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

IN RE: ENERGY EFFICIENCY AND DEMAND RESPONSE THREE-YEAR PLAN	**CASE NO:** NEPR-MI-2026-0002 **SUBJECT:** 2026-2028 EE and DR Three Year Plan Second Set of Requirements of Information.

RESOLUTION AND ORDER

On March 2, 2026, LUMA[1] filed a *Motion to Submit the Three-Year EE and DR Plan* ("March 2 Motion"), in which LUMA submitted its Three-Year Plan for Energy Efficiency and Demand Response ("TYP") covering the two-year period from July 1, 2026, through June 30, 2028.

On March 4, 2026, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order initiating the current proceeding for the review of the 2026-2028 TYP and establishing a procedural calendar. The Energy Bureau scheduled a technical workshop and established deadlines for stakeholders to submit comments and reply comments.

On March 17, 2027, the Energy Bureau held a virtual technical workshop. LUMA gave a presentation on its TYP and answered questions from the Energy Bureau and stakeholders.[2]

On March 24, 2026, the Energy Bureau issued a Resolution and Order directing LUMA to submit responses to the Requirements of Information (ROIs) included in Attachment A of the order, a proposal for performance incentive metrics and associated targets for its TYP, and a proposed plan to achieve the statutory goal of 30% savings by 2040 consistent with the EE Regulation[3] ("March 24 Resolution").

On April 7, 2026, the Oficina Independiente de Protección al Consumidor de la Junta Reglamentadora de Servicio Público ("OIPC") and the Institute of Competitiveness and Economic Sustainability ("ICSE") submitted comments on LUMA's proposed TYP.

On April 8, 2026, Sunstrong Management LLC ("Sunstrong") submitted a motion titled *Sunstrong's Comments Regarding CBES Program Administration and Recommended Safeguards for the 2026-2028 EE and DR Plan.*

On April 20, 2026, LUMA submitted a *Motion to Comply with Resolution and Order of March 24, 2026* ("April 20 Response"). LUMA submitted as Exhibit 1 its responses to the March 24 Resolution ROIs, as Exhibit 2 a proposal for performance incentive metrics and associated targets in alignment with Section 4.02(D)(6) of the EE Regulation, and as Exhibit 3, a proposed plan to achieve the goal of 30% energy savings by 2040 in alignment with Section 4.02(B) of the EE Regulation.

On April 28, 2026, the Electric Vehicle Association of Puerto Rico ("EVA-PR") submitted comments on LUMA's proposed TYP.

On May 12, 2026, the Solar Energy and Storage Association of Puerto Rico ("SESA") submitted comments on LUMA's proposed TYP.

On May 29, 2026, the Energy Bureau issued a Resolution and Order in which it temporarily approved the implementation of LUMA's TYP and directed LUMA to implement its programs as stated in the TYP, focusing on maintaining program continuity and ensuring a smooth

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[1] LUMA Energy LLC and LUMA Energy ServCo LLC (jointly referred as, "LUMA").

[2] On March 16, 2026, LUMA submitted its presentation via motion for the March 17, 2026 technical workshop.

[3] Known as *Regulation for Energy Efficiency,* Regulation 9367, Energy Bureau, March 25, 2022 ("EE Regulation").

transition into FY27 while the Energy Bureau completes its review and issuance of a final order for the approval of the TYP. The Energy Bureau directed LUMA to fund the programs using the EE rider at the currently established rate.

Upon review of the TYP and stakeholder comments, the Energy Bureau determined it requires LUMA to submit additional information. The Energy Bureau **ORDERS** LUMA to respond to the Requirements of Information (ROIs) in Attachment A **within fourteen (14) calendar days** of notification of this Resolution and Order. The Energy Bureau welcomes LUMA to submit along with its responses any additional comments or responses it has to stakeholder comments.

Be it notified and published.

Edison Avilés Deliz
Chairman

Ferdinand A. Ramos Soegaard
Associate Commissioner

Sylvia B. Ugarte Araujo
Associate Commissioner

Antonio Torres Miranda
Associate Commissioner

Omar M. Rodríguez González
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on September 22, 2026. I also certify that on September 22, 2026, I have proceeded with the filing of the Resolution and Order and a copy of this Resolution and Order was notified by electronic mail to RegulatoryPREBorders@lumapr.com; katiuska.bolanos-lugo@us.dlapiper.com; margarita.mercado@us.dlapiper.com; laura.rozas@us.dlapiper.com; alexis.rivera@prepa.pr.gov; nzayas@gmlex.net; mvalle@gmlex.net; rcruzfranqui@gmlex.net, kmercado@jrsp.pr.gov; wvera@jrsp.pr.gov; javrua@sesapr.org; mrios@arroyorioslaw.com; jordgraham@tesla.com; forest@cleanenergy.org; dadavlieu@gmai.com; pjcleanenergy@gmail.com; agraitfe@agraitlawpr.com, jpouroman@outlook.com; info@sesapr.org; cfl@mcvpr.com; mqs@mcvpr.com; apc@mcvpr.com.

For the record, I sign this in San Juan, Puerto Rico, today September 22, 2026.

Sonia Seda Gaztambide
Clerk

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Attachment A. Requirements of Information

1. Refer to LUMA's response to RFI-LUMA-MI-2026-0002-20260324-PREB-13.

    a. Further explain how the T&D OMA prevents LUMA from implementing a financing program through the EE programs.

    b. Explain the statement that "on-bill program mechanisms (items 1 and 2 above) cannot be implemented." Explain whether LUMA faces barriers related to the T&D OMA, technical billing capabilities, or other barriers.

    c. Explain whether LUMA could implement Off-Bill Third-Party Administered Programs, which do not require an on-bill program mechanism. Explain whether there are legal or feasibility differences among capitalization, loan loss reserves, and interest rate buydowns. As part of the response, explain whether LUMA faces barriers related to the T&D OMA, technical billing capabilities, or other barriers.

2. Refer to *Comentarios de la Oficina Independiente de Proteccion al Consumidor* (OIPC) *Sobre el Plan Trienial de Eficiencia Energetica y Respuesta a la Demanda Sometido por LUMA*, dated April 7, 2026, page 7. Explain whether LUMA plans to coordinate with other entities such as PRDOH, HUD, the SBA, DDEC, and the Puerto Rico Green Energy Trust with regards to establishing financing programs.

3. Refer to *Comentarios de la Oficina Independiente de Proteccion al Consumidor (OIPC) Sobre el Plan Trienial de Eficiencia Energetica y Respuesta a la Demanda Sometido por LUMA*, dated April 7, 2026, page 5. Explain how LUMA applied the avoided cost study, and whether LUMA modified the application of the study, or otherwise only partially applied the study results.

4. Refer to *Comentarios de la Oficina Independiente de Proteccion al Consumidor (OIPC) Sobre el Plan Trienial de Eficiencia Energetica y Respuesta a la Demanda Sometido por LUMA*, dated April 7, 2026, page 5.

    a. Explain whether LUMA shares any costs between the EE programs and the CBES program. Identify which costs are shared, including labor- and non-labor-related costs.

    b. For each shared cost LUMA identifies, explain in detail how LUMA tracks and allocates costs between EE and CBES. As part of the response, explain whether LUMA applies any cost allocation methods, explain how LUMA applies those cost allocation methods, and explain any factors that LUMA uses to allocate costs.

5. Refer to *Comentarios de la Oficina Independiente de Proteccion al Consumidor (OIPC) Sobre el Plan Trienial de Eficiencia Energetica y Respuesta a la Demanda Sometido por LUMA*, dated April 7, 2026, pages 5-6.

    a. Explain LUMA's approach to accounting for costs and savings that cross implementation years. For example, if a customer purchased an EE measure at the end of FY26, and submitted the rebate to LUMA at the beginning of FY27, to which year does LUMA attribute the savings and from which year's budget does LUMA pay for the rebate?

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b. Explain how LUMA determines whether costs and savings are attributed to the TPP or the TYP. As part of the response, explain LUMA's accounting approach and processes.

c. Provide the number and dollar value of TPP rebate applications received but not yet paid as of the TPP close-out (June 30, 2026). Explain from which budget (TPP/FY26 or TYP/FY27) these will be paid, and to which plan the associated savings will be attributed in LUMA's reporting.

6. Refer to LUMA's response to RFI-LUMA-MI-2026-0002-20260324-PREB-24.

   a. Does LUMA anticipate hiring new employees to implement the CBES program during the TYP? If so, how many FTEs and what is their estimated annual salary?

   b. Confirm that LUMA has not included the estimated $2 million DERMS budget in its proposed FY27 and FY28 budgets.

   c. LUMA indicates it is avoiding implementing a $2 million DERMS and is proposing a $3.4 million budget increase for program, planning, and administrative (PP&A) costs. Explain whether a DERMS would be a more cost-effective option than LUMA's proposed PP&A cost increases. As part of the response, indicate if there is overlap in the capabilities provided through a DERMS and LUMA's proposed PP&A cost increases.

   d. Separately explain in detail the costs associated with: program management ($1.96 million), professional services/IT/vendor/legal ($2.35 million), and contingency reserve ($0.59 million).

   e. Explain why LUMA's proposed FY27 budget for PP&A is increasing faster than LUMA's proposed incentive budgets; increasing relative to both the planned FY26 budget and actual FY26 expenditures.

   f. Explain whether PP&A costs increase linearly with customer enrollment, or if there are certain thresholds above which customer enrollment requires significant increases in PP&A costs. Identify those thresholds and explain why in detail.

   g. Does LUMA consider the current CBES program a mature program, or are there additional steps needed to finalize the transition from a pilot to a program? If additional steps are needed, explain each step in detail and indicate the cost associated with each step.

   h. Does LUMA anticipate substantially greater enrollment volumes above and beyond the current CBES enrollment level? If so, explain LUMA's expectations in detail, including when and how enrollment is expected to substantially increase.

7. Submit a revised PP&A budget that reflects LUMA's current expectations for PP&A spending in FY27 and FY28, and not a budget based on significantly expanded enrollment. The budget should be based on LUMA's current expectations of customer enrollment and program needs including space for expected growth, rather than a theoretical cost ceiling.

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8. Refer to the *Comments of the Solar and Energy Storage Association of Puerto Rico on LUMA Energy's Proposed Energy Efficiency and Demand Response Three-Year Plan*, dated May 12, 2026, page 3. SESA requests that auto-enrolled customers not be removed from the CBES program for any reason other than through the customer's decision to opt-out. Indicate the total number of customers who have been unenrolled from the CBES program. As part of the response, indicate the number of unenrolled customers that were auto-enrolled, the reason why the customers were unenrolled, and the MW capacity of the unenrolled customers.

9. Refer to the Comments of the Solar and Energy Storage Association of Puerto Rico on LUMA Energy's Proposed Energy Efficiency and Demand Response Three-Year Plan, dated May 12, 2026, page 4.

    a. Did LUMA consider including heat pump water heaters (HPWHs) in the TYP? If considered, explain why LUMA did not include HPWHs in the final proposed TYP.

    b. Explain whether LUMA could add HPWH to the list of measures offered in the TYP. Identify any barriers or issues that would prevent LUMA from adding this technology.

10. Refer to the Comments of the Solar and Energy Storage Association of Puerto Rico on LUMA Energy's Proposed Energy Efficiency and Demand Response Three-Year Plan, dated May 12, 2026, pages 4-5.

    a. Did LUMA consider adopting the Trade Ally Network and/or contractor-direct rebate pathway that SESA describes in its TYP? If considered, explain why LUMA did not include such a model in the final proposed TYP.

    b. Explain whether LUMA could begin implementing the Trade Ally Network and/or contractor-direct rebate pathway that SESA describes. Identify any barriers or issues that would prevent LUMA from adopting such a program design.

11. Has LUMA considered offering a midstream incentive program for any measures in the TYP? If so, for which measures?

    a. If LUMA considered but did not propose a midstream program, explain the reasons LUMA did not propose a midstream program.

    b. Explain whether LUMA could begin implementing a midstream incentive program. Identify any barriers or issues that would prevent LUMA from adopting such a program design.

    c. Explain how a midstream approach would interact with or duplicate LUMA's proposed In-Store Discounts program and SESA's proposed contractor-direct rebate pathway, and whether LUMA sees these as complementary or overlapping delivery mechanisms.

12. Refer to the Comments of the Solar and Energy Storage Association of Puerto Rico on LUMA Energy's Proposed Energy Efficiency and Demand Response Three-Year Plan, dated May 12, 2026, page 6. Explain whether LUMA could adopt and implement each of SESA recommendations regarding funding transparency. If not, explain why not for each recommendation in detail.

13. Refer to LUMA's April 20, 2026, Motion, Exhibit 2: Energy Efficiency Performance Incentive Metrics and Associated Targets.

    a. Explain how these metrics incentivize the utility to achieve energy reduction targets.

    b. Explain how the proposed metrics and targets are specific to LUMA's proposed TYP and consistent with Section 4.02(D)(6) of the EE Regulation. As part of the response, explain how the proposed targets are connected to LUMA's TYP, including available budget, proposed programs, savings projects, etc.

    c. Explain how LUMA developed the specific percentage targets for each metric.

    d. Provide the annual savings, in MWh and MW, that LUMA must achieve to receive 0%-150% of the possible incentive.

    e. Explain whether the 100% performance level corresponds to LUMA's proposed TYP savings. If not, explain why not.

    f. Provide the forecasted energy sales (MWh) and forecasted peak demand (MW) that LUMA assumes in developing these metrics.

    g. Explain whether LUMA proposes to hold constant the forecasted energy sales (MWh) and forecasted peak demand (MW) between planning and actual metric achievement.

    h. Explain why LUMA proposes to base the performance metrics on forecasted energy sales and forecasted peak demand, rather than using the FY2019 baseline used to calculate the statutory 30 percent energy savings by 2040 goal.

    i. Explain whether "annual energy savings achieved" and "annual peak demand savings achieved" refer to first-year savings from measures installed during that year, or to cumulative annual savings from all measures installed during the TYP.

    j. Explain why LUMA proposes to use gross, rather than net, savings for its performance incentive metric.

    k. Explain whether savings from the CBES program would count towards either or both performance metrics.

    l. Explain in detail how LUMA will calculate its actual performance for each metric.

    m. Explain whether LUMA considered other performance metrics when developing the TYP. If not, explain why not. If so, explain why they were not included in the final plan.

    n. Explain whether LUMA considered other performance targets when developing the TYP. If not, explain why not. If so, explain why they were not included in the final plan.

14. Refer to LUMA's April 20, 2026, Motion, Exhibit 3: Proposed Plan to Achieve 30% savings Goal by 2040.

    a. Explain how LUMA considered the market baseline and potential study in developing these targets.

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b. Explain why LUMA proposes savings will gradually ramp up from 137 GWh in 2029 to 150 GWH by 2033 and then decrease to 83 GWh in 2034.

c. Explain how LUMA expects to ramp up its programs from the current FY27-FY28 TYP to the next FY29-FY31 TYP to achieve the estimated savings at the proposed cost.

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