NEPR

Received:

Oct 14, 2026

5:15 PM

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

IN RE: WHEELING IMPLEMENTATION	**CASE NO. NEPR-MI-2023-0001** **SUBJECT: Motion in Compliance with Final Rate Order Directive Regarding Wheeling Proposal**

MOTION IN COMPLIANCE WITH FINAL RATE ORDER DIRECTIVE REGARDING WHEELING PROPOSAL

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:

1. On January 13, 2023, the honorable Puerto Rico Energy Bureau ("Energy Bureau") Energy Bureau issued a Resolution and Order ("January 13th Order"), in Case No. NEPR-MI-2023-0001, *In Re: Wheeling Implementation,* whereby it initiated the instant non-adjudicative proceeding to "address the final steps to implement wheeling". January 13th Order, p. 2.

2. On April 15, 2026, the Energy Bureau issued and notified the *Final Order on Electricity Rates* (the "Final Rate Order"),[1] in Case No. NEPR-AP-2023-0003, *In Re: Puerto Rico Electric Power Authority Rate Review*. In what is relevant to this filing, the Final Rate Order included specific determinations regarding the LUMA's Retail Wheeling program (PBCS4). *See* Final Rate Order, Chapter Three, p. 141-142.

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

3. The Energy Bureau stated that it "requires more immediate action on interim solutions to enroll retail electric suppliers and end-use wheeling customers," and directed "LUMA to make a compliance filing in Case No. NEPR-MI-2023-0001 containing a proposal to enroll wheeling customers with currently available systems and data within six months of this Resolution and Order." *Id*., p. 142.

4. In compliance with the Final Rate Order, LUMA hereby submits, as ***Exhibit 1*** to this Motion, LUMA's *Retail Wheeling Interim Solution Proposal*.

WHEREFORE, LUMA respectfully requests that the Energy Bureau: **take notice** of the above; and **deem** LUMA in compliance with the directive set forth in the Final Rate Order regarding wheeling.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 14th day of October, 2026.

WE HEREBY CERTIFY that this Motion was filed using the electronic filing system of this Energy Bureau and that copy of this Motion was notified via email to counsel for PREPA, alexis.rivera@prepa.pr.gov, the Independent Consumer Protection Office, contratistas@jrsp.pr.gov; and via email to the following stakeholders: Phoebus Fund PR, LLC: akennedy@phoebusfund.com; Circon Energy, LLC: tbrown@circonenergy.com; Solar and Energy Association of Puerto Rico (SESA): info@sesapr.org; and to the following: manuelgabrielfernandez@gmail.com, ramonluisnieves@rinlegal.com; ccf@tcm.law, agraitfe@agraitlawpr.com, karen.ortiz@aes.com, marianag@irecusa.org.

DLA Piper (Puerto Rico) LLC
B7 Tabonuco Street, Suite 1501
Guaynabo, PR 00968-3349
Tel. 787-945-9122
Fax 939-697-6092

/s/ Margarita Mercado Echegaray
Margarita Mercado Echegaray
PR Bar No. 16,266
margarita.mercado@us.dlapiper.com

Exhibit 1

[***Retail Wheeling Interim Solution Proposal***]

Exhibit 1

Retail Wheeling Interim Solution Proposal

October 14, 2026

Executive Summary

In its Final Resolution and Order on Electricity Rates of April 15, 2026, in Docket No. NEPR-AP-2023-0003, the Puerto Rico Energy Bureau (Energy Bureau) approved funding of $3,073,641 in each of fiscal years 2027 and 2028 for the Retail Wheeling program under project code PBCS4 and declined to approve LUMA's multi-year Optimal Budget as premature, finding that approving proposed costs beyond FY2026 would not advance access to wheeling within the rate period.[1] The Energy Bureau ordered LUMA to file, within six months, a proposal to enroll wheeling customers using currently available systems and data.[2] This proposal is being filed with the Energy Bureau as requested, to enroll wheeling customers using the systems and data currently available and within the funding already approved for FY2027 and FY2028.

Wheeling allows certified Retail Electricity Suppliers (RES) to sell electricity from independent power producers directly to eligible large customers over Puerto Rico's Transmission and Distribution System, in accordance with Act 57-2014[3] and Act 17-2019[4] and subject to regulation by the Energy Bureau. The approved framework protects non-participating customers from adverse financial burdens or impacts of wheeling through defined mechanisms, which the Interim Solution applies if approved (see Section 2.4 *infra*).

Rather than wait for the enabling platforms that full automation would require, LUMA has designed an Interim Solution to register a certified RES under the approved Wheeling Services Agreement (WSA), enroll its Retail Wheeling Customers (RWC), schedule and measure wheeled energy, settle hourly imbalances and invoice the RES under the WSA, and bill the RWC for transmission, distribution and other applicable non-RES charges under the Wheeling Customer Rider, using the Customer Information System (CIS), data and people LUMA has today. The RES bills the RWC for energy under its Retail Supply Agreement (RSA). Where automation does not yet exist, the Interim Solution substitutes a defined, controlled and evidenced manual step. Its scope is limited accordingly: documents and data are exchanged with each RES by secure file transfer, without a RES or customer portal or automated electronic data interchange, and participation is limited to the design capacity described below (Sections 3.2 and 3.3). The process architecture is designed to carry forward into any future wheeling solution; only the interim tooling is temporary.

The proposal in short

LUMA has designed the Interim Solution so that its own readiness does not depend on the timing of other parties. LUMA plans to complete implementation and be ready to serve retail wheeling **nine months after the Implementation Start Date**, the date the Energy Bureau approves this proposal and authorizes implementation. Each RES and its RWC can then begin service under the approved WSA as soon as they complete their prerequisites (see Section 7). The solution is designed for up to three RES, each with one generation resource of at least 1 MW and up to ten RWC, and to be implemented and operated within the funding the Energy Bureau approved for fiscal years 2027 and 2028.

The schedule, capacity and staffing in this proposal are planning values based on the systems, data and information available at filing and on the assumptions in Sections 3.3 and 7.3.

[1] Page 141-142, Chapter Three: LUMA Specific Costs of Final Resolution and Order on Electricity Rates dated April 15, 2026, Docket No. NEPR-AP-2023-0003.

[2] *Id.*

[3] Known as the "Transformation and Energy RELIEF Act", Act 57 of May 27, 2014, as amended.

[4] Known as the "Puerto Rico Energy Public Policy Act", Act 17 of April 11, 2019, as amended.

Contents

Executive Summary 2
Tables & Figures 5
1.0 Introduction 7
1.1 What the proposal covers 7
1.2 Actions Requested to the Energy Bureau 7
2.0 Regulatory Framework and the Energy Bureau's Directive 8
2.1 Statutory and Regulatory Framework 8
2.2 Chronology 9
2.3 April 15, 2026, Directive 10
2.4 Purpose of Wheeling and the Role of the Interim Solution 10
2.5 Related Filings and Alignment 11
2.6 Proposal Organization 11
3.0 Proposed Interim Solution Overview 12
3.1 Key Principles and Definitions 12
3.2 Scope Boundary 13
3.3 Design Enrollment Capacity 14
3.4 Participant Process Overview 15
4.0 Interim Solution Operating Model 15
4.1 Participant Operational Process 16
4.2 Roles and Handoffs 20
4.3 The Monthly Cycle Calendar 20
5.0 Systems, Data and Controls 21
5.1 Currently Available Systems 21
5.2 Data Flow 22
5.3 Controls and Evidence 24
5.4 Cybersecurity and Records 25
6.0 Commercial and Settlement Framework 26
6.1 Customer Billing 27
6.2 Cost Separation and Cost Equity 27
7.0 Implementation Plan and Timeline 28
7.1 Phases and Readiness Gates 29
7.2 Ready to Serve and Operational 30
7.3 Schedule Assumptions 30
8.0 Budget and Cost Treatment 31

8.1 Cost Categories 31
8.2 Tracking and Reporting 31
9.0 Governance, Organization and Staffing 32
9.1 Program Governance 32
9.2 Operating Staffing 32
10.0 Capacity and Scaling 33
11.0 Risks, Dependencies and Requested Energy Bureau Actions 33
11.1 Principal Risks and Mitigations 33
11.2 Dependencies Requiring Energy Bureau Action 34
11.3 Requested Actions 35
Appendix A: Compliance Traceability 36
Appendix B. Glossary 37
Appendix C. Referenced Documents 39

Tables & Figures

Table 1-1. Summary Proposal 7
Table 2-1. Chronology 9
Table 2-2. Approved PBCS4 Funding 10
Table 2-3. Principal Considerations and How They Are Managed 11
Table 3-1. Scope Boundary 13
Table 3-2. Design Enrollment Capacity 14
Figure 4-1. Overview of the Interim Solution Settlement Cycle, Responsible LUMA Functions, and Outputs 16
Figure 4-2. WSA Application & Review Process 17
Figure 4-3. Roles and Handoffs in the Interim Solution Operating Model by LUMA Area and Phase 20
Table 4-1. Monthly Cycle Calendar: Activities, Timing, and Responsible Areas 20
Table 5-1. Currently Available Systems Supporting the Interim Solution 21
Figure 5-1. Data Flow in a Single Interim Solution Settlement Cycle Across the RES Trust Boundary and LUMA's Operational & Business Systems 23
Table 5-2. Description of Data Flows Corresponding to the Interim Solution Settlement Cycle 23
Table 5-3. Controls, Operational Methods, and Evidence Retained 24
Table 6-1. Summary of Approved Commercial Provisions and Their Application Within the Interim Solution 26
Table 7-1. Conditions and Activities from Energy Bureau Approval to Each RES's Go-Live 28
Figure 7-1. Implementation Timeline and Tracks, with Milestones and Readiness Gates 29
Table 7-2. Implementation Phases, Principal Deliverables, and Readiness Gates 29
Table 8-1. Approved Funding and Principal Use by Fiscal Year 31
Table 9-1. Program Governance RACI 32
Figure 9-1. Planning Estimate of Operating Staffing by LUMA Area for the First RES and Each Additional RES 33
Table 11-1. Principal Risks and Mitigations 34
Table A-1. Compliance Traceability 36
Table B-1. Glossary 37
Table C-1. Referenced Documents 39

List of Acronyms

ACRONYM	DEFINITION
ADMS	Advanced Distribution Management System
AEIC	Annual Energy Imbalance Charge
AMI	Advanced Metering Infrastructure
CIS	Customer Information System
CX	Customer Experience
DACO	Departamento de Asuntos del Consumidor (Department of Consumer Affairs)
DERMS	Distributed Energy Resource Management System
EDI	Electronic Data Interchange
EMS	Energy Management System
FCA	Fuel Adjustment Clause
HEIC	Hourly Energy Imbalance Charge
IT	Information Technology
MDM	Meter Data Management
POI	Point of Interconnection
PPCA	Purchased Power Adjustment Clause
PREPA	Puerto Rico Electric Power Authority
Energy Bureau	Puerto Rico Energy Bureau
RACI	Responsible, Accountable, Consulted and Informed
RES	Retail Electricity Supplier
RSA	Retail Supply Agreement
RWC	Retail Wheeling Customer
SCADA	Supervisory Control and Data Acquisition
SSCA	Supply Side Contract Administration
T&D	Transmission and Distribution
WCR	Wheeling Customer Rider
WSA	Wheeling Services Agreement
WSAAF	Wheeling Services Agreement Application Form

1.0 Introduction

1.1 What the proposal covers

Table 1-1. Summary Proposal

Scope	End-to-end wheeling for large commercial and industrial customers of 250 kVA and above, served by a certified Retail Electricity Supplier (RES) from a transmission-connected generation resource of at least 1 MW, with hourly settlement and annual reconciliation as the approved Wheeling Service Agreement (WSA) provides.
Systems and Data	The Customer Information System (CIS), the Advanced Metering Infrastructure (AMI) head-end and meter data repository, the generation metering system, Energy Management System (EMS) and Supervisory Control and Data Acquisition (SCADA) operating records, internal reporting and document management tools, and a secure file exchange segregated by RES. No new platform is procured for the Interim Solution.
Design Capacity	Up to three RES, each with one generation resource and up to 10 Retail Wheeling Customers (RWC), admitted in batches of five. The first settlement cycle onboards one RES; each additional RES, and each RES's second batch of customers, is admitted after a completed settlement cycle.
Timeline	Puerto Rico Energy Bureau (Energy Bureau) review of this filing from October 14, 2026; implementation begins on the Implementation Start Date, when the Energy Bureau approves this proposal and authorizes implementation; RES enrollment opens in the second month; dry runs on historical data from the sixth month; LUMA ready to serve nine months after the Implementation Start Date; each RES begins service once it completes its prerequisites, after one live parallel settlement cycle.
Cost	Designed to be implemented and operated within the approved PBCS4 funding of $3,073,641 in each of FY2027 and FY2028.
Staffing	A planning estimate of about 8.0 full-time equivalents for the first RES and its customers, including 2.0 for program management, with most other roles filled by fractions of existing positions, and about 2.5 more for each additional RES, of which 1.50 is in Customer Experience and 0.25 in program management, or about 13.0 at the design capacity.

1.2 Actions Requested to the Energy Bureau

LUMA respectfully requests that the Energy Bureau:

1. Accept this proposal as LUMA's compliance with the directive[5] in its April 15, 2026, Final Resolution and Order, and confirm that the implementation schedule in Section 7 begins on the Implementation Start Date defined there.

2. Take note that the Interim Solution is built on a two-bill model consistent with Regulation 9374, Section 2.02(D), which provides for billing services to be provided by a Retail Electricity Supplier under the terms of a Wheeling Services Agreement: LUMA bills the RWC for transmission, distribution and other applicable tariff charges under the Wheeling Customer Rider[6], and the RES bills the customer for energy under its RSA. The

[5] Page 142, Chapter Three: LUMA Specific Costs of Final Resolution and Order on Electricity Rates dated April 15, 2026, Docket No. NEPR-AP-2023-0003.

[6] Page 82 of FY2027 Tariff Book, English version.

Interim Solution relies on simplified transactions and enrollment processes available within the current system environment and does not include the EDI infrastructure or protocols contemplated under the fully upgraded system assumed in the WSA. Accordingly, any divergence from the system conditions originally anticipated in the WSA may require an amendment or addendum to the WSA to ensure that these interim operational parameters are formally recognized and appropriately governed, subject to review and consideration by the Energy Bureau.

3. Accept LUMA's notices to the Energy Bureau as key implementation milestones are completed, supplementing the Annual Wheeling Implementation Report filed in Case NEPR-MI-2023-0001.

4. Take note that the standard RSA required by Regulation 9374, Section 7.03[7], has not yet been established, and that customer enrollment depends on it, or on RES-customer agreements the Energy Bureau authorizes as meeting the consumer protection requirements of the Regulation.

5. Take notice of the risks and the corresponding mitigation measures delineated in Section 11 and give them due consideration in evaluating this proposal and determining next steps.

2.0 Regulatory Framework and the Energy Bureau's Directive

2.1 Statutory and Regulatory Framework

The Retail Electric Energy Wheeling Program rests on the Puerto Rico Energy Transformation and RELIEF Act, Act 57-2014, as amended, which directs the Energy Bureau to establish and enforce a framework enabling certified RES to deliver electric energy to eligible customers over the public transmission and distribution system.[8] Section 6.30 of Act 57-2014 directs the Energy Bureau to regulate wheeling, *ensuring that wheeling does not cause any adverse impact to nonparticipating customers*.[9] The Puerto Rico Energy Public Policy Act, Act 17-2019, establishes the framework for designing an electric grid that incorporates energy wheeling.[10] It further directs the Energy Bureau to adopt the rules under which large commercial and industrial customers, energy cooperatives, and other aggregated demand entities may contract directly with an independent power producer, as well as to regulate the wheeling of that energy across the electric system.[11]

The Energy Bureau has built the operative framework through three principal proceedings:

- **The unbundling proceeding (Docket No. NEPR-AP-2018-0004)** established the rate-credit structure for RWC through the Wheeling Customer Rider, which removes the fuel and purchased power charge adjustments from the LUMA bill of a customer served by a RES.

- **The Regulation on Electric Energy Wheeling (Regulation 9374, April 2022)** defines the responsibilities of the RES and the transmission and distribution (T&D) system operator (GridCo), establishes RES certification requirements, provides for the development of a standard RSA, and sets forth the procedures and timelines

[7] Section 7.03 of Regulation 9374 known as "Regulation on Electric Energy Wheeling" of April 20, 2022.

[8] Article 6.3(g) of Act 57-2014, known as the "Transformation and Energy RELIEF Act", Act 57 of May 27, 2014, as amended.

[9] *Id.*, Section 6.30. — Wheeling.

[10] Chapter I, Article 1.5, 2) (f) of Act 17-2019, known as the "Puerto Rico Energy Public Policy Act", Act 17 of April 11, 2019, as amended.

[11] *Id.*, Chapter I, Article 1.7.

applicable to Wheeling Applications. Specifically, GridCo must determine whether a Wheeling Application is complete within thirty (30) days of the filing of a Wheeling Application and, once said application is deemed complete, GridCo must evaluate the application and issue a final written determination within an additional thirty (30) days. PREB also establishes customer eligibility thresholds of 250 kVA and above. Regulation 9374 further provides that "Wheeling" excludes any form of distributed generation subject to net metering (Section 1.09(28)).[12]

- **The wheeling implementation proceeding (Docket No. NEPR-MI-2023-0001)** produced the contractual and operational architecture: the WSA and the Wheeling Services Agreement Application Form (WSAAF), both approved-on January 22, 2024, the $500 Non-Refundable Fee, the Hourly Energy Imbalance Charge (HEIC) and Annual Energy Imbalance Charge (AEIC) methodologies, the curtailment protocol, credit and collateral requirements, and voltage-specific loss adjustment factors. The Revised WSA of December 23, 2024, was accepted by the Energy Bureau on February 27, 2025.

2.2 Chronology

Table 2-1. Chronology

Date	Event
2014	Act 57-2014 establishes the legal mandate for a competitive retail energy market and electric energy wheeling in Puerto Rico.
2018	The Energy Bureau begins regulatory proceedings on wheeling.
2019 to 2022	The Energy Bureau adopts the Regulation on Electric Energy Wheeling (Regulation 9138, succeeded by Regulation 9374 in April 2022) and, in the unbundling proceeding (Docket No. NEPR-AP-2018-0004), the Wheeling Customer Rider.
January 2023	The Energy Bureau opens Docket No. NEPR-MI-2023-0001 which initiates a non-adjudicative docket to address the final steps to implement wheeling and orders LUMA to submit a comprehensive wheeling framework.
April 2023	LUMA submits to the Energy Bureau preliminary WSA, application form and participation fee proposal; stakeholder consultation follows.
January 22, 2024	Final Resolution and Order approves the WSA, the WSAAF, the $500 Non-Refundable Fee, the hourly imbalance methodology, the curtailment protocol and credit requirements. Implementation cost recovery is reserved for further review.
December 2024 to February 2025	LUMA files the Revised WSA with the AEIC amendments and a timeline for publishing hourly marginal cost data; the Energy Bureau accepts the Revised WSA on February 27, 2025.
Fiscal year 2025	Non-federal capital allocated to the program is redirected to emergency distribution repairs with Energy Bureau approval; vendor sourcing and infrastructure work are deferred.
April 15, 2026	Final Resolution and Order in Docket No. NEPR-AP-2023-0003 approves PBCS4 funding for FY2027 and FY2028 and orders this compliance filing within six months.
July 28, 2026	The Energy Bureau denies all motions for reconsideration of the April 15, 2026, Order.
October 14, 2026	LUMA files this Interim Solution Proposal.

[12] Capitalized terms used in this paragraph that reference Regulation 9374 have the meanings assigned to them in that Regulation.

2.3 April 15, 2026, Directive

The Energy Bureau found LUMA's proposed multi-year Optimal Budget to be speculative and premature, and was concerned that, under the timeline LUMA presented, wheeling would not be operational until fiscal year 2030 at the earliest, so that ratepayers would bear the program's costs "without any associated benefits until FY30."[13] It also observed that the "benefits of wheeling would go only to the parties to wheeling contracts, while the cost of the program would be borne by all customers."[14] The Energy Bureau approved the following funding and issued the following directive:

Table 2-2. Approved PBCS4 Funding

Program Brief Code	Project	FY2026 Approved	FY2027 Approved	FY2028 Approved
PBCS4	Retail Wheeling	$0	$3,073,641	$3,073,641

> "The Energy Bureau also reminds LUMA that it is required by law to implement wheeling and that extensive regulatory discussions on this program began in 2018. Waiting three years or more for LUMA to install technologies like EMS, AMI, and the meter data management program should not stall the wheeling program. In contrast to LUMA's proposed timeline, the Energy Bureau requires more immediate action on interim solutions to enroll retail electric suppliers and end-use wheeling customers. The Energy Bureau ORDERS LUMA to make a compliance filing in Docket No. NEPR-MI-2023-0001 containing a proposal to enroll wheeling customers with currently available systems and data within six months of this Resolution and Order."[15]

The Order was issued and notified on April 15, 2026, and LUMA files this proposal on October 14, 2026, within the six-month period the Order set. Two elements of the Order shape this proposal. First, the constraint to currently available systems and data is a design requirement, not a preference for speed: every step of the Interim Solution runs on systems that exist today, and manual controls cover the functions that automation would otherwise perform. Second, the Energy Bureau's concern about cost equity between participating and non-participating customers is addressed in Sections 2.4 and 6.2. The Order also invited LUMA to seek future-year funding supported by competitively derived cost estimates and an implementation schedule.

2.4 Purpose of Wheeling and the Role of the Interim Solution

As the Energy Bureau has described it, the purpose of wheeling is to allow RES to sell electricity from independent power producers directly to eligible large customers, with LUMA, as the T&D System Operator, delivering that electricity over the existing network. Section 2.1 outlines the framework under which wheeling occurs and the roles of the Energy Bureau as regulator, LUMA as T&D System Operator, and the RES.

The Interim Solution puts the approved framework into operation within the approved funding. It is designed to let certified RES and eligible customers transact under the approved WSA before the enabling platforms are in service, and to replace estimates with measured participation, operating effort and cost. This responds to the Energy Bureau's finding that the earlier multi-year request would "produce speculative benefits having no basis in the record."[16]

---

[13] Page 141, Chapter Three: LUMA Specific Costs of Final Resolution and Order on Electricity Rates dated April 15, 2026, Docket No. NEPR-AP-2023-0003.

[14] *Id.*

[15] Page 142, Chapter Three: LUMA Specific Costs of Final Resolution and Order on Electricity Rates dated April 15, 2026, Docket No. NEPR-AP-2023-0003.

[16] *Id.*, page 141.

LUMA's grid modernization programs, namely the EMS, AMI, the meter data management system (MDM), the Advanced Distribution Management System (ADMS) and the Distributed Energy Resource Management System (DERMS), are each scoped, funded and scheduled for their core operational purposes. None was procured with retail wheeling functions, and integrating any of them with wheeling would be a separate effort.

The approved framework limits the effects of wheeling on non-participating customers through defined mechanisms, which the Interim Solution applies as approved. Table 2-3 pairs each principal consideration with the way it is managed.

Table 2-3. Principal Considerations and How They Are Managed

Consideration	How It is Managed
The April 15 Order raises concern over cost-benefit disparities in retail wheeling.[17]	The Interim Solution is designed within the approved PBCS4 funding, and its costs are tracked separately under PBCS4 (Section 8). The Non-Refundable Fee and the WSA charges apply to the RES (Section 6).
Imbalance between RES's supply and its retail wheeling customers' load	The HEIC and AEIC under WSA Attachment B place the cost of imbalances on the RES (Section 6).
Effects of new generation on the grid	Each resource completes LUMA's standard interconnection process, including system impact studies, and the interconnecting party bears the cost of the upgrades the studies identify (Section 4.1). The RES remains responsible for operating its resource in continuing compliance with its interconnection agreement and the T&D System Operator's requirements, and System Operations retains its authority to curtail or disconnect a resource under WSA Section 10.
Resource outages and curtailment	The WSA places the financial consequences of resource outages and curtailment on the RES (WSA Section 10 and Attachment B).
Errors in a manual process	The design capacity, controls with retained evidence, dry runs, and a live parallel settlement cycle for each RES before its first billed month (Sections 3.3, 5.3 and 7).
Protection of customer information	A secure file exchange segregated by RES, encryption of personal information and the confidentiality provisions of WSA Section 16 (Section 5.4).

2.5 Related Filings and Alignment

This proposal is a forward-looking design and implementation plan. Program status, marginal cost estimations and operational reporting for the fiscal year will be provided separately in LUMA's Annual Wheeling Implementation Report, which this document cites rather than restates. During implementation, LUMA proposes to inform the Energy Bureau in Docket No. NEPR-MI-2023-0001 as key milestones are completed, including each readiness gate, LUMA being ready to serve and each RES becoming operational. These notices supplement the Annual Wheeling Implementation Report.

2.6 Proposal Organization

The remainder of this proposal sets out the Interim Solution in the order in which the Energy Bureau is likely to evaluate it. Section 3 defines the Interim Solution, its scope boundary and its design capacity. Section 4 describes the

[17] Page 141 of 341, Chapter Three of Final Resolution and Order dated April 15, 2026, Docket No. NEPR-AP-2023-0003.

"The Energy Bureau is also concerned that benefits from the Optimal Budget would not begin until FY30. There will be no wheeling contracts before 2029, while wheeling will not be operational until FY30 at the earliest. So, ratepayers would bear the costs of the $48- $49 million wheeling program without any associated benefits until FY30. A separate problem is that benefits of wheeling would go only to the parties to wheeling contracts, while the cost of the program would be borne by all customers." "In contrast, the FY26 budget supports preparatory work that must occur regardless of ultimate program timing and scope." *Id.*

operating model step by step, and Section 5 the systems, data and controls that support it. Section 6 sets out the commercial and settlement framework the Interim Solution applies. Section 7 presents the implementation plan and schedule, Section 8 the budget and cost treatment, and Section 9 the governance, organization and staffing. Section 10 explains how the Interim Solution grows within its design capacity, and Section 11 addresses risks and dependencies and closes with the actions requested by the Energy Bureau. The appendices provide compliance traceability, a glossary and the documents referenced.

3.0 Proposed Interim Solution Overview

LUMA has designed an Interim Solution that enrolls and serves RES and their RWC under the approved WSA, using the systems, data and people LUMA has today, with a defined, controlled and evidenced manual step wherever automation does not yet exist. LUMA has designed the Interim Solution so that its own readiness does not depend on the timing of other parties. Section 3.1 defines the Interim Solution and the principles that govern its design, Section 3.2 sets its scope boundary, Section 3.3 states its design capacity, and Section 3.4 describes what a participating supplier and customer will experience.

3.1 Key Principles and Definitions

The Interim Solution is the foundational set of capabilities necessary to accept, evaluate, contract, enable, operate, settle and bill retail wheeling transactions for eligible customers, while generating the evidence required to demonstrate compliance with the governing orders, the Regulation and the WSA. Four principles guide its design:

- **Manual Process**: Manually executed steps may be used within the Interim Solution provided they are controlled, repeatable and supported by retained evidence. Required steps may not be omitted, because an omitted step prevents completion of the transaction and compliance with the governing requirements.
- **Regulatory Requirements:** Regulatory obligations are not discretionary. When an order, the Regulation or the WSA imposes a specific deliverable, that capability is incorporated into the Interim Solution irrespective of transaction volume.
- **Process Architecture & Scalability:** Phases, roles, controls and systems of record are designed to remain valid as volume grows. Spreadsheets, templates, secure file transfer and manual handoffs are utilized where they are controlled and evidenced, and each is a named interface that any future wheeling solution can replace without major process redesign. A fully functional stakeholder portal, end-to-end digital audit trails, and high-volume data transport, ingestion and processing are outside the Interim Solution.
- **Enrollment Structure:** Participants experience the framework as approved, through two enrollments. In RES enrollment (Step 1a), a supplier certified by the Energy Bureau submits the approved WSAAF and the Non-Refundable Fee, posts the required performance assurance and executes the approved WSA. In customer enrollment (Step 1b), the RES enrolls its eligible customers, each of which remains a LUMA T&D customer with the Wheeling Customer Rider applied. The RES then schedules in the format the WSA prescribes and is settled and invoiced under the WSA's methodology and timelines.

3.2 Scope Boundary

Table 3-1. Scope Boundary

Dimension	In the Interim Solution	Simplified for the Interim Solution	Outside the Interim Solution
Customer Segment	Large commercial and industrial customers at or above 250 kVA, without net metering	Eligibility confirmed by hand from the CIS and metering records; up to ten customers per RES, admitted in batches of five.	Automation, customer portal, or customer volume above ten customers per RES
Generation Resources	Transmission-connected resources of at least 1 MW nameplate capacity, dedicated to the RES, each with a revenue-grade meter at the point of interconnection (POI) and interconnected under LUMA's standard interconnection process and requirements, the same as any other generator, operated in continuing compliance with its interconnection agreement	One resource per RES; existing interconnection, metering and telemetry practices for large independent power producers reused as they stand.	Resources under 1 MW; more than one resource per RES; distribution-connected resources dependent on ADMS, DERMS, MDM, and AMI.
Transactions	Bilateral wheeling from a RES's resource to its enrolled customers	Up to three RES, admitted one per completed settlement cycle.	Portfolio and networked arrangements; RES provision of reserves and regulation
Enrollment	RES enrollment (Energy Bureau certification, WSAAF and Non-Refundable Fee, credit and collateral, WSA execution), then customer enrollment (eligibility, consent and AMI metering)	Document-based intake by secure file transfer; no RES or customer portal	Self-service portals and automated eligibility
Scheduling	Day-ahead generation projections and hourly load schedules by 09:00 in the WSA format	Schedules received in spreadsheet format by pre-established secure file transfer, and reviewed manually by System Operations	Automated electronic data interchange under WSA Section 12
Metering and Data	Hourly (minimum) interval data from the RES revenue meter and from an AMI meter, which must be installed at every enrolled customer's service point	Monthly validated files of hourly readings, assembled from the meter data repository and the generation metering system for each settlement cycle	Meter data management with automated validation, estimation and editing; automated file transfers for customer changes, meter exchanges or other field activities
Settlement	HEIC, AEIC, loss adjustment and hourly marginal cost per WSA Attachment B	Controlled settlement workbook with control totals and independent review	Settlement platform with automated calculation and statement generation
Billing	LUMA bill under the Wheeling Customer Rider from the CIS; RES invoice under WSA Section 8	Two separate bills; the RES invoice prepared from the settlement workbook and issued by Supply Side Contract	Integrated invoicing and payment processing

Dimension	In the Interim Solution	Simplified for the Interim Solution	Outside the Interim Solution
		Administration (SSCA) through its existing invoicing process under WSA Section 8.	
Reporting	Annual Wheeling Implementation Report, excess energy and net compensation reporting, cost tracking under PBCS4	Reports assembled from the settlement workbook and internal reporting extracts on the reporting calendar; reporting tools are for internal LUMA use only, with no access by the RES or other external parties; no automated dashboards.	Automated program dashboards

3.3 Design Enrollment Capacity

The Design Enrollment Capacity reflects the key principles in Section 3.1 and the operational constraints identified in preparing this proposal. Because the Interim Solution relies on controlled, repeatable and evidenced manual processes, it is sized to a participant volume that a small, distributed, trained team can administer under defined controls each month. The values below are the reference parameters used throughout this proposal.

Table 3-2. Design Enrollment Capacity

Parameter	Design value	Basis
RES	Up to 3	One RES in the first settlement cycle; each additional RES admitted after a completed cycle demonstrates the controls at the new volume
Generation resources per RES	1	Each RES resource is a designated generating resource dedicated to serving the RES's RWC, with its own revenue-grade meter at the POI; WSA Section 1.65 excludes any resource, or any portion of one, committed for sale to third parties. One resource per RES keeps each supplier's scheduling, metering and settlement to a single POI
Minimum resource size	1 MW nameplate capacity	Threshold WSA Section 9.2(b) uses for intraday schedule updates; each resource interconnected under LUMA's standard process, the same as any other generator
RWC per RES	Up to 10, in batches of 5	Each customer individually metered at hourly (minimum) intervals and loss-adjusted by service voltage, which keeps monthly validation and settlement within the staffing in Section 9.2; a RES's second batch is admitted after a completed settlement cycle, as is each additional RES
Settlement interval	Hourly, with monthly invoicing and annual reconciliation	WSA Section 8 and Attachment B
Enrollment changes	Effective at the end of the customer's billing cycle	WSA Section 9.1; thirty days' written notice for RES-initiated disconnection

Should enrollment requests exceed this capacity, LUMA will report to the Energy Bureau and propose a managed queue or an adjustment to the design capacity, as described in Section 10.

3.4 Participant Process Overview

This section provides an overview of participant interactions with the Interim Solution, including the procedural steps, documentation requirements, and operational activities applicable to RES and RWC.

A RES obtains Energy Bureau certification, submits the approved WSAAF and pays the Non-Refundable Fee, executes the WSA and posts the required performance assurance. It then submits, by secure file transfer, an enrollment packet identifying its customers, their service points and the customer releases required for LUMA to act. Once its customers are enrolled and its resource is qualified, the RES submits day-ahead generation projections and hourly load schedules in the WSA format, receives a monthly data package of validated customer consumption and resource output, and receives a monthly invoice and settlement statement for hourly imbalances, payable within thirty days, with an annual reconciliation.

An RWC signs an RSA with its RES and consents to enrollment. Its LUMA account continues to exist outages, service requests and contact center support are unchanged, and it receives a LUMA bill for transmission, distribution and other applicable charges with the Wheeling Customer Rider applied. Its energy consumption is billed by the RES. If the customer stops taking supply from its RES, whether by its own election, because the RES discontinues service or because of a RES default, the customer returns to standard service from LUMA as the Wheeling Customer Rider and the WSA provide.

These processes constitute the proposed participant interaction model for the Interim Solution and support consistent and compliant execution of interim wheeling enrollment and implementation activities.

4.0 Interim Solution Operating Model

Figure 4-1 below presents a single settlement cycle of the Interim Solution, identifying each process step, the corresponding LUMA functional area responsible for its execution, and the two outputs generated by the model: the RES settlement invoice and the RWC's LUMA bill. The end-to-end wheeling process remains unchanged for the Interim Solution; however, the implementation approach differs, relying on reduced system integrations, carefully controlled manual activities, and enhanced oversight mechanisms.

Figure 4-1. Overview of the Interim Solution Settlement Cycle, Responsible LUMA Functions, and Outputs



4.1 Participant Operational Process

This section describes the operational steps that RES and RWC must follow under the Interim Solution. Each step reflects the approved processes, controls, and compliance requirements established by governing orders, the Regulation, and the WSA. The sequence outlined below depicts how participants engage with LUMA throughout enrollment, scheduling, metering, validation, settlement, invoicing, and payment activities, and identifies the procedural and system interactions necessary to support compliant execution of retail wheeling service.

- **Step 1(a). Enrollment of the Retail Electricity Supplier**

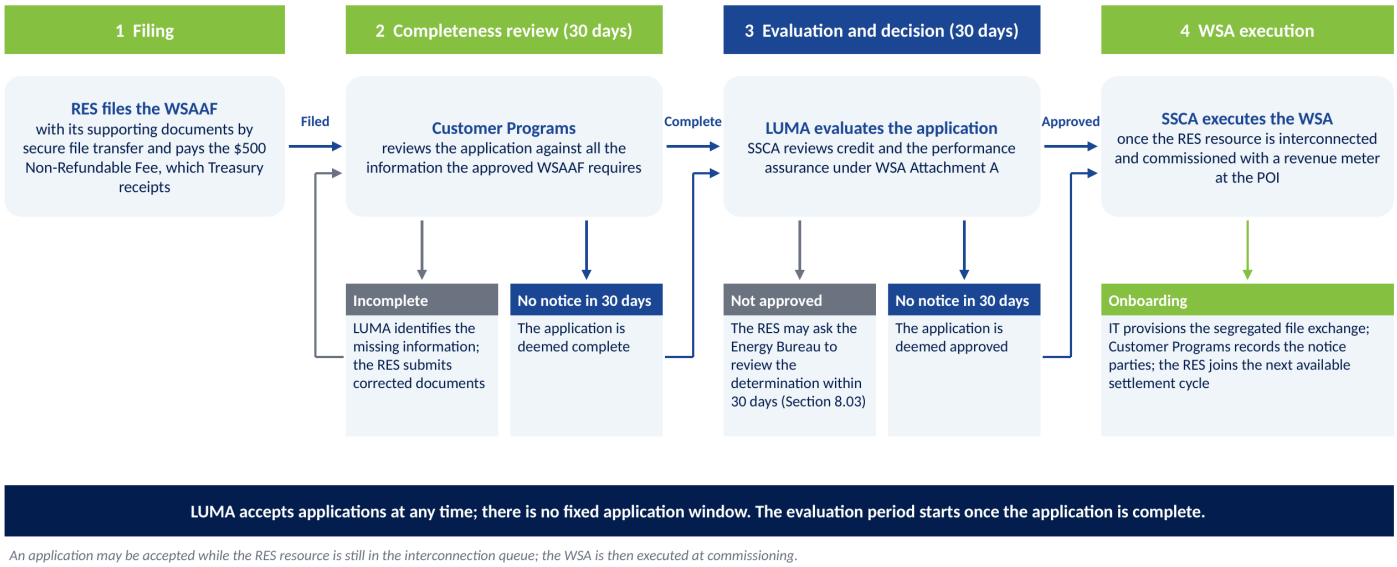
Application and completeness review. RES enrollment begins when a RES, certified by the Energy Bureau, submits the approved WSAAF with its supporting documents by secure file transfer and pays the $500 Non-Refundable Fee, which Treasury receipts. Customer Programs logs the application and reviews it for completeness against all the information the approved WSAAF requires.[18] Within 30 days of the filing, LUMA notifies the RES whether the application is complete. If it is incomplete, LUMA identifies the missing information and the RES may submit the corrected documents; if LUMA does not respond to the applicant RES within 30 days, after the Wheeling application is filed, the application is deemed complete (see Figure 4-2).

Evaluation and final determination. Once the application is complete, LUMA has 30 days to evaluate it and notify the RES of its final determination. SSCA evaluates credit and the performance assurance required under WSA Attachment A, with collateral held by Treasury. If LUMA does not complete its evaluation and respond to the RES of its determination within 30 days, the application is deemed approved. The thirty-day completeness and decision deadlines under Regulation 9374, Section 8.02, are tracked for every application. A RES, whose application is not approved, may appeal to the Energy Bureau to review the determination within 30 days (Regulation 9374, Section 8.03).

[18] Regulation 9374, Section 8.02(A). The WSAAF approved in the Final Resolution and Order of January 22, 2024, Docket No. NEPR-MI-2023-0001, includes the RES's certification number, the location and interconnection point of the generation facilities expected to serve it, the estimated quantity of power to be wheeled and its financial information, among other items.

WSA execution and onboarding. SSCA executes the WSA once the RES's resource is interconnected and commissioned with a revenue meter at the POI; an application may be accepted while the resource is still in the interconnection queue, with the WSA executed at commissioning. On execution, Information Technology (IT) provisions the RES's access to its segregated file exchange and the means to encrypt personal information, Customer Programs records the notice parties, and the RES is admitted to the next available settlement cycle within the design capacity. LUMA accepts applications at any time; there is no fixed application window.

Figure 4-2. WSA Application & Review Process



An application may be accepted while the RES resource is still in the interconnection queue; the WSA is then executed at commissioning.

Interconnection of the RES's generating resource is separate from Retail Wheeling Service. WSA Section 9.1(g) provides that "RES acknowledges and agrees that the provision of Retail Wheeling Service under this Agreement does not entitle RES to any generator interconnection service that may be required to deliver the output from any RES Resource to the Point of Receipt."[19] Each RES resource therefore must complete LUMA's standard interconnection process under the same rules that apply to any other generator: entry into the interconnection queue, system impact studies, an interconnection agreement, construction of any required facilities and upgrades, and commissioning. The RES or the interconnecting party bears the cost of the upgrades the studies identify. Wheeling neither changes nor shortens that process. The RES is responsible not only for obtaining an executed interconnection agreement for its resource, but for operating that resource in continuing compliance with that agreement, and with the standards, requirements and instructions of the T&D System Operator under WSA Section 9.1(d), for as long as the resource serves RWC.[20] LUMA, as T&D System Operator, retains its authority under WSA Section 10.4 to curtail or disconnect a resource where necessary to protect the T&D system in accordance with best utility practice.[21]

▪ Step 1(b). Enrollment of the Retail Wheeling Customers

Once the RES is enrolled, Customer Programs receives the customer enrollment packet via secure file transfer, with the customer identification documents and signed release forms encrypted as described in Section 5.4. Customer Programs then verifies completeness of the packet against an established checklist, confirms customer eligibility (rate class and demand of 250 kVA and above, an account in good standing, and no net metering at the

[19] Page 13, Section 9.1(g) of the Approved Wheeling Service Agreement dated December 23, 2024, Docket No. NEPR-MI-2023-0001.

[20] *Id.*

[21] *Id.*, page 16, Section 10.4.

site) using the CIS and the eligibility report, and validates customer consent directly with the customer using LUMA's records. Customer Programs also confirms the service start date with the RES and notifies Customer Experience (CX) Billing.

Regulation 9374, Section 1.09(28), provides that wheeling does not include any form of distributed generation to which net metering is applied. Net metering therefore cannot be part of wheeling, either as a RES resource or at the site of a customer served by a RES, and a customer site served under a net metering agreement is not eligible to enroll.

CX Billing generates the wheeling service agreements and identifiers in the CIS, terminates the superseded service agreements, and issues meter exchange orders where an AMI interval meter is not already installed. An AMI meter is required for RES customers to enable the hourly settlement process. Field Operations completes any meter exchange and associated network equipment installations, and CX Billing synchronizes the meter to the head-end system.

A return file is then provided to the RES containing twelve months of consumption history as contemplated in LUMA's December 2023 filing, the service agreement numbers, and the wheeling identifiers.

- **Step 2. Forecast and Schedule**

The RES submits its generation projections and aggregated hourly load schedules to System Operations by 09:00 on a day-ahead basis, in spreadsheet format, as required under WSA Section 9.2[22], and provides intraday updates for customers and resources of one megawatt or greater. System Operations incorporates these schedules into its load forecast and unit commitment processes, maintains system balance through existing dispatch and frequency control mechanisms, and logs planned and unplanned outages as well as any curtailment of RES resources in accordance with the WSA curtailment protocol and Section 10[23]. Compliance with scheduling requirements is monitored against the thresholds established in WSA Section 9.2(c)(iv)[24].

- **Step 3. Measure**

Metering verifies that every enrolled customer service point is equipped with an AMI interval meter that reports through the AMI head-end into the meter data repository, and that each RES resource has a revenue-grade meter at the POI, read through the generation metering system in accordance with the metering specification applied to large independent power producers. Customer interval reads are collected daily, while RES generation reads are polled throughout the day and finalized daily. Daily communication reports identify any non-reporting meters, which are flagged for field follow-up prior to month-end.

- **Step 4. Validate and Release**

After month-end, CX Billing and Metering compile the monthly hourly data file for each enrolled customer from the meter data repository, using the same time sequence and layout as the generation metering file. The team matches meter identifiers across the generation metering system, the head-end, and the CIS; confirms time-zone alignment; and resolves any missing or anomalous intervals in accordance with documented estimation rules. System Operations reviews the validated data against its outage and curtailment logs and confirms the marginal cost inputs for the month. Once validation is complete, the data set is released to Settlement, and the monthly data package is delivered to the RES by secure file transfer within approximately two business days.

[22] Page 13-14, Section 9.2 of the Approved Wheeling Service Agreement dated December 23, 2024, Docket No. NEPR-MI-2023-0001.

[23] *Id.*, page 15-17, Section 10.

[24] *Id.*, page 14, Section 9.2(c)(iv).

- **Step 5. Prepare Settlement**

SSCA prepares the settlement detailed information in, an internal, version-controlled LUMA spreadsheet that applies the approved WSA Attachment B methodology without changing it; each RES receives the results in its monthly settlement statement (Step 7). Each customer's metered load is adjusted by the appropriate loss adjustment factor, resource output is aggregated, and the HEIC is calculated for each hour under WSA Attachment B using that month's hourly marginal cost. Level 2 and Level 3 curtailment hours are valued according to the marginal cost rules established in Attachment B. The workbook maintains control totals that reconcile to the validated data set. The annual reconciliation for the AEIC is completed on the same basis at year-end. Other settlement components and adjustments may be included as a result of failed generation to RWC, as established under the WSA.

- **Step 6. Final Review**

CX performs an independent review of the prepared settlement prior to release, including verification of control totals, application of the correct factors and rates, treatment of exception hours, and agreement between the settlement statement and the invoice. All review findings are documented and resolved before the invoice is issued.

- **Step 7. Invoice**

SSCA issues the monthly invoice through its existing invoicing process and transmits it to the RES, along with the settlement statement and supporting data package, via secure file transfer. Invoices net amounts owed to the RES against amounts owed by the RES for the billing cycle, consistent with WSA Section 8.1[25], and identify any late-payment charges from prior periods.

- **Step 8. Pay, Reconcile, Resolve**

The RES remits payment of all undisputed amounts by electronic payment within 30 days of receipt. Payments are applied and reconciled through LUMA's existing processes for power purchase and operating agreements. Any dispute must be submitted in writing within 30 days, with an explanation, and addressed under WSA Section 19 Dispute Resolution process,[26] first through negotiation, Subsection 19.3, and if necessary, through arbitration process, Section 19.4, and the Energy Bureau's Regulation on Mediation and Arbitration Procedures of the Puerto Rico Energy Commission, Regulation 8558 of February 6, 2015. RWC pay their LUMA bill through existing channels. Customer Programs serves as the single point of intake for RES inquiries and disputes and coordinates investigations across the responsible functional areas. RWC's dispute regarding its LUMA bill follows the established bill-objection process, and LUMA's CX team continues to manage customer inquiries and complaints. RES remains responsible for handling its customers' disputes regarding RES's own invoices.

These eight steps constitute the complete participant process under the Interim Solution and are designed so that operational activities are carried out in accordance with applicable regulatory, contractual, and procedural requirements. Adherence to these steps supports consistent execution of retail wheeling service, maintains system integrity, and provides the evidentiary record necessary for compliance with the Energy Bureau's directive.

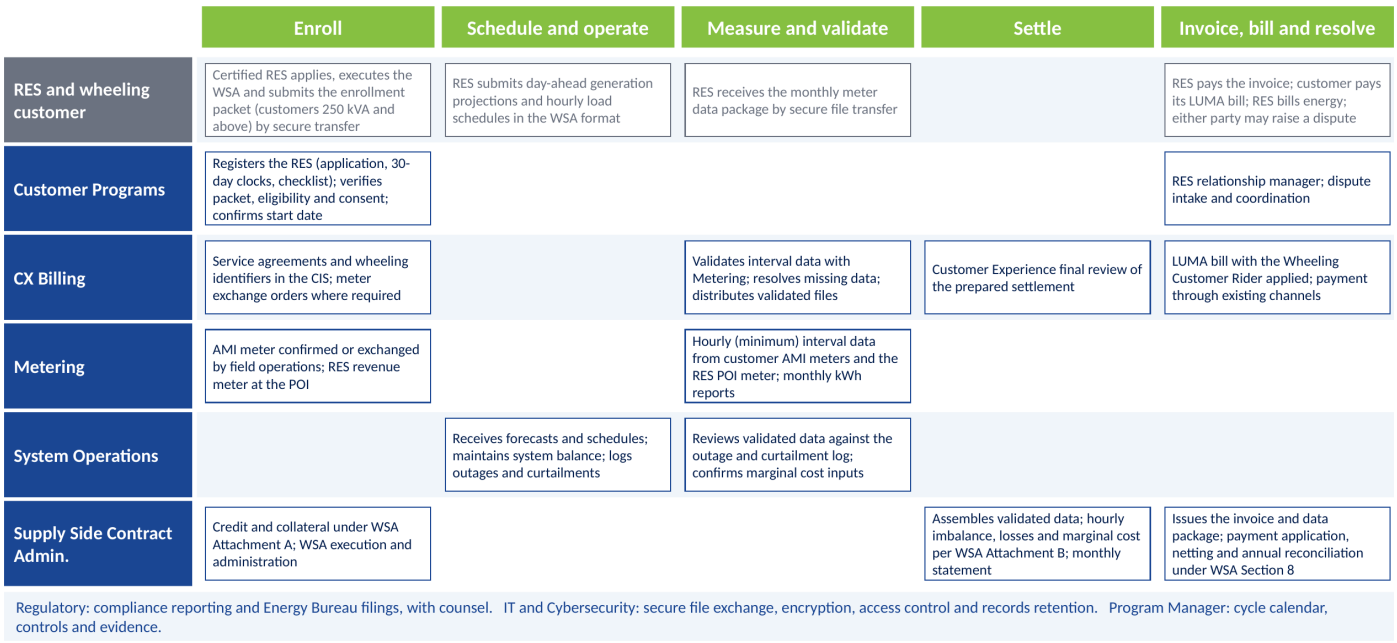
[25] Page 12, Section 8.1 of the Approved Wheeling Service Agreement dated December 23, 2024, Docket No. NEPR-MI-2023-0001.

[26] *Id.*, page 21-23, Section 19.

4.2 Roles and Handoffs

Figure 4-3 identifies the responsibilities of each functional area throughout the cycle. Every handoff between areas is defined as a formal interface with a defined input, output, and acceptance point, ensuring that the manual exchange can later be replaced by an automated system interface without requiring redesign of the surrounding process.

Figure 4-3. Roles and Handoffs in the Interim Solution Operating Model by LUMA Area and Phase



4.3 The Monthly Cycle Calendar

The monthly cycle calendar establishes the schedule, activities, and responsible LUMA functional areas for each stage of the Interim Solution. Table 4-1 summarizes these elements.

Table 4-1. Monthly Cycle Calendar: Activities, Timing, and Responsible Areas

Timing	Activity	Responsible Area
Upon application (once per RES)	Completeness review within 30 days and decision within 30 days of a RES application; credit, collateral and WSA execution. If LUMA does not notify the RES within either 30-day period, the application is deemed complete or approved, as applicable (Regulation 9374, Section 8.02).	Customer Programs; SSCA; Treasury
Daily	RES day-ahead schedules received by 09:00; interval reads collected; non-reporting meters flagged; outages and curtailments logged	System Operations; Metering
Month-end plus five business days	Monthly customer and generation files assembled and validated; identifiers matched; exceptions resolved; outage log reconciled	CX Billing; Metering; System Operations
Month-end plus seven business days	Monthly data package delivered to the RES	Customer Programs

Timing	Activity	Responsible Area
First day of the second month following the settlement month	Hourly marginal cost for the settlement month completed and provided to accepted RES by secure file transfer, per WSA Attachment B	System Operations; SSCA
Within 15 days of marginal cost availability	Settlement prepared, independently reviewed and released; invoice issued with settlement statement	SSCA; CX
Within 30 days of invoice issuance	Non-disputed amounts paid; disputes noticed in writing	RES
Annually	AEIC reconciliation; annual reporting to the Energy Bureau	SSCA; Regulatory

The timing of the hourly marginal cost calculation depends on the fuel expenditure data provided by the generation operators, as described in WSA Attachment B. The Revised WSA anticipates that accepted RES will have access to hourly marginal cost data for approximately six months prior to program launch. Because LUMA expects to be ready to serve nine months after the Implementation Start Date, each RES, upon acceptance, will receive the hourly marginal cost results for recently completed months, followed by monthly results thereafter, via secure file transfer, in place of the RES Portal described in Section 1.3.3 of LUMA's December 23, 2024, filing. This approach enables RES to prepare for settlement processes in advance of the first settlement cycle.[27]

5.0 Systems, Data and Controls

5.1 Currently Available Systems

The Interim Solution relies on the systems and tools currently in operation. None of these systems is modified beyond configuration, report definition, and access provisioning.

Table 5-1. Currently Available Systems Supporting the Interim Solution

System or Tool	Role in the Interim Solution	System of Record For
CIS	Customer accounts, premises and service points; wheeling service agreements and identifiers; Wheeling Customer Rider billing; meter exchange orders	Customer, account and billing data
AMI head-end and meter data repository, with internal reporting	Daily interval reads from customer AMI meters; daily read dashboards; monthly hourly extracts in the settlement layout; eligibility reporting	Customer interval consumption
Generation Metering System	Interval reads from the RES revenue meter at each POI	Resource output
EMS and SCADA, with an operational data historian	Real-time system operation; outage and curtailment records; hourly load and generation data for the marginal cost calculation	Operating events
Production Cost Model	Separate from the EMS; calculates the hourly marginal cost of each completed month under WSA Attachment B from	Hourly marginal cost

[27] Other cost may be included as part of the settlement as provided under the WSA.

System or Tool	Role in the Interim Solution	System of Record For
	plant and fuel expenditure data and operational load and generation data	
Secure File Exchange in LUMA's enterprise environment	Exchange of enrollment packets, schedules, data packages, statements and invoices with each RES through an exchange area segregated by RES, in place of electronic data interchange (EDI) under WSA Section 12 during the Interim Solution (Section 5.4); retention of originals under automated retention rules	Exchanged files, transfer logs and retained originals
Document Management	Internal routing, working records, checklists, decision and exception logs, runbooks	Program records
Settlement Workbook (spreadsheet, controlled)	Hourly imbalance and annual reconciliation calculations with control totals	Settlement results
Issue Tracking	Defects, exceptions and disputes with ownership, status and resolution	Exception history

5.2 Data Flow

Figure 5-1 illustrates the movement of data between the RES, metering infrastructure, and LUMA's operational and business systems over the course of a single settlement cycle. Data enters the Interim Solution through three primary channels: (1) the RES submits enrollment, scheduling, and payment information via secure file exchange; (2) customer AMI meters report through LUMA's metering network into the head-end and subsequently into the meter data repository; and (3) RES resource meters report through the generation metering system. Section 5.4 describes how the exchange is secured.

Table 5-2 lists each numbered flow in Figure 5-1 by source, destination, data and channel, and Table 4-1 gives the timing. Files exchanged with a RES move only through the secure file exchange. Because meter identifiers differ across systems, a maintained cross-reference of meter, badge, and service point identifiers forms part of the validated data set for each cycle.

Figure 5-1. Data Flow in a Single Interim Solution Settlement Cycle Across the RES Trust Boundary and LUMA's Operational & Business Systems

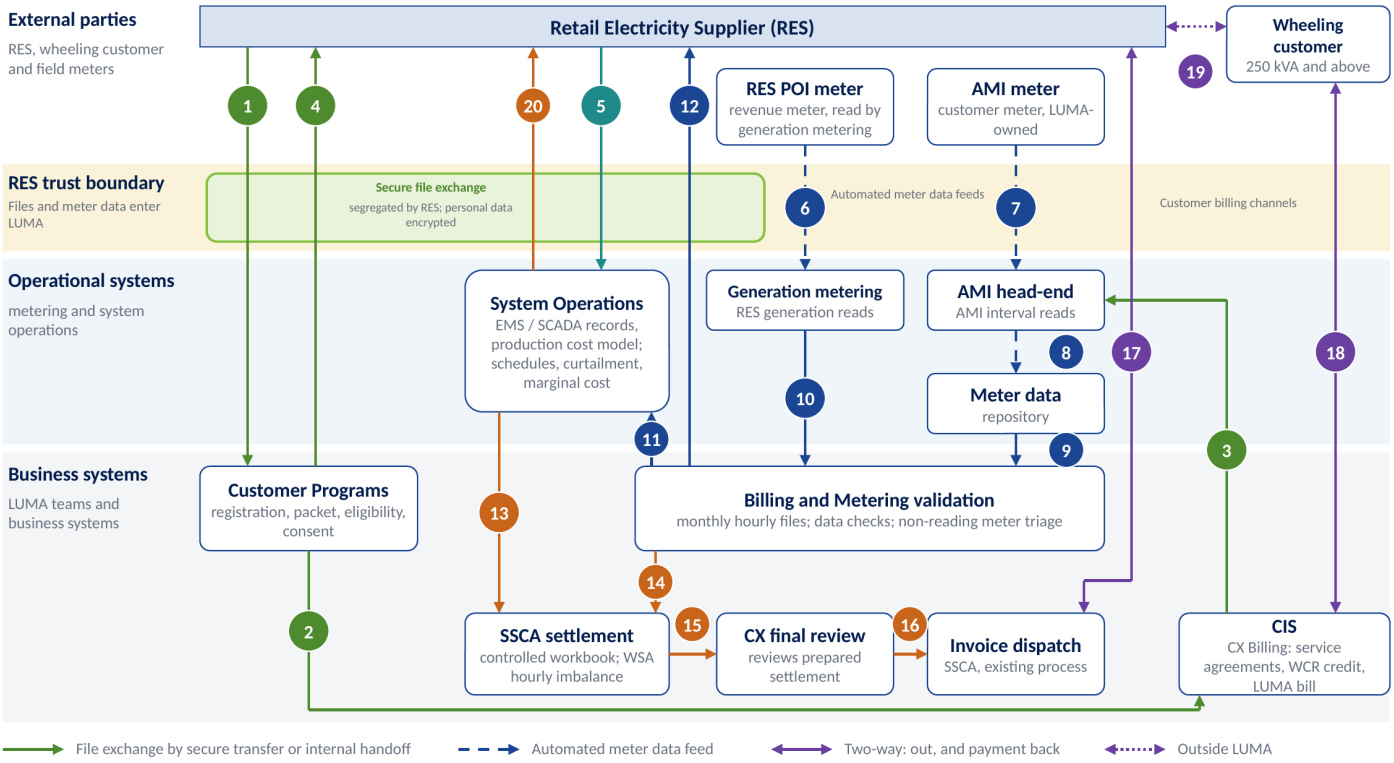


Table 5-2. Description of Data Flows Corresponding to the Interim Solution Settlement Cycle

Flow	From → To	Data	Channel
1	RES → Customer Programs	Enrollment packet: accounts, service points, signed release forms and identification documents	Secure file exchange; personal information encrypted
2	Customer Programs → CIS (CX Billing)	Confirmed eligibility and consent; service start date	Internal handoff
3	CIS → AMI head-end	Meter and service point records after any meter exchange	Existing CIS to head-end synchronization
4	Customer Programs → RES	Return file: 12 months of usage, service agreement numbers and wheeling identifiers	Secure file exchange
5	RES → System Operations	Day-ahead generation projections and hourly load schedules in the WSA format	Secure file exchange
6	RES POI meter → generation metering system	Generation interval reads	Automated meter data feed
7	Customer AMI meters → AMI head-end	Consumption interval reads	Automated meter data feed (AMI network)
8	AMI head-end → meter data repository	Consumption interval reads	Automated meter data feed

Flow	From → To	Data	Channel
9	Meter data repository → Billing and Metering validation	Monthly hourly customer file in the settlement layout	Monthly extract
10	Generation metering system → Billing and Metering validation	Monthly RES generation file	Monthly extract
11	Billing and Metering validation → System Operations	Validated hourly data for outage and curtailment review	Internal handoff
12	Billing and Metering validation → RES	Monthly meter data package	Secure file exchange
13	System Operations → SSCA settlement	Outage and curtailment log; hourly marginal cost and FCA and PPCA charges based on Retail Wheeling Customer's consumption[28]	Internal handoff
14	Billing and Metering validation → SSCA settlement	Validated hourly customer and generation data	Internal handoff
15	SSCA settlement → CX final review	Prepared settlement workbook	Internal handoff
16	CX final review → invoice dispatch	Reviewed settlement and settlement statement	Internal handoff
17	Invoice dispatch ↔ RES	Invoice and settlement statement out; payment back	Secure file exchange; electronic payment
18	CIS ↔ RWC	LUMA bill with the Wheeling Customer Rider applied; payment back	Existing billing and payment channels
19	RES ↔ RWC	RES energy bill under the RSA	Outside LUMA
20	System Operations → RES	Monthly hourly marginal cost file	Secure file exchange

5.3 Controls and Evidence

Each step of the cycle operates under defined controls with corresponding evidence retained, ensuring that the Energy Bureau, an auditor, or a counterparty can verify that the process functioned as described.

Table 5-3. Controls, Operational Methods, and Evidence Retained

Control	How it Operates	Evidence Retained
RES (Enrollment and Application Timelines)	Application logged on receipt; completeness checklist applied; 30-day completeness and decision timelines tracked to closure; credit and collateral confirmed before WSA execution	Intake log with dates; completed checklist; credit file; executed WSA

[28] Section 10, Operational Provisions, Subsection 10.2 Outage of Wheeling Service Agreement: “PREPA (through T&D System Operator) will notify RES by telephone or electronic communication as soon as practical of a planned outage of the T&D System. During an outage of less than sixty (60) Calendar Days, PREPA (through T&D System Operator) will serve the Retail Wheeling Customer and RES shall be responsible for any monthly imbalance charges and any other charges authorized by Energy Bureau under this Agreement. Unless the Agreement is terminated pursuant to Section 4.2 (Termination of Service), during an outage of sixty (60) Days or greater, the following will apply commencing on the 60th day of such outage: (i) PREP A (through T&D System Operator) shall serve the Retail Wheeling Customer, (ii) the energy delivered by PREPA (through T&D System Operator) shall not be included in any monthly or annual imbalance charges to RES; and (iii) RES shall be charged for the FCA and PPCA based on the Retail Wheeling Customer's consumption.”

Control	How it Operates	Evidence Retained
Enrollment Completeness and Eligibility	Checklist review of every packet against the approved application requirements; eligibility confirmed in the CIS and the eligibility report; application deadline tracked	Completed checklist; timestamped receipt; eligibility report; clock log
Customer Consent	Direct confirmation with the RWC using contact information held in the CIS before any account change	Contact record; signed release
Identifier Issuance	Service agreements and wheeling identifiers created in the CIS and confirmed by Billing before the return file is sent	CIS records; confirmation to RES
Interval Data Validation	Completeness, identifier matching, time alignment and anomaly checks on every monthly file; estimation under documented rules; second-person sign-off	Validation log; exception list; sign-off
Operational Reconciliation	Monthly comparison of validated data with the outage and curtailment log; marginal cost and other cost[29] inputs confirmed	Reconciliation record; event log
Settlement accuracy	Control totals tie the workbook to the released data set; independent review by CX before release; version-controlled workbook	Workbook with control totals; review record
Invoice and Payment	Invoice agrees to settlement statement; payments applied and reconciled; late payment and disputes tracked to closure	Invoice register; payment reconciliation; dispute log
Access and Confidentiality	Each RES reaches only its own segregated exchange area; role-based access to program folders and systems; personal information encrypted with LUMA-held keys in transit and at rest; customer data limited to enrolled accounts; access reviewed quarterly	Access lists; credential log; key custody record; review records; transfer logs
Records Retention	Originals of every exchanged file and every settlement retained under LUMA's Records Retention and Destruction Policy and applicable legal and regulatory retention requirements, enforced by automated retention rules rather than manual deletion	Archive index; retention policy configuration

5.4 Cybersecurity and Records

The RES interface operates as a controlled boundary. Files cross this boundary solely through a secure file exchange managed within LUMA's existing enterprise environment. Access is segregated by RES, ensuring that each RES can view only its own files and that no RES has access to LUMA's operational or customer systems. All file transfers are logged, and stored files are encrypted at rest using keys controlled by LUMA. Files containing personal information, as defined in Act 111-2005[30] (the customer identification documents and signed release forms in an enrollment packet) are further encrypted prior to transmission and remain encrypted until opened by an authorized LUMA employee within the LUMA environment. Email is not used for transmitting personal information or data files.

Files received from a RES are scanned for malicious content and are not introduced into LUMA's operational technology environment. The detailed security design supporting these processes is documented under LUMA's

[29] *Id.*

[30] Act 111 of September 7, 2005, as amended, 10 L.P.R.A. § 4051 et seq.

cybersecurity policies and is available to the Energy Bureau upon request, with a request for confidential treatment. The secure exchange operates in accordance with LUMA's Data Security Plan, required[31] by Section 4.2(h) of the T&D Operation and Maintenance Agreement, as well as LUMA's broader cybersecurity policies.

Records retention follows LUMA's Records Retention and Destruction Policy and applicable legal and regulatory requirements, enforced through automated retention rules rather than manual deletion. Program records, such as checklists, decision logs and runbooks, are maintained in LUMA's document management system with role-based permission; customer data files are not stored in that system. Operational data required for settlement is transferred into the business environment in a manner that preserves the separation between operational and information technology environments.

The secure file exchange is in service and security-tested before the RES enrollment window opens, and no other channel is used for enrollment documentation. WSA Section 12 provides that electronic communications between LUMA and the RES conform to industry standard EDI protocols. EDI systems for wheeling are not among the currently available systems the April 15, 2026, Order directs this proposal to use, so secure file transfer serves as the interim method of data exchange: files follow standardized templates, including the scheduling format the WSA prescribes, and every transfer is logged. EDI and other automated interfaces for a long-term wheeling solution can be developed on the same security and retention foundation.

6.0 Commercial and Settlement Framework

The Interim Solution applies the approved commercial framework without modification. The elements summarized below are drawn from the Revised WSA[32] accepted by the Energy Bureau on February 27, 2025, the Wheeling Customer Rider[33] and Regulation 9374[34].

Table 6-1. Summary of Approved Commercial Provisions and Their Application Within the Interim Solution

Element	Provision Approved by the Energy Bureau	Interim Solution Treatment
HEIC	WSA Attachment B, Section 5.1.1 and Attachment B-4: RES charged for excess load at hourly marginal cost; credited for excess generation at 95 percent of hourly marginal cost, or 100 percent during peak hours	Calculated for every hour in the settlement workbook from validated loss-adjusted load and resource output
AEIC	WSA Attachment B as amended December 23, 2024	Annual reconciliation prepared on the same data basis and netted per WSA Section 8.1
Hourly Marginal Cost	WSA Attachment B, Section 5.1.2, and the methodology accepted on February 27, 2025: production cost model calculation using plant and fuel data; completed by the first day of the second month after the settlement month; Level 2 curtailment valued at $0, Level 3 at the negative cost of the most expensive curtailed renewable resource	Monthly calculation with confirmed input from System Operations; provided to accepted RES by secure file transfer

[31] Pursuant of the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement (T&D OMA) executed on June 22, 2020, among the Puerto Rico Electric Power Authority (PREPA), the Puerto Rico Public-Private Partnerships Authority (P3A) and LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, "LUMA").

[32] Approved Wheeling Service Agreement dated December 23, 2024, Docket No. NEPR-MI-2023-0001.

[33] Page 82 of FY2027 Tariff Book, English version.

[34] Regulation 9374 known as "Regulation on Electric Energy Wheeling" of April 20, 2022.

Element	Provision Approved by the Energy Bureau	Interim Solution Treatment
Loss Adjustment	WSA Attachment B, Section 7.0: transmission 1.03, primary 1.0831, secondary 1.1016	Applied per customer by service voltage
Scheduling	WSA Section 9.2: day-ahead projections and hourly load schedules by 09:00 in spreadsheet format; intraday updates for one megawatt and above; annual forecast updates each July 1	Received by System Operations by secure file transfer; compliance tracked
Outages and Curtailment	WSA Section 10 and the approved curtailment protocol; treatment of outages under and over 60 days; major outage and emergency provisions[35]	Logged daily by System Operations; reconciled monthly before settlement
Invoicing and Payment	WSA Section 8: monthly invoice, netting, thirty-day payment, late payment charge, annual true-up	Monthly invoice with settlement statement; payment applied through the existing power purchase agreement process
Disputes	WSA Section 8.1(b) and Section 19: written notice and 30 days to negotiate in good faith; and arbitration	Single intake through Customer Programs; logged and tracked to closure
Credit and Collateral	WSA Attachment A	Performance assurance confirmed at enrollment and monitored by SSCA
WSAAF and Non-Refundable Fee	Approved WSAAF; $500 Non-Refundable Fee; Regulation 9374, Section 8.02 completeness and decision deadline	Document-based intake with receipt and clock tracking

6.1 Customer Billing

The RWC continues to receive a LUMA bill from the CIS for transmission, distribution and other applicable tariff charges, with the Wheeling Customer Rider applied, which removes the fuel and purchased power charge adjustments. The RES bills the customer separately for energy under its RSA. The Interim Solution is structured to support this two-bill model, which preserves the existing structure of LUMA's regulated bill and avoids placing LUMA in the role of billing agent for a competitive supplier. LUMA asks the Energy Bureau to take note of this model and will submit any conforming clarification to the WSA that the Energy Bureau considers necessary.

6.2 Cost Separation and Cost Equity

All Interim Solution implementation and operating costs are captured under project code PBCS4, separate from other customer programs, and are reported in the Annual Wheeling Implementation Report[36]. The Non-Refundable Fee and the WSA charges apply to the RES. The Energy Bureau's concern that all customers fund a program whose direct benefits accrue only to participants is addressed in three ways: first, the Interim Solution is designed to remain within the approved budget and to build a record of actual participation and cost before any larger investment is considered; second, the WSA assigns the financial consequences of imbalance, resource outages and curtailment to the RES rather than to non-participating customers; and third, the processes and controls developed for the Interim Solution are intended to carry forward into any future wheeling solution rather than be discarded.

[35] This includes the FCA and PPCA charges to the RES based on the Retail Wheeling Customer's consumption. See footnote 28.

[36] Filed annually in Docket No. NEPR-MI-2023-0001.

7.0 Implementation Plan and Timeline

Figure 7-1 presents the implementation schedule organized into four tracks, with its milestones and readiness gates, distinguishing the activities under LUMA's control from those to be completed by the Energy Bureau, each RES, and their customers. The schedule is measured from the Implementation Start Date, the date on which the Energy Bureau approves this proposal and authorizes implementation, and all milestones move in accordance with that date.

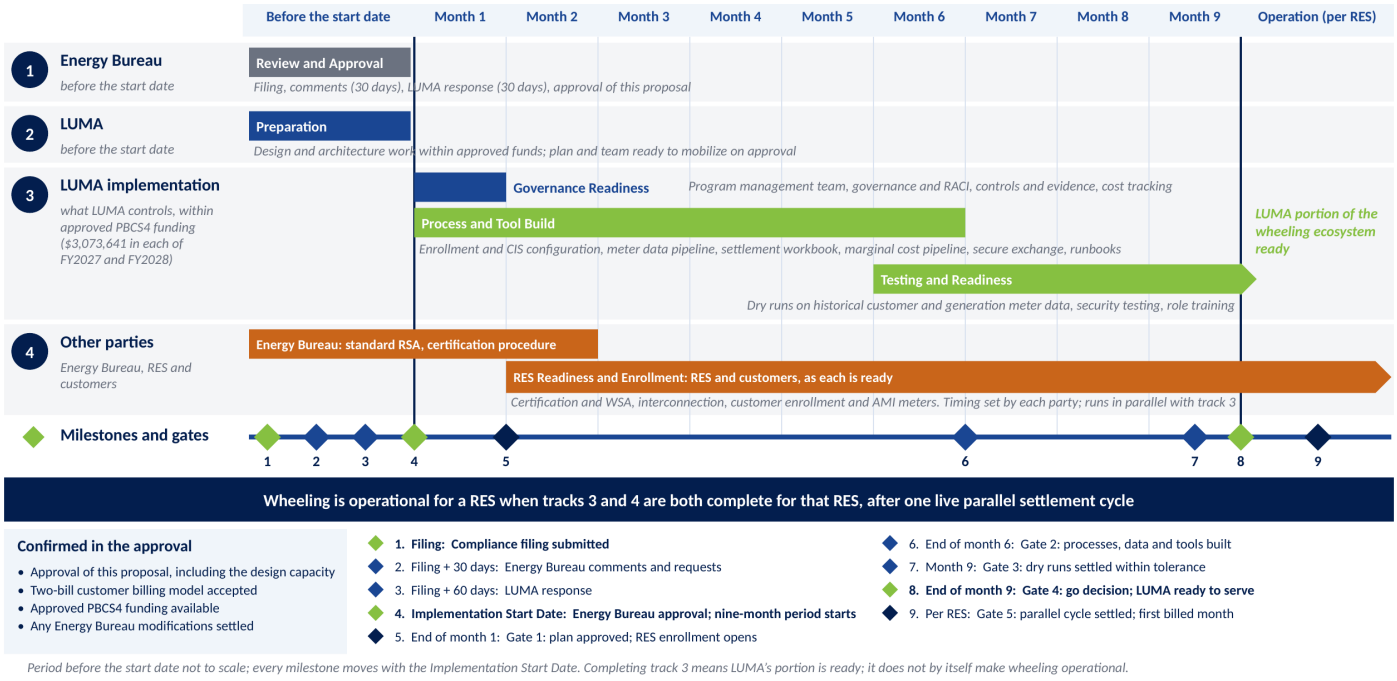
LUMA has structured its implementation approach so that its readiness does not depend on the timing of other parties: LUMA expects to be ready to serve nine months after the Implementation Start Date. Each RES and its customers may begin service once they complete their prerequisites, listed in the third column of Table 7-1.

For planning purposes, the Energy Bureau's review of this filing assumes a 30-day comment and request period, followed by a 30-day response period for LUMA. Until the Implementation Start Date, LUMA continues design and architecture work within the FY2027 approved budget without committing to implementation expenditures, so that the nine-month period following approval can be dedicated to build-out, readiness and testing.

Table 7-1. Conditions and Activities from Energy Bureau Approval to Each RES's Go-Live

Confirmed in the Energy Bureau's Approval	During the Nine-Month Implementation Period	Before Each RES Begins Retail Wheeling Service
• Approval of this proposal, including the design capacity in Section 3.3 • The two-bill customer billing model accepted (Section 6.1) • The approved PBCS4 funding for FY2027 and FY2028 remains available • Any modifications the Energy Bureau requires are settled	• Mobilize the program team and governance • Build the processes, data extracts, settlement workbook and secure exchange • Run dry runs of the full cycle on historical customer and generation meter data • Train staff in every area • Open RES enrollment in the second month • Complete the readiness review	• The standard RSA, or an authorized alternative, and the RES certification procedure in place • A certified RES, its application accepted and the WSA executed • Its resource interconnected under an executed interconnection agreement, commissioned, and operating in compliance with that agreement • Its customers enrolled, with AMI meters installed and reporting • One live parallel settlement cycle completed for that RES

Figure 7-1. Implementation Timeline and Tracks, with Milestones and Readiness Gates



Period before the start date not to scale; every milestone moves with the Implementation Start Date. Completing track 3 means LUMA's portion is ready; it does not by itself make wheeling operational.

7.1 Phases and Readiness Gates

This section outlines the phased approach to the Interim Solution implementation and the readiness gates that confirm each phase is completed to standard before progression to the next. Each phase includes defined timing, a principal deliverable, and a readiness gate that must be met to initiate the subsequent phase. Table 7-2 summarizes these components.

Table 7-2. Implementation Phases, Principal Deliverables, and Readiness Gates

Phase and timing	Principal deliverables	Gate to the next phase
Energy Bureau Review and Approval and Implementation Start Date	This filing; responses to the Energy Bureau's comments and requests; design and architecture work continued within approved funds	Implementation Start Date: from Energy Bureau's approval; the nine-month period starts
Governance Readiness Month 1	Program management team in place; governance charter, decision rights and RACI; controls framework and evidence standards; cost tracking under PBCS4; detailed plan baselined	Gate 1: governance and plan approved by the steering committee; RES enrollment window opens
Process and Tool Build Months 1 to 6	Enrollment procedures and CIS configuration; monthly meter data pipeline from the meter data repository and the generation metering system; settlement workbook with control totals; hourly marginal cost pipeline and ownership; secure file exchange; runbooks for every area	Gate 2: every step has an owner, a procedure, a tool and an evidence standard
RES Readiness and Enrollment	RES enrollment: certification confirmed, WSAAF, Non-Refundable Fee and performance assurance, WSA execution; resource interconnection and POI metering verified; customer enrollment:	For each RES: the prerequisites to begin Retail Wheeling Service met

Phase and timing	Principal deliverables	Gate to the next phase
From month 2, as each RES applies	eligibility, consent and AMI meters installed and reporting at every site; hourly marginal cost results provided to each accepted RES	
Testing and Readiness Months 6 to 9	End-to-end dry runs on historical customer and generation meter data; security testing of the transfer channel; role training and sign-off; readiness evidence package	Gate 3: dry runs settled within tolerance with all controls evidenced
Final Go Review End of month 9	Readiness review by the steering committee; go or no-go decision; notice to the Energy Bureau that LUMA is ready to serve	Gate 4: go decision; LUMA ready to serve nine months after the Implementation Start Date
Go-Live and First Settlement When a RES completes its prerequisites	One live parallel settlement cycle on the RES's metered data, without invoicing; cutover to production; first monthly settlement and invoice on the cycle calendar in Section 4.3	Gate 5: parallel cycle settled within tolerance with all controls evidenced; first billed month begins

7.2 Ready to Serve and Operational

LUMA is ready to serve when the processes, tools and controls described in Sections 4 and 5 are in place and fully implemented and validated through dry-run testing, the staff in all relevant functional areas have been trained, and RES enrollment is open. The Interim Solution becomes operational for a specific RES once, following its live parallel settlement cycle, that RES, certified and operating under an executed WSA, is serving enrolled RWC from a qualified resource operating in compliance with its interconnection agreement. At that point, its schedules are being received, and both its output and its customers' consumption are being measured at hourly intervals under the full set of controls described in Section 5.

The first production settlement occurs according to the monthly cycle calendar in Section 4.3, once the hourly marginal cost for the first operating month becomes available. LUMA will notify the Energy Bureau when it is ready to serve and when each RES becomes operational and will report on the initial settlement cycles in the Annual Wheeling Implementation Report.

7.3 Schedule Assumptions

- The nine-month period starts on the Implementation Start Date; every milestone in Section 7.1 is measured from that date and moves with it.
- Design and architecture work continues between this filing and the Implementation Start Date, within FY2027 approved funds, so that the nine months that follow can be used for building, readiness and testing.
- RES enrollment starts in the second month. LUMA cannot control the timing of a supplier's decision to participate; if no RES has applied by the time LUMA is ready to serve, LUMA holds the Interim Solution ready for the first applicant.
- Each RES resource completes LUMA's standard interconnection process before that RES begins Retail Wheeling Service to its customers; the timing of that process does not change the date on which LUMA is ready to serve.
- The standard RSA, or an authorized alternative, is available before customer enrollment begins.

- The hourly marginal cost pipeline continues to receive fuel expenditure data from the generation operators on the timeline set by the existing operating agreements.

8.0 Budget and Cost Treatment

The Interim Solution is designed to be implemented within the Energy Bureau approved funding for project PBCS4: $3,073,641 in fiscal year 2027 and $3,073,641 in fiscal year 2028. LUMA does not request additional funding in this filing.

Table 8-1. Approved Funding and Principal Use by Fiscal Year

Fiscal Year	Approved Funding	Principal Use
FY2027 (July 2026 to June 2027)	$3,073,641	Design and architecture work supporting this proposal; from the Implementation Start Date, mobilization, build, participant readiness and testing
FY2028 (July 2027 to June 2028)	$3,073,641	Completion of implementation where it extends into the fiscal year; Interim Solution operation; the competitively derived cost estimate the Energy Bureau invited
FY2029 onward	To be requested	Interim Solution operation beyond FY2028, sought as the Energy Bureau invited

8.1 Cost Categories

Implementations spend is tracked in four categories, each coded under PBCS4 so that spending can be reported by category once implementation begins:

1. **Program** management and governance, including cost tracking and reporting.
2. **Processes**, training and readiness: procedures and runbooks, role training, and dedicated staff during the dry runs and the parallel settlement cycles.
3. **Systems** configuration and tools: configuration and reporting in existing systems (the CIS, the meter data repository and the generation metering system), the settlement workbook and the marginal cost pipeline.
4. **Secure Exchange and Cybersecurity**: secure file exchange, access controls, encryption and security testing.

Contracted resources are used where internal capacity is committed to other approved programs and are engaged as temporary support for the Interim Solution rather than as permanent positions.

8.2 Tracking and Reporting

All costs are coded to PBCS4 and tracked by phase and category from the first month of implementation. LUMA will report actual and forecast spending against the approved budget in the Annual Wheeling Implementation Report and will separate Interim Solution spending from other wheeling expenses so that the Energy Bureau can see what each part of the funding supported. LUMA will seek any funding beyond FY2028 as the Energy Bureau invited on its April 15, 2026, Order.

9.0 Governance, Organization and Staffing

9.1 Program Governance

The program is sponsored at the executive level and directed by a steering committee that meets monthly during implementation and quarterly in operation. A dedicated program management team runs the plan, the risk and decision logs, the monthly cycle calendar and the readiness gates. Each LUMA area named in Figure 4-3 has an accountable workstream lead. Decisions that change scope, capacity, schedule or budget are reserved to the steering committee; decisions that require Energy Bureau action are escalated through Regulatory with counsel. Regulatory files the milestone notices described in Section 2.5.

Table 9-1. Program Governance RACI

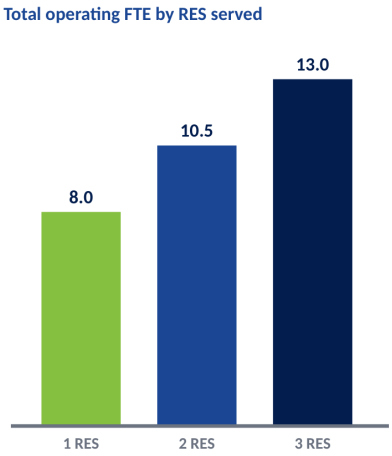
Activity or decision	Accountable	Responsible	Consulted
Program direction, scope and capacity	Executive sponsor	Steering committee	All workstream leads; Regulatory
Plan, gates, risk and decision logs	Steering committee	Program manager	Workstream leads
Enrollment, RES relationship and disputes	CX	Customer Programs	Legal; Regulatory; CX Billing
Customer billing and CIS configuration	CX	CX Billing	Metering; Finance
Metering and interval data	Operations	Metering	CX Billing; IT
Scheduling, outages, curtailment and marginal cost inputs	Operations	System Operations	SSCA
Settlement and RES invoicing	Supply Side	SSCA	CX; Finance
Compliance filings and reporting	Regulatory	Regulatory	Legal; Program manager
Secure exchange, access and records	IT	Cybersecurity; IT	All areas
Cost tracking and budget reporting	Finance	Program manager	Regulatory

9.2 Operating Staffing

Because the Interim Solution runs on people rather than platforms, LUMA has sized the operating team explicitly so that the Energy Bureau can see how the solution scales. Figure 9-1 sets out the staffing by area for the first RES and its customers, and the increment for each additional RES. Program management is 2.0 full-time equivalents for the first RES, which may be shared by two or more people, and 0.25 for each additional RES; most other roles are fractions of existing positions, met through existing staff, reassignment or contracted support as each area determines. On this basis the team is about 8.0 full-time equivalents for the first RES, rising by about 2.5 for each additional RES, to about 13.0 at the design capacity of three RES. Of each increment, 1.50 is in Customer Experience, mostly reflecting the complexity and dispute management of hourly imbalance invoicing with each additional supplier. These are LUMA's planning estimates at the design capacity. LUMA will calibrate them against measured workload in the first settlement cycles.

Figure 9-1. Planning Estimate of Operating Staffing by LUMA Area for the First RES and Each Additional RES

LUMA area	Role	First RES	Each added RES
Program management	Program management team (may be shared by two or more people)	2.00	0.25
Customer Experience	RES relationship, enrollment, disputes, billing and customer care on wheeling accounts	1.50	1.50
Metering and Field Operations	Meter data (generation and AMI), field metering and telecom support	2.00	0.25
Supply Side Contract Admin.	Settlement and RES invoicing (HEIC, AEIC)	1.00	0.50
System Operations	Scheduling and curtailment coordination	0.50	-
Regulatory and Finance	Compliance reporting and cost tracking	0.50	-
IT and Cybersecurity	Secure exchange, access and records support	0.50	-
Total		8.0	+2.50



Design capacity: up to 3 RES, each with one generation resource of at least 1 MW and up to 10 wheeling customers. Most of the Customer Experience increment of 1.50 for each added RES reflects the complexity and dispute management of hourly imbalance (HEIC) invoicing.

These are LUMA's planning estimates at the design capacity. LUMA will calibrate them against measured workload in the first settlement cycles.

The staffing model is intentionally lean. It is sized for the design capacity because each RES is limited to one resource and ten customers, settlement is hourly rather than sub-hourly, and the exception paths are defined in advance. The principal variable cost of the Interim Solution is this labor, which grows with each additional RES, as Section 10 describes.

10.0 Capacity and Scaling

The Interim Solution grows in defined steps, and each step is taken only after a completed settlement cycle has demonstrated controls at the current volume. The first settlement cycle onboards one RES with up to five RWC. A RES may add a second batch of up to five customers after a completed settlement cycle, and each additional RES, up to three, is admitted after a completed settlement cycle. Each additional RES adds the staffing increment shown in Figure 9-1.

If enrollment requests exceed the design capacity, LUMA will report to the Energy Bureau on the demand observed, the staffing and cost effect of serving it, and a proposed course, which may be a managed queue or an adjustment to the design capacity. Operating experience from the Interim Solution is also expected to show which manual steps are the first candidates for automation in any future wheeling solution.

11.0 Risks, Dependencies and Requested Energy Bureau Actions

11.1 Principal Risks and Mitigations

LUMA has assessed the principal risks inherent to the Wheeling Implementation Interim Solution and has delineated the corresponding mitigation measures. These are presented in Table 11-1.

Table 11-1. Principal Risks and Mitigations

Risk	Mitigation
Error in manual data handling or settlement	Documented procedures, control totals, second-person validation and independent review before release; dry runs before LUMA are ready to serve and a live parallel settlement cycle before each RES's first billed month; capacity limited by design
Incomplete or late meter data	Daily communication reports and field follow-up before month end; documented estimation rules; AMI meters confirmed at every customer site before enrollment
Hourly marginal cost inputs unavailable or late	Named owner for the marginal cost pipeline; inputs confirmed monthly by System Operations; recent monthly results provided to each RES on acceptance
POI metering or telemetry not ready	Readiness assessment of candidate resources during RES Readiness and Enrollment; metering under the existing large independent power producer specification
RES resource operated outside its interconnection agreement or the T&D System Operator's requirements	The RES is responsible for continuing compliance (WSA Section 9.1(d)); System Operations retains authority to curtail or disconnect under WSA Section 10.4; non-compliance is addressed under the interconnection agreement and the WSA
RES certification, interconnection or customer enrollment delayed	LUMA's readiness to serve does not wait on these activities; enrollment opens in the second month, and each RES's progress on its prerequisites is tracked and reported in the milestone notices
Insufficient capacity in existing information systems or staff	Interim storage and reporting within LUMA's enterprise environment, outside the constrained systems; contracted temporary support where internal capacity is committed
Low or no participation in the first year	Staffing grows only with participation; capability is demonstrated through dry runs and held ready for the first RES
Changes in regulatory requirements during implementation	Regulatory review at each gate; process interfaces designed to absorb changes in rates, factors and forms without redesign
Unauthorized disclosure of customer information exchanged with a RES	Secure file exchange segregated by RES; personal information encrypted with LUMA-controlled keys in transit and at rest; transfer logging; quarterly access review; confidentiality obligations of WSA Section 16

11.2 Dependencies Requiring Energy Bureau Action

1. **Standard Retail Supply Agreement.** Regulation 9374, Section 7.03 requires a standard RSA with minimum clauses and consumer protection disclosures. It has not yet been established. Enrollment cannot be completed without it or an authorized alternative.

2. **Customer billing model.** The Energy Bureau's acknowledgment of the two-bill model (Section 6.1), with any conforming clarification to the WSA it considers necessary.

3. **Model bill.** Showing the Wheeling Customer Rider on an RWC's LUMA bill requires a revision to the model bill approved in Docket No. NEPR-MI-2021-0008, which LUMA plans to request in that proceeding before the first RWC is billed.

4. **RES certification.** Confirmation of the certification procedure and expected timing under Regulation 9374, Section 4, so that a supplier can be certified before the enrollment window opens in the second month after the Implementation Start Date.

5. **Approval of this filing.** The nine-month implementation period starts on the Implementation Start Date, the date of the Energy Bureau's approval; each month of delay in the approval moves the date on which LUMA is ready to serve by the same period.

6. **Funding after fiscal year 2028.** LUMA will seek any funding beyond FY2028 as contemplated in the Energy Bureau's April 15, 2026, Final Resolution and Order.

7. **Data exchange with the RES.** The Energy Bureau's acknowledgment that, during the Interim Solution, secure file transfer serves in place of the EDI protocols in WSA Section 12 (Section 5.4), with any conforming clarification, amendment or addendum to the WSA it considers necessary.

11.3 Requested Actions

LUMA respectfully requests that the Energy Bureau take notice of this Wheeling Implementation Interim Solution proposal and determine that LUMA has complied with the April 15, 2026, Order. In addition, LUMA requests that the Energy Bureau undertake the actions delineated in Section 1.2 and take notice of the dependencies described in Section 11.2. LUMA further welcomes the opportunity to meet with the Energy Bureau to review this proposal and to validate the program roadmap after this filing.

Appendix A: Compliance Traceability

Table A-1. Compliance Traceability

Requirement	Source	Where Addressed
Proposal to enroll wheeling customers with currently available systems and data	Final Resolution and Order, April 15, 2026, Chapter Three, page 142	Sections 3, 4 and 5
Compliance filing within six months in Docket No. NEPR-MI-2023-0001	Same	This filing, October 14, 2026
Interim solutions to enroll retail electric suppliers and end-use wheeling customers	Same	Sections 3.4 and 4.1, Step 1
Future-year funding request with competitively derived estimates and an implementation schedule	Same	Section 8
Cost equity between participating and non-participating customers	Same, page 141	Sections 2.4 and 6.2
WSA, WSAAF and Non-Refundable Fee	Final Resolution and Order, January 22, 2024; Resolution and Order, February 27, 2025	Sections 3.4, 4.1 and 6
Generator interconnection separate from Retail Wheeling Service	Revised WSA, Section 9.1(g)	Sections 3.3 and 4.1 (Step 1a)
Hourly and annual imbalance charges, marginal cost publication, loss adjustment	Revised WSA Attachment B, December 23, 2024	Sections 4.1 (Step 5), 4.3 and 6
Customer eligibility at 250 kVA and above; net metering excluded from wheeling; Wheeling Customer Rider	Regulation 9374, including Section 1.09(28); unbundling proceeding, Docket No. NEPR-AP-2018-0004	Sections 3.2, 3.3, 4.1 (Step 1b) and 6.1
RES certification; standard RSA; application deadline	Regulation 9374, Sections 4, 7.03 and 8.02	Sections 4.1 (Step 1) and 11.2
Annual Wheeling Implementation Report	Docket No. NEPR-MI-2023-0001	Sections 2.5 and 8.2
Electronic data interchange between LUMA and the RES	Revised WSA, Section 12	Sections 3.2 and 5.4
Protection of personal information in customer records; records retention	Act 111-2005 and Regulation 7376 (DACO); LUMA Records Retention and Destruction Policy	Sections 5.3 and 5.4

Appendix B. Glossary

Table B-1. Glossary

Term	Definition
Act 111-2005	Puerto Rico Act 111 of September 7, 2005, on notice to citizens of security breaches of information databanks (10 L.P.R.A. § 4051 et seq.), with its implementing Regulation 7376; defines protected personal information and excludes information protected with cryptographic keys from the breach notification requirement.
ADMS	Advanced Distribution Management System.
AEIC	Annual Energy Imbalance Charge: the annual reconciliation of hourly imbalances under the WSA.
AMI	Advanced Metering Infrastructure: interval meters and the communication network and head-end that read them.
CIS	Customer Information System: LUMA's system of record for customer accounts, service agreements and billing.
Curtailment	A reduction in output from a RES resource ordered by the system operator under the curtailment protocol and WSA Section 10.
CX	Customer Experience, the LUMA organization responsible for customer service and billing.
DACO	Departamento de Asuntos del Consumidor, (Puerto Rico Department of Consumer Affairs)
DERMS	Distributed Energy Resource Management System.
EMS	Energy Management System.
Generation metering system	The interval data collection system is used for generation and large-customer revenue meters.
HEIC	Hourly Energy Imbalance Charge: the charge or credit for the hourly difference between a RES's loss-adjusted customer load and its resource output.
Implementation Start Date	The date the Energy Bureau approves this proposal and authorizes implementation; the nine-month implementation period is measured from it.
Interim Solution	The interim wheeling solution proposed in this filing.
Loss adjustment factor	The factor applied to a customer's metered load by service voltage to account for transmission and distribution losses.
MDM	Meter Data Management.
Parallel settlement cycle	A settlement cycle run on a RES's live metered data, without invoicing, before its first billed month, to confirm that the process and controls operate as designed.
Point of interconnection (POI)	The point at which a RES resource connects to the transmission system and at which its output is metered.
PREPA	Puerto Rico Electric Power Authority.
Production cost model	The model used to calculate hourly marginal cost under WSA Attachment B.
RACI	Responsible, Accountable, Consulted and Informed: a matrix that assigns roles for each decision and task.
Ready to serve	The state in which the Interim Solution processes, tools and controls are in place and proven in dry runs, staff are trained and RES enrollment is open (Section 7.2).

Term	Definition
RES	Retail Electricity Supplier certified by the Energy Bureau under Regulation 9374.
Retail Supply Agreement	The agreement between a RES and a wheeling customer for the supply of energy.
SCADA	Supervisory Control and Data Acquisition.
SSCA	Supply Side Contract Administration.
T&D	Transmission and distribution.
Wheeling Customer Rider (WCR)	The tariff rider applied to the LUMA bill of a wheeling customer, removing the fuel and purchased power charge adjustments.
WSA	Wheeling Services Agreement between PREPA, through LUMA as transmission and distribution system operator, and a RES.
WSAAF	Wheeling Services Agreement Application Form.

Appendix C. Referenced Documents

Table C-1. Referenced Documents

Document	Reference
Final Resolution and Order on Electricity Rates	Docket No. NEPR-AP-2023-0003, April 15, 2026, Chapter Three, Section 6 (Retail wheeling program, PBCS4), pages 136 to 142
Resolution denying reconsideration of the April 15, 2026, Order	Docket No. NEPR-AP-2023-0003, July 28, 2026
Final Resolution and Order approving the Wheeling Services Agreement, the WSAAF and the Non-Refundable Fee	Docket No. NEPR-MI-2023-0001, January 22, 2024
Motion in Compliance with the Order of December 9, 2024, submitting the Revised Wheeling Services Agreement and Attachment B methodology	Docket No. NEPR-MI-2023-0001, December 23, 2024
Resolution and Order accepting the Revised Wheeling Services Agreement	Docket No. NEPR-MI-2023-0001, February 27, 2025
Regulation on Electric Energy Wheeling	Regulation 9374, April 20, 2022
Wheeling Customer Rider	Docket No. NEPR-AP-2018-0004; motion informing publication, February 15, 2023
Annual Wheeling Implementation Report	Docket No. NEPR-MI-2023-0001, filed annually in October
Act 111-2005, Citizen Information on Data Banks Security Act, and Regulation on Citizen Information on Information Bank Security.	10 L.P.R.A. § 4051 et seq.; Regulation 7376, DACO, June 25, 2007
LUMA Records Retention and Destruction Policy	Policy 7158.00, February 2026