TO THE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC, and **LUMA Energy ServCo, LLC**, (jointly referred to as "LUMA"), through the undersigned legal counsel and, respectfully submit the following:

1. On March 26, 2021, this Honorable Puerto Rico Energy Bureau ("Energy Bureau") issued a Resolution and Order in the instant proceeding, ordering, in pertinent part, that the Puerto Rico Electric Power Authority ("PREPA") submit to the Energy Bureau the specific transmission and distribution projects ("T&D Projects" or "Projects") to be funded with Federal Emergency Management Agency ("FEMA") funds or any other federal funds at least thirty (30) calendar days prior to submitting these Projects to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency ("COR3"), FEMA or any other federal agency ("March 26th Order"). It also directed PREPA to continue reporting to the Energy Bureau and FEMA, within the next five years, on the progress of all ongoing efforts related to the approval of the submitted Projects that have not yet been approved by the Energy Bureau.[1] The Energy Bureau thereafter determined that this directive should be applied to PREPA and LUMA. *See* Resolution and Order of August 20, 2021.

[1] On April 22, 2026, the Energy Bureau issued a Resolution and Order ("April 22nd Order"), in which it extended the March 26th Order's reporting period for an additional five (5) years. *See* April 22nd Order, p.2. The Energy Bureau stated that all the other provisions of the March 26th Order would remain in full force and effect. *Id*.

2. On July 8, 2021, LUMA filed a *Motion Submitting List of Projects and Twenty-Eight Scopes of Work* ("July 8th Motion"), wherein it submitted, among others, the "Distribution Feeders – San Juan Short Term Group 1" and the "Distribution Feeders – San Juan Short Term Group 2" scopes of work ("SOWs"). On August 20, 2021, the Energy Bureau issued a Resolution and Order ("August 20th Order") approving the T&D Projects submitted through the July 8th Motion and directing LUMA to submit the copy of the approvals by COR3 and/or FEMA of the Project, including obligated costs for each Project, within ten (10) days of receiving such approval.

3. On August 30, 2021, LUMA filed a *Motion Requesting Clarification of a Portion of the Energy Bureau's Resolution and Order Entered on August 20, 2021, and Submitting Updated List of Transmission and Distribution Projects and Twenty-Nine Scopes of Work* ("August 30th Motion"), wherein it submitted, among others, the "Distribution Streetlighting" SOW. On September 22, 2021, the Energy Bureau issued a Resolution and Order ("September 22nd Order") approving the T&D projects submitted through the August 30th Motion and directing LUMA to submit the copy of the approvals by COR3 and/or FEMA of the Project, including obligated costs for each Project, within ten (10) days of receiving such approval.

4. Thereafter, in compliance with the August 20th and September 22nd Orders, LUMA submitted copies of the initial project approvals for the three aforementioned projects. Specifically, on September 26, 2025, LUMA filed the initial FEMA approval for the "FAASt [Feeder Rebuild # 1529-15] (Distribution)" T&D Project;[2] on October 3, 2025, LUMA filed the initial FEMA approval for the "FAASt [Feeder Rebuild # 1303-02] (Distribution)" T&D Project;[3] and on March

[2] Which is part of the "Distribution Feeders – San Juan Short Term Group 2" SOW. *See Motion Submitting Eighteen FEMA Approvals of Projects, Request for Confidential Treatment and Supporting Memorandum of Law,* filed by LUMA on September 26, 2025, in the present docket.
[3] Which is part of the "Distribution Feeders – San Juan Short Term Group 1" SOW. *See Motion Submitting Seven FEMA Approvals of Projects, Request for Confidential Treatment and Supporting Memorandum of Law*, filed by LUMA on October 3, 2025, in the present docket.

5, 2026, LUMA filed the initial FEMA approval for the "FAASt [Rincón Streetlighting] (Distribution)"[4] T&D Project.

5. On August 12, 2026, LUMA filed a *Motion Submitting Three (3) Amended FEMA Approvals of Project, Request for Confidential Treatment, and Supporting Memorandum of Law* ("August 12th Motion"), wherein it submitted the three amended approvals issued by FEMA on August 3, 2026, for the aforementioned T&D Projects: "FAASt [Rincón Streetlighting] (Distribution)", "FAASt [Feeder Rebuild # 1529-15] (Distribution)", and "FAASt [Feeder Rebuild # 1303-02] (Distribution)". LUMA explained that the amended version of the Rincon Streetlighting project reflects changes to the project cost and scope, including the appropriate allocation of Architecture and Engineering ("A&E") costs to FAASt Project No. 335168 and Equipment and Materials ("E&M") costs to FAAST Project No. 673691. As to the two Feeder Rebuild Projects, LUMA indicated that these were amended to align the respective scopes and costs between Section 428 Public Assistance and Section 406 Hazard Mitigation. LUMA further noted that, because the amendments contained both positive and negative funding adjustments, the positive amounts would be processed first, and the corresponding negative amounts would be de-obligated through a subsequent version.

6. On August 27, 2026, the Energy Bureau issued a Resolution and Order ("August 27th Order") whereby it took notice and accepted the amended FEMA approvals submitted by LUMA in the August 12th Motion but determined that the amended FEMA approvals and the associated adjustments to Section 428 and Section 406 funding required additional clarification

[4] Which is part of the "Distribution Streetlighting" SOW. *See Motion Submitting Seventeen (17) FEMA Approvals of Project, Request for Confidential Treatment and Supporting Memorandum of Law,* filed by LUMA on March 5, 2026, in the present docket.

and reconciliation. Thus, the Energy Bureau ordered LUMA to provide within fifteen (15) days of notification of the order, the following information for each project:

[714641] FAASt [Rincón Streetlighting] (Distribution)

1. LUMA shall clarify and demonstrate that the $ 2,696,843.97 increase in A&E and E&M costs incorporated into the Version 1 project cost does not result in a duplication of funding. In Version 0, these A&E and E&M costs were identified separately from the project obligation and allocated to the respective Global A&E and E&M PWs. In Version 1, the same costs have been incorporated into the project cost. LUMA shall explain how these costs are being reconciled between the individual project and the Global A&E and E&M PWs and demonstrate that the same costs are not being accounted for or funded under both.
2. LUMA shall also confirm the resulting funding capacity, by applicable cost category, associated with this reconciliation and explain[] any differences between the amended FEMA approved costs and the corresponding amounts reported in the Adjusted Consolidated List submitted with LUMA's May 14 Motion.

[801172] FAASt [Feeder Rebuild #1529-15] (Distribution)

1. Clarify the funding capacity that will become available under each applicable cost category, including A&E, E&M, and FAASt 136271 (Donor Project), for Sections 428 and 406, given that the project costs submitted to FEMA are lower than the amounts previously reported by LUMA in its May 14 Motion (adjusted consolidated list) to the Energy Bureau.

[817956] FAASt [Feeder Rebuild #1303-02] (Distribution)

1. Clarify the funding capacity that will become available under each applicable cost category, including A&E, E&M, and FAASt 136271 (Donor Project), for Sections 428 and 406, given that the project costs submitted to FEMA are lower than the amounts previously reported by LUMA in its May 14 Motion (adjusted consolidated list) to the Energy Bureau
2. LUMA shall also clarify the discrepancy between the $37,248.64 Hazard Mitigation ("HM") amount validated and the $36,248.64 reflected as approved in the FEMA Project Report and shall confirm the correct HM approved amount.

7. In compliance with the August 27th Order, LUMA hereby submits, as *Exhibit 1*, LUMA's responses to the requirements for information on the "FAASt [Rincón Streetlighting] (Distribution)", "FAASt [Feeder Rebuild # 1529-15] (Distribution)", and "FAASt [Feeder Rebuild # 1303-02] (Distribution)" T&D Projects.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned; **accept** LUMA's responses to the Energy Bureau's requirements for information, attached herein as *Exhibit 1*; and **deem** LUMA in compliance with the August 27th Order.

RESPECTFULLY SUBMITTED.

We hereby certify that we filed this Motion using the electronic filing system of this Energy Bureau. We will send an electronic copy of this Motion to PREPA via Alexis Rivera, alexis.rivera@prepa.pr.gov, and through its counsel of record, Natalia Zayas Godoy, nzayas@gmlex.net, Richard Cruz Franqui, rcruzfranqui@gmlex.net, and Mirelis Valle Cancel, mvalle@gmlex.net, to Genera PR LLC, through its counsel of record, Jorge Fernández-Reboredo, jfernandez@ecija.com, José J. Díaz Alonso, jdiaz@ecija.com, and Ernesto R. Ramos Maldonado, eramos@ecija.com.

In Guaynabo, Puerto Rico, on this 11th day of September 2026.

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Exhibit 1

(Attachment A to Exhibit 1 will be filed via email)

Federal Funding Project Obligations

Response to August 27, 2026, Request

NEPR-MI-2021-0002

September 11, 2026

List of Responses and Attachments

Response ID	Document Type	Response Subject
RFI-LUMA-MI-2021-0002-20260827-PREB-#01	Response in PDF	714641 - FAASt [Rincon Streetlighting] (Distribution)
	Attachment A*	
RFI-LUMA-MI-2021-0002-20260827-PREB-#02	Response in PDF	801172 - FAASt [Feeder Rebuild #1529-15] (Distribution)
RFI-LUMA-MI-2021-0002-20260827-PREB-#03	Response in PDF	817956 - FAASt [Feeder Rebuild #1303-02] (Distribution)

*Note: *Denotes attachments that have been provided in Microsoft Excel format.*

Federal Funding Project Obligations

NEPR-MI-2021-0002

Response: RFI-LUMA-MI-2021-0002-20260827-PREB-#01

SUBJECT

714641 - FAASt [Rincon Streetlighting] (Distribution)

REQUEST

1. LUMA shall clarify and demonstrate that the $2,696,843.97 increase in A&E and E&M costs included in the Version 1 project cost does not result in a duplication of funding. In Version 0, these A&E and E&M costs were identified separately from the project obligation and allocated to the respective Global A&E and E&M PWs. In Version 1, the same costs have been incorporated into the project cost. LUMA shall explain how these costs are being reconciled between the individual project and the Global A&E and E&M PWs and demonstrate that the same costs are not being accounted for or funded under both.

   FEMA Project Note 3:

   "In the previous version, the Architecture and Engineering (A&E) and Equipment and Materials (E&M) dollar amounts were deducted. Accordingly, an equivalent positive value has been added in Version 1 to offset these costs. This adjustment was made to prevent duplication of A&E and E&M funds in Version 0, as requested by the Applicant, in order to modify the project cost estimate and accurately allocate the A&E cost to FAASt #335168 and the E&M cost to FAASt #673691.".

2. LUMA shall also confirm the resulting funding capacity, by applicable cost category, associated with this reconciliation, and explain any differences between the amended FEMA-approved costs and the corresponding amounts reported in the Adjusted Consolidated List submitted with LUMA's May 14 Motion.

RESPONSE

1. LUMA has identified that Version 1 appears to have duplicated certain costs associated with the Global A&E project worksheets by reallocating those costs back to the child project. LUMA is currently coordinating with FEMA to resolve this issue and reconcile the affected cost elements so that FEMA may issue a new version of the obligation. For the project cost breakdown presently under discussion with FEMA as part of the versioning process, please refer to Attachment A.

2. Please see the full breakdown of the final expected obligation and the Consolidated Project List below.

714641 - FAASt [Rincon Streetlighting] (Distribution)			
Cost Allocation	**Consolidated List Cost**	**FEMA Obligated Cost**	**Difference**
428 Allocation (Without the A&E and E&M)	$10,842,339.26	$13,539,183.23	($2,696,843.97)
406 Allocation (Without the A&E and E&M)	$82,026.55	$82,026.55	$0.00
428 A&E-PW 9510	$1,946,225.97	$0.00	$1,946,225.97
406 A&E-PW 9510	$106,422.03	$106,422.03	$0.00
428 E&M-PW 10710	$750,618.00	$0.00	$750,618.00
406 E&M-PW 10710	$506,022.00	$506,022.00	$0.00
Expected Total Project Cost	$14,233,653.81	$14,233,653.81	$0.00
Total 428 Expected cost	$13,539,183.23	$13,539,183.23	$0.00
Total 406 Expected Cost	$694,470.58	$694,470.58	$0.00

Based on the Version 1 breakdown of the obligated costs, there is an overallocation of $2,696,843.97 under the child projects funded through Section 428. As noted earlier, LUMA believes that certain obligated costs may have been duplicated, as they do not align with the costs submitted, which are reflected in Attachment A. LUMA acknowledges, however, that the costs submitted for obligation and currently under discussion with FEMA differ from those approved in the Consolidated Project List, particularly the costs associated with the Global E&M PWs and the child portion. As shown in Attachment A, LUMA does not intend to utilize the Global E&M PW and therefore plans to transfer those costs back to the child project. This adjustment increases the amount that will need to be obligated in the next version relative to the Consolidated Project List. The Section 406 costs and the Global A&E costs remain consistent or lower.

Taking these factors into account and considering the constraints within LUMA's federal funding portfolio under Section 428 and the requirement that A&E and E&M costs be deducted from the Global obligations, the resulting overallocation of Section 428 funds related to the child projects is $1,124,674.42 . LUMA intends to mitigate this funding gap by applying the $1,064,762.29 in savings derived from the obligations for projects 801172, FAASt [Feeder Rebuild #1529-15] (Distribution), and 817956, FAASt [Feeder Rebuild #1303-02] (Distribution). Additionally, LUMA will address the remaining portion through other reductions across the portfolio that are currently in progress.

Federal Funding Project Obligations

NEPR-MI-2021-0002

Response: RFI-LUMA-MI-2021-0002-20260827-PREB-#02

SUBJECT

801172 - FAASt [Feeder Rebuild #1529-15] (Distribution)

REQUEST

1. Clarify the funding capacity that will become available under each applicable cost category, including A&E, E&M, and FAASt 136271 (Donor Project), for Sections 428 and 406, given that the project costs submitted to FEMA are lower than the amounts previously reported by LUMA in its May 14 Motion (Adjusted Consolidated List) to the Energy Bureau.

RESPONSE

1. Please see the full breakdown of the Version 1 obligation and the Consolidated Project List below.

801172 - FAASt [Feeder Rebuild #1529-15] (Distribution)

Cost Allocation	Consolidated List Cost	FEMA Obligated Cost	Difference
428 Allocation (Without the A&E and E&M)	$2,621,409.16	$2,285,961.13	$335,448.03
406 Allocation (Without the A&E and E&M)	$242,729.86	$50,953.86	$191,776.00
428 A&E-PW 9510	$538,090.23	$568,090.34	($30,000.11)
406 A&E-PW 9510	$52,278.72	$22,194.71	$30,084.01
428 E&M-PW 10710	$135,020.88	$160,515.06	($25,494.18)
406 E&M-PW 10710	$39,130.64	$28,092.46	$11,038.18
Expected Total Project Cost	$3,628,659.49	$3,115,807.56	$512,851.93
Total 428 Expected cost	$3,294,520.27	$3,014,566.53	$279,953.74
Total 406 Expected Cost	$334,139.22	$101,241.03	$232,898.19

Given the constraints within LUMA's federal funding portfolio, specifically those related to Section 428, and the requirement that A&E and E&M costs be deducted from the Global obligations, the funding amount that will ultimately be available for allocation back into the Section 428 child project's pipeline is $335,448.03. Please note that although the Section 428 obligated costs for the Global PWs are higher than the costs identified in the Consolidated List, this does not affect the availability of the child portion under Section 428. The global portions are deducted from the Global PWs, and therefore those costs have already been accounted for and incorporated into the overall portfolio allocation.

Federal Funding Project Obligations

NEPR-MI-2021-0002

Response: RFI-LUMA-MI-2021-0002-20260827-PREB-#03

SUBJECT

817956 - FAASt [Feeder Rebuild #1303-02] (Distribution)

REQUEST

1. Clarify the funding capacity that will become available under each applicable cost category, including A&E, E&M, and FAASt 136271 (Donor Project), for Sections 428 and 406, given that the project costs submitted to FEMA are lower than the amounts previously reported by LUMA in its May 14 Motion (Adjusted Consolidated List) to the Energy Bureau.

2. LUMA shall also clarify the discrepancy between the $37,248.64 Hazard Mitigation (HM) amount validated and the $36,248.64 reflected as approved in the FEMA Project Report, and shall confirm the correct HM-approved amount.

RESPONSE

1. Please see the full breakdown of the Version 1 obligation and the Consolidated Project List below.

817956 - FAASt [Feeder Rebuild #1303-02] (Distribution)			
Cost Allocation	**Consolidated List Cost**	**FEMA Obligated Cost**	**Difference**
428 Allocation (Without the A&E and E&M)	$2,783,776.04	$2,054,461.78	$729,314.26
406 Allocation (Without the A&E and E&M)	$37,150.77	$8,379.77	$28,771.00
428 A&E-PW 9510	$631,442.21	$631,378.21	$64.00
406 A&E-PW 9510	$8,316.85	$8,380.84	($63.99)
428 E&M-PW 10710	$78,644.98	$79,435.50	($790.52)
406 E&M-PW 10710	$21,278.54	$20,488.02	$790.52
Expected Total Project Cost	$3,560,609.39	$2,802,524.12	$758,085.27
Total 428 Expected cost	$3,493,863.23	$2,765,275.49	$728,587.74

817956 - FAASt [Feeder Rebuild #1303-02] (Distribution)			
Cost Allocation	**Consolidated List Cost**	**FEMA Obligated Cost**	**Difference**
Total 406 Expected Cost	$66,746.16	$36,248.64[1]	$30,497.52

Given the constraints within LUMA's federal funding portfolio, specifically those related to Section 428, and the requirement that A&E and E&M costs be deducted from the Global obligations, the funding amount that will ultimately be available for allocation back into the Section 428 child project's pipeline is $729,314.26. Please note that although the Section 428 obligated costs for the Global PWs are higher than the costs identified in the Consolidated List, this does not affect the availability of the child portion under Section 428. The global portions are deducted from the Global project worksheets, and therefore those costs have already been accounted for and incorporated into the overall portfolio allocation.

2. LUMA maintains that the correct Hazard Mitigation amount is $37,248.64 and is actively coordinating with FEMA to resolve this discrepancy. Although the requested Hazard Mitigation amount was $37,248.64, FEMA ultimately obligated $36,248.64. As indicated in FEMA's documentation, FEMA is preparing Version 2 to address and de-obligate the negative portion of the costs. LUMA is also engaged in discussions with FEMA to ensure that the Hazard Mitigation costs are fully addressed and corrected in Version 2.

[1] The total obligated amount for Section 406 does not add up with the breakdown provided by FEMA in the project worksheet. For more information, please refer to LUMA's response to the second question of RFI-LUMA-MI-2021-0002-20260827-PREB-#03.