

GOBIERNO DE PUERTO RICO
JUNTA REGLAMENTADORA DE SERVICIO PÚBLICO
NEGOCIADO DE ENERGÍA DE PUERTO RICO

IN RE: 10 YEAR PLAN FEDERALLY FUNDED
COMPETITIVE PROCESS

CASE NO.: NEPR-MI-2022-0005

SUBJECT: Resolution and Order on the monthly status reports of Emergency Generation and Black-Start Generation Procurement in Compliance with Resolution and Order of July 30, 2024.

RESOLUTION AND ORDER

I. Relevant Background

On September 15, 2026, Genera PR LLC ("Genera") filed a document titled *Motion to Submit Monthly Report on the Status of Emergency Generation and Black-Start Generation Procurement in Compliance with Resolution and Order of July 30, 2024* ("September 15 Motion") in which it submits, as Exhibit A, the Monthly Report on the Status of Emergency Generation and Black-Start Generation Procurement for the month of August 2026 ("Genera's Monthly Report").

II. Discussion

Genera's Monthly Report, provides an update on the procurement process, decommissioning of existing generation assets, and installation of new emergency peaker generation systems at Jobos, Dagua, Yabucoa, and Costa Sur.¹ The descriptions of the circumstances at Jobos and Dagua and of LUMA's² positions set forth below are drawn from Genera's Monthly Report and constitute Genera's representations, rather than independent findings by the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau").

According to Genera's Monthly Report, decommissioning of the existing peaker units at Dagua and Jobos remains on the project's critical path. The report describes disagreements concerning both the retirement and decommissioning of those units. Specifically, Genera reports that, on November 4, 2024, LUMA concurred with the retirement and decommissioning plan for Jobos 1-1 but objected to the retirement of Jobos 1-2 and Dagua 1-1 and 1-2.³ Genera further states that demolition of the impaired Jobos unit cannot proceed because of the risk such work would pose to the operating unit.⁴

Genera's Monthly Report further indicates that LUMA conditioned decommissioning of the Jobos and Dagua units on the availability of 810 MW of additional generation and/or the interconnection of BESS projects.⁵ According to the report, LUMA granted conditional concurrence in January 2026, subject to BESS installation, and identified interconnection of the BESS facilities at Vega Baja and Cambalache as a prerequisite to decommissioning the Jobos and Dagua units.⁶ Genera also refers to a requirement to place at least 76 MW of BESS

¹ See September 15 Motion, Exhibit A, pp. 2-6.

² LUMA Energy, LLC ("ManagementCo"), and LUMA Energy ServCo, LLC ("ServCo") (jointly referred to as "LUMA").

³ See September 15 Motion, Exhibit A, p. 15

⁴ See *Id.*, pp. 5-6.

⁵ See *Id.*, p. 2.

⁶ See *Id.*, p. 6.



into service before beginning decommissioning of the existing peaker units.⁷ These descriptions reflect the positions attributed to LUMA by Genera in its report.

Genera accordingly represents that the Jobos and Dagua0 decommissioning schedule remains dependent on completion of the BESS interconnection process.⁸ Genera states that the new peaker units cannot be installed until the existing units are removed because they would occupy the same footprint.⁹ The report also indicates that the Energy Bureau requested an updated assessment from LUMA of the additional generation actually needed and that subsequent steps would be determined after receipt of that information.¹⁰

Separately, based on information received by the Energy Bureau in other proceedings, the dependable capacity of the operating unit at Jobos is approximately 18 MW, and the dependable capacity of the operating unit at Dagua0 is likewise approximately 18 MW. The information available to the Energy Bureau further indicates that only one unit, rather than two, is currently operating at Dagua0. Accordingly, the combined dependable capacity of the two operating units in Jobos and Dagua0 appears to be approximately 36 MW. These figures are identified here as information received in other proceedings and remain subject to confirmation in the submissions ordered below.

III. Determination

Based on the representations in Genera's Monthly Report, a disagreement remains concerning the conditions under which the existing peaking units at Dagua0 and Jobos may be retired and decommissioned.¹¹ Resolving this disagreement is important to advance the implementation of projects associated with the transformation of Puerto Rico's electric system and the incorporation of needed generation resources.

Without resolving the technical disagreement at this stage, and in the absence of a complete evidentiary record on the matter, the Energy Bureau considers it important that the parties address the relationship between the dependable capacity presently provided by the operating units and the additional resources reportedly identified as prerequisites to decommissioning. Based on the information presently available, the two (2) operating units at Jobos and Dagua0 provide a combined dependable capacity of approximately 36 MW. By comparison, the BESS facilities identified at Cambalache (52 MW) and Vega Baja (49 MW) represent approximately 101 MW in aggregate, substantially exceeding that 36 MW figure; the reported 810 MW additional-generation condition is greater still. These comparisons do not, by themselves, establish that the resources are operationally interchangeable or that LUMA's stated conditions are unnecessary. Nevertheless, given the pressing need to incorporate additional generation resources into Puerto Rico's electric system, the Energy Bureau considers that the potential operational and reliability impacts associated with

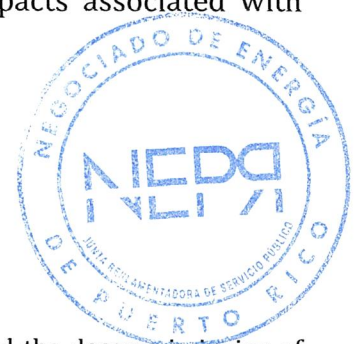
⁷ See *Id.*, p. 13.

⁸ See *Id.*, p. 6.

⁹ See *Id.*, p. 13.

¹⁰ See *Id.*, p. 2.

¹¹ The Energy Bureau notes that, although the retirement of generation units and the decommissioning of generation assets are distinct processes governed by different provisions and requirements, they are closely related. In particular, the retirement of a generating unit from service may constitute a necessary antecedent to the subsequent decommissioning of the corresponding generation asset. Accordingly, the Energy Bureau's review of the proposed decommissioning of the Jobos and Dagua0 units also requires consideration of the applicable requirements governing the retirement of generating units. The Energy Bureau conditionally approved LUMA's proposed System Operation Principles ("SOP"), which set forth management guidelines for Puerto Rico's Bulk Power System after LUMA assumed responsibility for the operation and maintenance of PREPA's Transmission and Distribution System ("T&D System") under the T&D OMA. As outlined in the SOP, LUMA is responsible for coordinating all generation retirement requests. Under the SOP, LUMA evaluates the potential impacts of retiring a unit on the system, customers, regulatory policies, approved integrated resources plan, and other relevant factors before submitting a recommendation to the Energy Bureau for review. The Energy Bureau will decide whether to approve the unit's retirement based on this evaluation. If retirement is not approved, the unit will be designated as a Reliability-Must-Run unit. A new retirement request may be submitted once the issues identified with the unit's retirement have been resolved.

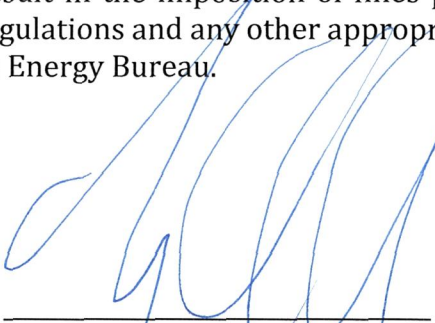


retiring approximately 36 MW of dependable capacity warrant careful evaluation when weighed against the reported conditions requiring the prior incorporation of approximately 101 MW of BESS capacity or, potentially, as much as 810 MW of additional generation capacity. In particular, the Energy Bureau expects the parties to carefully assess whether the potential impacts associated with retiring the existing 36 MW justify conditioning the advancement of the proposed projects on the prior incorporation of resources of such substantially greater magnitude, taking into account applicable reliability, location, timing, and system-operating considerations.

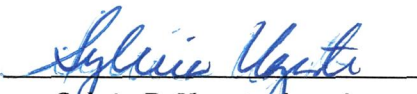
Accordingly, the Energy Bureau **ORDERS** Genera and LUMA to file, **within seven (7) business days** of notification of this Resolution and Order, a joint motion identifying all outstanding disagreements concerning the retirement and decommissioning of the existing peaking units at Dagua and Jobos, including any conditions that must be satisfied before those activities may proceed. Each party shall separately state its position on each disputed issue, the technical and factual basis for that position, and its proposed resolution. The submission shall specifically address: (i) the number of units currently operating at each site and their verified dependable capacities; (ii) the actual utilization of each of the existing peaking units at Dagua and Jobos during the preceding twelve (12) months, specifying, for each unit and on a monthly basis, the total number of hours during which the unit was actually dispatched and operated to supply electricity to the system, as distinguished from hours during which the unit was merely available for dispatch; (iii) the technical justification for the additional generation and/or BESS capacity identified as prerequisites, including the relationship between those requirements and the capacity that would actually become unavailable; (iv) the expected timing of permitting, preparatory work, physical decommissioning, and actual removal from service; and (v) whether and how these matters have been discussed between the parties. The parties shall include as appendices all documents supporting their respective positions, all relevant communications exchanged among Genera, the Puerto Rico Electric Power Authority ("PREPA"), LUMA, and the Puerto Rico Public-Private Partnerships Authority concerning this matter, and any other documents they deem relevant.¹²

The Energy Bureau **WARNS** Genera and LUMA that noncompliance with any provision of this Resolution and Order may result in the imposition of fines pursuant to Act 57-2014 and applicable Energy Bureau's regulations and any other appropriate administrative sanctions, as deemed appropriate by the Energy Bureau.

Be it notified and published.



Edison Avilés Deliz
Chairman

Ferdinand A. Ramos Soegaard
Associate Commissioner

Sylvia B. Ugarte Araujo
Associate Commissioner

Antonio Torres Miranda
Associate Commissioner

Omar M. Rodriguez González
Associate Commissioner

¹² Nothing in this Resolution and Order shall be construed as approving, excusing, or otherwise justifying any delay in the installation or commissioning of the replacement peaking units, which is the subject of a separate pending adjudicative proceeding before the Energy Bureau. All matters concerning such delays, including any associated contractual obligations or consequences, remain subject to determination in that proceeding.

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on October 15, 2026. I also certify that on October 15, 2026 I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau and a copy was notified by electronic mail to: alexis.rivera@prepa.pr.gov; mvalle@gmlex.net; mbustelo@gmlex.net; rcruzfranqui@gmlex.net; nzayas@gmlex.net; carlos@cwlllegal.com; legal@genera-pr.com; regulatory@genera-pr.com; lrn@roman-negron.com; PREBorders@lumapr.com; Alejandro.figueroara@lumapr.com; legal@lumapr.com.

I sign this in San Juan, Puerto Rico, today October 15, 2026.





Sonia Seda Gaztambide
Clerk