

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

IN RE:

REVIEW OF THE PUERTO RICO ELECTRIC
POWER AUTHORITY'S 10-YEAR
INFRASTRUCTURE PLAN-DECEMBER 2020

CASE NO.: NEPR-MI-2021-0002

SUBJECT: Resolution and Order on Eight (8)
Amended FEMA Approvals of Project and Five
(5) FEMA Approvals of Project

RESOLUTION AND ORDER

I. Introduction

On October 5, 2026, LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly, "LUMA") filed a *Motion Submitting Eight (8) Amended FEMA Approval of Project and Five (5) Federal Emergency Management Agency ("FEMA") Approvals of Project, Request for Confidential Treatment, and Supporting Memorandum of Law* ("October 5 Motion"). Through the October 5 Motion, LUMA submitted copies of eight (8) amended FEMA¹ approvals as Exhibit 1 and five (5) FEMA approvals as Exhibit 2. LUMA states that the approvals were re-obligated or obligated, as applicable, on September 25, 2026.

The eight (8) amended approvals submitted as Exhibit 1 concern the following transmission and distribution ("T&D") Projects previously addressed under scopes of work approved by the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau"):

1. [714641] FAASt [Rincón Streetlighting] (Distribution)
2. [745861] FAASt [Automation Program Group 12: DAR – ARECIBO 7402, 7403, 7702 FY24] (Distribution)
3. [752810] FAASt [Automation Program Group 20: Caguas] (Distribution)
4. [755211] FAASt [Automation Program Group 15] (Distribution)
5. [757696] FAASt [Automation Program Group 31] (Distribution)
6. [798275] FAASt [Distribution Feeder Rebuild # 1620-02] (Distribution)
7. [801172] FAASt [Distribution Feeder Rebuild #1529-15] (Distribution)
8. [334468] FAASt [Priority Pole Replacement Program (Line 2200)] (Transmission)

LUMA explains that the amendments address, as applicable, changes in project scopes and costs; the allocation of Architecture and Engineering ("A&E") and Equipment and Materials ("E&M") costs to the corresponding Global Project Worksheets ("PWs"); administrative funding-code corrections; reconciliation of Section 428 Public Assistance ("Section 428") and Section 406 Hazard Mitigation ("Section 406") amounts; and environmental review requirements. LUMA states that FEMA processes certain positive and negative Section 428/406 adjustments through separate project versions because of limitations in its financial management system. Such processing may temporarily affect the amounts reflected in individual project versions.

LUMA also submitted five (5) FEMA approvals for the following T&D Projects in Exhibit 2:

1. [1066738] FAASt [Pole and Conductor Repair – Caguas Group 6 – Phase 2] (Distribution) (formerly Project No. 806935)
2. [1068648] FAASt [Region 5 Mayagüez Transmission 38kV – Non-Sensitive] (Vegetation) – Group B (formerly Project No. 740411)

¹ Federal Emergency Management Agency ("FEMA").



3. [1068662] FAASt [Aguas Buenas Streetlighting] (Distribution) (formerly Project No. 724941)
4. [1068666] FAASt [Lares Streetlighting] (Distribution) (formerly Project No. 713795)
5. [1068667] FAASt [Moca Streetlighting] (Distribution) (formerly Project No. 704741)

LUMA expressly states that neither the amended eight (8) FEMA re-obligation nor the five (5) new FEMA obligations constitute final versions of the respective T&D Projects. LUMA anticipates subsequent FEMA versions to incorporate Section 406 costs and to finalize additions and reductions associated with the Global A&E and E&M Project Worksheets.

II. Request for Confidential Treatment

In the October 5 Motion, LUMA requests confidential treatment for specified portions of Exhibits 1 and 2 as Critical Energy Infrastructure Information ("CEII"). LUMA states that the FEMA approvals contain detailed infrastructure information, including precise locations, coordinates, and technical information regarding electric facilities, the disclosure of which could create security risks.

LUMA invokes Section 6.15 of Act 57-2014², the *Energy Bureau's Policy on Management of Confidential Information* (Case No. CEPR-MI-2016-0009³), 18 C.F.R. § 388.113, and 6 U.S.C. §§ 671-674. The request identifies the project documents and pages for which protection is sought in the confidentiality table appearing on pages 19 through 21 of the October 5 Motion. LUMA seeks protection of those specified portions, rather than a blanket designation of the entirety of Exhibits 1 and 2.

III. Evaluation and Analysis

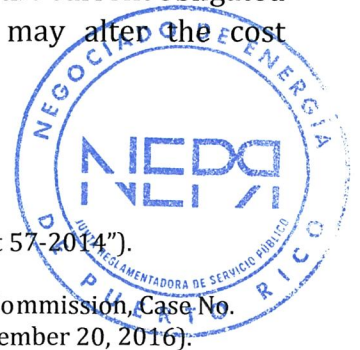
The October 5 Motion submits FEMA approval documentation for projects associated with scopes of work previously reviewed by the Energy Bureau. The submission therefore responds to prior directives requiring LUMA to provide evidence of FEMA and/or the Central Office for Recovery, Reconstruction, and Resiliency ("COR3") approvals and the corresponding obligated costs after receipt of such approvals.

The Energy Bureau **TAKES NOTICE** that the eight (8) amended approvals reflect different stages of FEMA's project versioning and reconciliation process. Several versions concern the realignment of Section 428 and Section 406 costs, while other changes concern scope revisions, administrative accounting corrections, Global A&E/E&M allocations, or environmental reviews. Acceptance of the documentation submitted herein does not establish that all related federal cost adjustments have been completed or that the amounts reflected in the individual FEMA versions represent final project costs.

The Energy Bureau further observes that the five (5) approvals in Exhibit 2 identify the currently approved FEMA project costs and associated federal shares. These figures reflect the CRC Net Project Costs and federal shares appearing in the current FEMA approvals; they are not a determination of the final overall project budgets. In particular, the FEMA documentation for Aguas Buenas, Lares, and Moca identifies additional estimated Section 406 mitigation and Global A&E/E&M costs that are not fully reflected in the current obligated project amounts. Subsequent federal actions or project versions may alter the cost distribution and available funding capacity.

² Known as *The Puerto Rico Energy Transformation and RELIEF Act*, as amended ("Act 57-2014").

³ In re: Policy on Management of Confidential Information in Procedures Before the Commission, Case No. CEPR-MI-2016-0009, Resolution (August 31, 2016), as amended by Resolution (September 20, 2016).



The Energy Bureau therefore finds that any resulting differences between the FEMA-approved costs and the corresponding amounts recorded in the Energy Bureau approved Consolidated Project List must be reconciled at the project level, including the Section 428 and Section 406 components and any allocations to Global A&E or E&M PWs. The Energy Bureau **CLARIFIES** that its acceptance of the FEMA approvals does not, by itself, authorize any change to previously approved project scopes, project status, funding allocations, or the Consolidated Project List. Any modifications requested remain subject to the applicable Energy Bureau review and approval requirements.

The Energy Bureau reviewed the FEMA-approved project reports and compared the approved amounts against the corresponding amounts reflected in the Energy Bureau-approved Consolidated Project List. This review identified discrepancies among the Section 428 construction, Global A&E, Global E&M, and Section 406 mitigation amounts for the projects listed below:

PW #	Reconciliation	428 (Construction)	A&E (428)	E&M (428)	Total 428	Total 406
714641	Consolidated	\$10,842,339.26	\$1,946,225.97	\$750,618.00	\$13,539,183.23	\$694,470.58
	FEMA	\$11,967,013.68	\$1,572,169.54	\$0.00	\$13,539,183.22	\$694,470.58
	Differences	\$1,124,674.42	(\$374,056.43)	(\$750,618.00)	(\$0.01)	\$0.00
752810	Consolidated	\$1,645,985.22	\$176,266.80	\$202,809.71	\$2,025,061.73	\$923,425.24
	FEMA	\$1,614,232.03	\$346,930.18	\$202,809.71	\$2,163,971.92	\$917,475.07
	Differences	(\$31,753.19)	\$170,663.38	\$0.00	\$138,910.19	(\$5,950.17)
798275	Consolidated	\$6,267,255.15	\$1,289,176.91	\$531,498.70	\$8,087,930.76	\$330,764.07
	FEMA	\$5,575,178.41	\$1,289,289.42	\$531,498.70	\$7,395,966.53	\$213,845.16
	Differences	(\$692,076.74)	\$112.51	\$0.00	(\$691,964.23)	(\$116,918.91)
801172	Consolidated	\$2,621,409.16	\$538,090.23	\$135,020.88	\$3,294,520.27	\$334,139.22
	FEMA	\$1,862,738.37	\$568,090.34	\$160,515.06	\$2,591,343.77	\$101,241.03
	Differences	(\$758,670.79)	\$30,000.11	\$25,494.18	(\$703,176.50)	(\$232,898.19)
334468	Consolidated	\$3,049,725.40	\$129,281.25	\$9,793.65	\$3,188,800.30	\$36,544.35
	FEMA	\$1,271,429.00	\$242,850.00	\$0.00	\$1,514,279.00	\$36,562.22
	Differences	(\$1,778,296.40)	\$113,568.75	(\$9,793.65)	(\$1,674,521.30)	\$17.87
1066738	Consolidated	\$7,262,006.01	\$645,539.70	\$509,451.10	\$8,416,996.81	\$583,751.74
	FEMA	\$7,539,064.69	\$668,572.54	\$509,451.10	\$8,717,088.33	\$260,479.54
	Differences	\$277,058.68	\$23,032.84	\$0.00	\$300,091.52	(\$323,272.20)
1068648	Consolidated	\$799,358.09	\$6,721.82	\$0.00	\$806,079.91	\$8,931,906.41
	FEMA	\$21,886.83	\$183.18	\$0.00	\$22,070.01	\$242,454.46
	Differences	(\$777,471.26)	(\$6,538.64)	\$0.00	(\$784,009.90)	(\$8,689,451.95)
1068662	Consolidated	\$12,423,846.45	\$1,646,095.25	\$0.00	\$14,069,941.70	\$668,746.89
	FEMA	\$11,613,361.45	\$1,646,095.25	\$0.00	\$13,259,456.70	\$668,746.89
	Differences	(\$810,485.00)	\$0.00	\$0.00	(\$810,485.00)	\$0.00
TOTAL	Total Differences	(\$3,447,020.28)	(\$43,217.48)	(\$734,917.47)	(\$4,225,155.23)	(\$9,368,473.55)

The FEMA-approved amounts differ from the amounts currently recorded in the Consolidated Project List. At the individual project level, certain projects reflect increases relative to the amounts previously recorded in the Consolidated Project List, while others reflect reductions.

The Energy Bureau further notes that these differences must be evaluated not only at the individual project level, but also by funding category. When the FEMA-approved amounts are reconciled across the projects reviewed, the reductions identified in certain projects result in net available funding, or additional reserve capacity, within the applicable Section 428 construction, Global A&E, Global E&M, and Section 406 mitigation categories.



Accordingly, although certain individual projects may reflect funding increases or potential overruns relative to the Consolidated Project List, the overall of all the projects presented reflect corresponding underruns or reductions.

LUMA must reconcile the FEMA-approved amounts with the Consolidated Project List at both the project and funding-category levels and identify how any available balances resulting from such reconciliation will be applied, including whether such balances may offset identified project-level funding increases, subject to the Energy Bureau's applicable review and approval requirements.

With respect to confidentiality, the Energy Bureau determines that the specifically identified portions of the FEMA approvals contain detailed technical and infrastructure-location information that warrants protection as CEII. Confidential treatment shall apply only to the portions identified in LUMA's confidentiality table and shall be administered in accordance with the Energy Bureau's applicable confidentiality procedures. The corresponding redacted versions shall remain available for public review.

IV. Conclusion

For the reasons stated above, the Energy Bureau **TAKES NOTICE OF and ACCEPTS** the eight (8) amended FEMA approval submitted by LUMA for:

1. [714641] FAASt [Rincón Streetlighting] (Distribution)
2. [745861] FAASt [Automation Program Group 12: DAR – ARECIBO 7402, 7403, 7702 FY24] (Distribution)
3. [752810] FAASt [Automation Program Group 20: Caguas] (Distribution)
4. [755211] FAASt [Automation Program Group 15] (Distribution)
5. [757696] FAASt [Automation Program Group 31] (Distribution)
6. [798275] FAASt [Distribution Feeder Rebuild # 1620-02] (Distribution)
7. [801172] FAASt [Distribution Feeder Rebuild #1529-15] (Distribution)
8. [334468] FAASt [Priority Pole Replacement Program (Line 2200)] (Transmission)

The Energy Bureau further **TAKES NOTICE OF and ACCEPTS** the five (5) FEMA approvals submitted for:

1. [1066738] FAASt [Pole and Conductor Repair – Caguas Group 6 – Phase 2] (Distribution)
2. [1068648] FAASt [Region 5 Mayagüez Transmission 38kV – Non-Sensitive] (Vegetation) – Group B
3. [1068662] FAASt [Aguas Buenas Streetlighting] (Distribution)
4. [1068666] FAASt [Lares Streetlighting] (Distribution)
5. [1068667] FAASt [Moca Streetlighting] (Distribution)

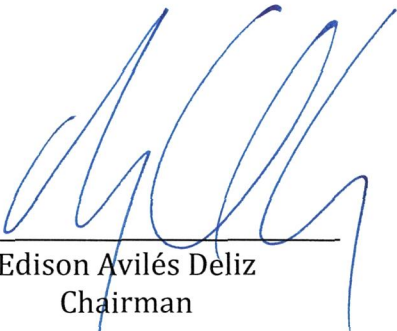
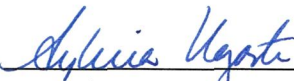
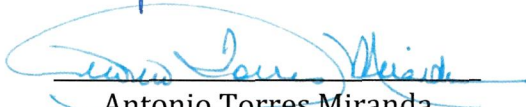
Accordingly, the Energy Bureau **ORDERS LUMA** to confirm within fifteen days (15) of notice of this Resolution and Order whether the FEMA-approved amounts currently reflected under each applicable funding category Section 428 construction, Global A&E, and Global E&M represent LUMA's revised estimated project costs for purposes of the Consolidated Project List. LUMA shall further identify and explain the resulting differences by funding category, including the \$4,225,155.23 in potential additional reserve capacity identified through the Energy Bureau's review under Section 428 construction, Global A&E, and Global E&M. Such identification shall not constitute approval of any modification to the Consolidated Project List and remains subject to confirmation through the final FEMA-approved project versions and subsequent Energy Bureau review.



The Energy Bureau **GRANTS** LUMA's request for confidential treatment of the portions of Exhibits 1 and 2 identified in Section III of this Resolution and Order as Critical Energy Infrastructure Information.

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

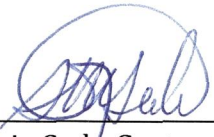
Be it notified and published.

 _____ Edison Avilés Deliz Chairman	
 _____ Ferdinand A. Ramos Soegaard Associate Commissioner	 _____ Sylvia B. Ugarte Araujo Associate Commissioner
 _____ Antonio Torres Miranda Associate Commissioner	 _____ Omar M. Rodríguez González Associate Commissioner

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau agreed on October 23, 2026. I also certify that on October 23, 2026, I have proceeded with the filing of this Resolution and Order and was notified by email to regulatory@genera-pr.com, legal@genera-pr.com, jfernandez@ecija.com, eramos@ecija.com; jdiaz@ecija.com, sromero@ecija.com; alexis.rivera@prepa.pr.gov; nzayas@gmlex.net; mvalle@gmlex.net; rcruzfranqui@gmlex.net; Yahaira.delarosa@us.dlapiper.com; Emmanuel.porrogonzalez@us.dlapiper.com.

I sign this in San Juan, Puerto Rico, today October 23, 2026.

 _____ Sonia Seda Gaztambide Clerk	
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