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 Eleven (11) Amended FEMA Approvals of Project

RESOLUTION AND ORDER

I. Introduction

On March 26, 2021, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order requiring the Puerto Rico Electric Power Authority ("PREPA") to submit proposed transmission and distribution projects ("T&D Projects") for review before submission to the Central Office for Recovery, Reconstruction, and Resiliency ("COR3"), the Federal Emergency Management Agency ("FEMA"), or any other federal agency, and to report on their approval status. These requirements were subsequently extended to LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly, "LUMA"). On April 22, 2026, the Energy Bureau extended the reporting period for another five (5) years, leaving the remaining directives in effect.

On April 24, 2023, LUMA submitted the scope of work ("SOW") for the Island-Wide Vegetation Clearing T&D Project for the Energy Bureau's review. On May 5, 2023, the Energy Bureau approved that SOW and ordered LUMA to submit copies of the corresponding approvals by FEMA and/or the relevant federal grant administrator, including the amounts obligated for each project, within ten (10) days of receipt.

On October 22, 2026, LUMA filed a Motion Submitting Eleven (11) FEMA Approvals of Project, Request for Confidential Treatment and Supporting Memorandum of Law ("October 22 Motion"). Through the October 22 Motion, LUMA submitted, as Exhibit 1, eleven (11) FEMA approvals corresponding to 38-kV vegetation clearing projects developed under the previously approved Island-Wide Vegetation Clearing SOW. According to LUMA, each of the approvals reflects an obligation date of October 14, 2026.

The eleven (11) FEMA project approvals submitted in Exhibit 1 are the following:

1. **[1070353] FAASt [38kV Line 3700 – Entire Line] (Vegetation) (HM Cost Alignment)**
2. **[1070360] FAASt [38kV Line 4000 – Entire Line] (Vegetation) (HM Cost Alignment)**
3. **[1070362] FAASt [38kV Line 5300 – Entire Line] (Vegetation) (HM Cost Alignment)**
4. **[1070366] FAASt [38kV Line 100 – Entire Line] (Vegetation) (HM Cost Alignment)**
5. **[1070369] FAASt [38kV Line 200 – Entire Line] (Vegetation) (HM Cost Alignment)**
6. **[1070370] FAASt [38kV Line 800 – Entire Line] (Vegetation) (HM Cost Alignment)**
7. **[1070375] FAASt [38kV Line 1600 – Entire Line] (Vegetation) (HM Cost Alignment)**
8. **[1070376] FAASt [38kV Line 2000 – Entire Line] (Vegetation) (HM Cost Alignment)**
9. **[1070377] FAASt [38kV Line 2100 – Entire Line] (Vegetation) (HM Cost Alignment)**

NEGOCIADO DE ENERGÍA DE PUERTO RICO
NEPR

10. **[1070380] FAASt [38kV Line 2500 – Entire Line] (Vegetation) (HM Cost Alignment)**
11. **[1070382] FAASt [38kV Line 3000 – Entire Line] (Vegetation) (HM Cost Alignment)**

LUMA also explains that FEMA processes certain adjustments affecting Section 428 Public Assistance ("Section 428") and Section 406 Hazard Mitigation ("Section 406") in separate project versions because its financial system cannot process the corresponding positive and negative adjustments together. Consequently, the individual FEMA versions may reflect interim cost amounts pending subsequent versioning and reconciliation.

II. Request for Confidential Treatment

In the October 22 Motion, LUMA requests confidential treatment for specified portions of Exhibits 1 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 57-2014[1], the *Energy Bureau's Policy on Management of Confidential Information* (Case No. CEPR-MI-2016-0009), 18 C.F.R. § 388.113, and 6 U.S.C. §§ 671–674. The portions for which protection is requested are identified in the confidentiality table included in Section IV.C of the October 22 Motion (pages 10 through 12).

III. Evaluation and Analysis

The FEMA approvals submitted as Exhibit 1 reflect initial project obligations under FEMA's Accelerated Award Strategy ("FAASt") process. The project documents distinguish the Section 428 Public Assistance component, associated with incidental vegetation clearance necessary to support eligible repair work, from the proposed Section 406 hazard mitigation component intended to reduce the risk of future damage to the transmission and distribution system.

The currently submitted FEMA cost summaries report amounts for the Section 428 Public Assistance component but reflect $0.00 under "Total 406 HMP Cost." Although the project narratives describe proposed Section 406 mitigation activities and associated estimates, these initial approvals do not establish that the corresponding Section 406 amounts have been obligated. LUMA represents that further FEMA versioning will address the outstanding Section 406 obligations.

Accordingly, the FEMA-approved costs reflected in these initial versions should not automatically be treated as the final overall project budgets. In particular, the accounting treatment for incidental vegetation clearing, any corresponding deduction from Section 406 mitigation costs, and allocations related to the Global Architecture and Engineering ("A&E") may require further reconciliation as additional FEMA versions are issued.

Any differences between the FEMA-obligated amounts and the corresponding amounts recorded in the Energy Bureau-approved Consolidated Project List must be identified at the individual project level and by funding category. The submission of these initial FEMA approvals does not, by itself, authorize changes to previously approved project scopes, project status, funding allocations, or the Consolidated Project List. Any proposed modifications remain subject to the Energy Bureau's applicable review and approval requirements.

NEGOCIADO DE ENERGÍA DE PUERTO RICO
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[1] Known as the *Puerto Rico Energy Transformation and RELIEF Act*, as amended ("Act 57-2014").

Regarding confidentiality, the Energy Bureau has evaluated LUMA's request as it pertains to the specific location information and geographic coordinates identified in the October 22 Motion. The requested protection is limited to the portions of Exhibit 1 identified in Section IV.C of that filing; the redacted version remains available for public review.

IV. Conclusion and Order

The Energy Bureau **TAKES NOTICE OF** and **ACCEPTS** the eleven (11) FEMA approvals submitted as Exhibit 1 to the October 22 Motion, corresponding to the eleven (11) T&D Projects identified therein.

However, the Energy Bureau **DETERMINES** that the FEMA-approved project versions submitted are not final, as subsequent versions are required to incorporate the Section 406 Hazard Mitigation Proposal costs and any other applicable modifications. Accordingly, the Energy Bureau **DEFERS** the validation of the corresponding project costs until the updated FEMA-approved versions are submitted.

Upon submission of such versions, the final FEMA-obligated project costs against the previously approved Consolidated Project List will be evaluated. Any discrepancies between the final FEMA-obligated costs and the project costs previously approved by the Energy Bureau **SHALL** be identified, justified, and reconciled with the previously approved budget allocations.

The Energy Bureau **CLARIFIES** that the acceptance of the submitted FEMA approvals does not constitute approval of any modification to previously approved project scopes, funding allocations, project status, or the Consolidated Project List. Any proposed modifications remain subject to the Energy Bureau's applicable review and approval requirements.

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 November 17, 2026. I also certify that on November 18, 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 November 18, 2026.

Sonia Seda Gaztambide
Clerk