

Monthly Report on the T&D System

For the Month of May 2025

June 17, 2025



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1.0 Mission, Goals and Areas of Responsibility

LUMA assumed operations of Puerto Rico's Transmission and Distribution System ("T&D System") on June 1, 2021, with the mission to recover and transform the energy grid and deliver customer-centric, reliable, resilient, safe, and sustainable electricity at reasonable prices for the 1.5 million customers LUMA is proud to serve. LUMA manages and operates the government-owned T&D Assets under 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"). This report outlines LUMA's key activities for the month of May 2025.

URGENT CASH MATTERS

May 2025 is the thirtieth (30th) consecutive month in which PREPA did not fully fund one or more of the Service Accounts and failed to comply with its contractual obligations, in breach of the T&D OMA. May 2025 is also the seventeenth (17th) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account. May 2025 is also the eighth (8th) consecutive month in which PREPA did not provide the required funding to replenish the Contingency Reserve Account. Funding the Service Accounts, including the Outage Event Reserve Account and the Contingency Reserve Account, is an obligation of the Owner, pursuant to Section 7.5 of the T&D OMA. To date, PREPA has failed to identify a funding source to meet its obligations under the T&D OMA.

2.0 LUMA Accomplishments

May Achievements

- LUMA completed critical maintenance at the Caguas substation in Caguas, benefiting over 4,600 customers in Caguas and Gurabo. Work included voltage regulator upgrades, transformer maintenance, equipment replacement, and wildlife protection—part of an island wide effort to modernize over 200 substations. ([Link](#))
- LUMA held regional meetings with all 78 municipalities to review its 2025 Emergency Response Plan and reinforce communication and coordination ahead of hurricane season. ([Link](#))
- Backed by FEMA funding, LUMA continues major grid improvements including transformer replacements in Bayamón, San Juan, and Ponce, and vegetation clearing in Mayagüez, Ponce, Caguas, and Arecibo. Over \$1.8 billion in projects are under construction, aimed at boosting service reliability and hurricane preparedness. ([Link](#))

Current Fiscal Year ("FY") 2025 Achievements

- LUMA has aid Puerto Rico residents to save 29,709 MWh in energy consumption in their homes and business.
- LUMA has replaced over 28,600 poles and has cleared over 6,119 mils of vegetation along power lines across the island.
- LUMA has installed 10,348 automated devices ("AMI") that helped prevent more than 271 million minutes of service interruptions.

- LUMA has also installed over 177,000 LED bulb streetlights across all 78 municipalities to enhance safety and energy efficiency and evaluated over 390,000 meters in preparation for the future installation of 1.5 million smart meters.
- LUMA has completed over 135,000 net metering connections to Grid, adding 940 megawatts of renewable solar energy.

3.0 Monthly Sales Summary

- Consumption in May 2025 increased by 1.0% compared to the previous month (April 2025) and decreased by 10.0% compared to the same month of the previous year (May 2024). In May 2025, energy sales (\$) increased by 1.6% compared to April 2025 and decreased 15.0% compared to May 2024.

Table 2–1. Energy billed by customer segment

Consumption (GWh)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2025 May	533.0	629.0	114.8	25.9	1.8	3.1	1,307.6
2025 April	517.4	639.8	106.5	26.1	1.9	3.0	1,294.7
2024 May	578.2	740.1	103.2	25.7	2.1	3.4	1,452.7

Table 2–2. Energy sales by customer segment

Sales (\$ Million)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2025 May	125.7	167.8	30.4	10.3	0.5	0.8	335.5
2025 April	110.9	154.0	24.7	9.5	0.5	0.7	300.3
2024 May	148.5	204.4	29.1	11.4	0.6	0.9	394.9

Table 2–3. Energy sales by rate component

Energy Sales (\$ Million)	Base	FCA ¹	PPCA ²	CILT & Subsidies & EE ³	Total ⁴
2025 May	90.5	152.5	70.7	21.8	335.5
2025 April	89.0	129.7	62.5	19.1	300.3
2024 May	97.7	220.7	49.8	26.7	394.9

¹ FCA: Fuel Charge Adjustment

² PPCA: Purchased Power Charge Adjustment

³ CILT: Contribution In Lieu of Taxes and EE: Energy Efficiency

⁴ The Total amount may not equal the sum of numbers for each category due to rounding.

4.0 System Operations Update

Reported Events

- In May 2025, a total of eight (8) base load generation forced outages occurred. Six (6) load sheds occurred because of generation outages that resulted in the activation of the Under Frequency Load Shed (“UFLS”⁵).
- There were no LEOC activations during the month of May 2025.

Table 3–1: Significant Generation Outages by Site for May 2025

Site Name	Derated ⁶	Forced Outage ⁷	Loadshed ⁸	Planned / Maintenance Outages ⁹
San Juan 5	1	3	2	2
San Juan 6	2	1	0	2
San Juan 9	2	0	0	1
Palo Seco 3	7	0	0	0
Costa Sur 5	7	3	1	0
Costa Sur 6	1	0	0	0
AES 1	22	0	0	0
AES 2	11	1	3	0
EcoEléctrica	0	0	0	0
TOTAL	53	8	6	5

Table 3–2: Total Significant Generation Outages by Month

Outage Type:	Derated	Forced Outage	Loadshed	Loadshed due to Generation Shortfall ¹⁰	Planned / Maintenance Outages
2025 May	53	8	6	0	5
2025 April	54	23	7	3	0
2024 May	54	10	3	8	8

⁵ Under Frequency Load Sheds occur when the system frequency drops below 59.2 Hz.

⁶ Derated: A reduction in power generation capacity, typically due to technical limitation.

⁷ Force Outage: Unplanned shutdown of a power station, generation unit, transmission or distribution lines due to unexpected breakdown or failure.

⁸ Loadshed: A protective Electric System mechanism to curtail demand for electric power, typically due to power supply shortfalls or disturbances.

⁹ Maintenance Outages: A generating unit shutdown for planned maintenance service.

¹⁰ Loadshed due to Generation Shortfall: Occurs when the demand for electricity becomes higher than the available supply.

Table 3–3: Significant Transmission Outages by Line / Transformer for May 2025

Site Name	Line Trips ¹¹	Transformer Trips ¹²	Substation Trips ¹³
11 Agosto Bus 38 kV	0	0	1
Barceloneta TC Bank #1 115/38 kV	0	1	0
Bayamón TC Bank # 2 115/38 kV	0	1	0
Bayamón TC Substation #1711	0	0	1
Canas TC Substation #5018	0	0	1
Dorado TC Bank 115/38 kV	0	1	0
Dos Bocas Bus 38 kV	0	0	2
Humacao TC Bus #2 115 kV	0	0	1
Jobos Bank #1 115/38 kV	0	1	0
Juana Díaz Bus 115 kV	0	0	1
Juncos TC Bus #1 38 kV	0	0	1
Line - 36100 Dos Bocas HP – Bo Piñas GIS	9	0	0
Line - 36100 Monacillos TC – Bayamón TC	2	0	0
Line - 36300 Jobos - Juan Martín	1	0	0
Line - 36400 Ponce TC – Dos Bocas HP	2	0	0
Line - 37400 Barceloneta TC – Cambalache TC	1	0	0
Line - 37400 Cambalache TC - Dos Bocas Plant	1	0	0
Line - 37400 Vega Baja TC - Dorado TC	3	0	0
Line - 37500 Monacillos TC – Rio Bayamón	1	0	0
Line - 37800 Caguas TC – Cayey TC	2	0	0
Line - 37800 Caguas TC - Monacillo TC	2	0	0
Line - 38200 Monacillos TC – Palo Seco SP	4	0	0
Line - 39000 Aguas Buenas GIS – Hacienda San José	4	0	0
Line - 39000 Comerio TC – Barranquitas TC	1	0	0
Line - 50100 Manatí TC - Cambalache GP	1	0	0
Line - 51200 Cambalache GP – Costa Sur SP	1	0	0
Manatí TC Bank 115/38/13 kV	0	1	0
Manatí TC Bus 38 kV	0	0	1
Minillas Substation #1114	0	0	4
San Germán 1 Bus 38 kV	0	0	1
Santa Isabel 38 kV Bus	0	0	1
Substation #8015 Hospital Distrito	0	0	1
Yabucoa TC Bank 115/13 kV	0	1	0
Total	35	6	16

¹¹ Line Trips: A protective disconnection of a transmission or distribution line due to a fault or abnormal condition.

¹² Transformer Trips: The automatic shutdown of a transformer triggered by protective relays due to faults such as overloads or internal issues.

¹³ Substation Trips: The protective disconnection of electrical equipment within a substation, often caused by faults or abnormal operating conditions.

Table 3–4: Total Significant Transmission Outages by Month

Outage Type:	Line Trips	Transformer Trips	Substation Trips
2025 May	35	6	16
2025 April	21	2	11
2024 May	37	6	18

5.0 Puerto Rico Energy Bureau Filings and Hearings

LUMA participated in and supported discussions with the Puerto Rico Energy Bureau (“PREB”) across a broad range of topics during the month.

- [NEPR-MI-2021-0002](#) | **Federal Funding** – On May 1, 2025, LUMA submitted four (4) FEMA Project Obligations for the Vegetation Management and Capital Clearing implementation. On May 20, LUMA submitted a motion informing the replacement of the transformers in Bayamón and also informed that the replacement will be funded by FEMA assistance through Hurricane Maria funds.
- [NEPR-MI-2019-0006](#) | **Emergency Response Plan (“ERP”)** – On May 7, 2025, LUMA submitted the Redline Version of the Final Draft of the 2025 ERP. On May 13, LUMA submitted the Coordination Meeting Report between LUMA, PREPA and Genera for the third Quarter of Fiscal Year 2025 in compliance with the July 24th R&O. On May 30, LUMA submitted the 2025 Emergency Response Plan, the Emergency Response Preparedness Report, and the Annual AAR/Trainings Report.
- [NEPR-AP-2023-0003](#) | **Rate Review** – On May 7, 2025, LUMA took part in Technical Conference focused on Rate Design. On May 21, LUMA submitted a request for partial reconsideration of the May 9 Order, in which PREB ordered parties to submit Spanish summaries for all substantive submissions. On May 23, LUMA submitted its Comments on the Draft Filing Requirements regarding Rate Design, in compliance with PREB’s May 16th and May 22nd Orders.
- [NEPR-MI-2022-0001](#) | **Energy Efficiency (“EE”) and Demand Response (“DR”) Transition Period Plan (“TPP”)** – On May 8, 2025, LUMA submitted its proposal for expanded customer battery energy sharing program and the revised Technical Conference presentation in compliance with the April 30th Resolution & Order (“R&O”). On May 21, LUMA submitted its proposal for Emergency Load Reduction Program in compliance with the April 30th R&O and on May 27, LUMA submitted to PREB its responses Regarding Customer Battery Energy Sharing and Proposal in compliance with May 20th R&O.
- [NEPR-MI-2020-0017](#) | **Data Security Plan** – On May 12, 2025, PREB held a Technical Conference on the Data Security Plan, in compliance with the PREB’s May 9th R&O. On May 22, LUMA submitted a motion providing its responses to the RFI from the bench orders issued during the May 12th Technical Conference related to cybersecurity incident response, cloud bases security and maturity plan.
- [NEPR-MI-2021-0004](#) | **Initial Budgets** – On May 15, 2025, LUMA submitted its budget amendment petition as anticipated on the March 31st notice. On May 30, LUMA submitted a

motion reiterating the request of approval for PREB for the budget amendment as submitted on May 15.

- [NEPR-MI-2019-0007](#) | **Legacy Performance Metrics** – On May 16, 2025, PREB issued a R&O ordering LUMA to begin reporting the System Average Interruption Duration Index (“SAIDI”), System Monthly SAIDI, System Average Interruption Frequency Index (“SAIFI”), and System Monthly SAIFI (“T&D”) metrics on a monthly basis.
- [NEPR-AP-2023-0004](#) | **Review of the PREPA Integrated Resource Plan (“IRP”)** – PREB Technical Consultants and LUMA have held several meetings to discuss the resource modeling parameters of the 2025 IRP Scenarios. On May 22, 2025, LUMA provided its responses to the RFIs issued after these informal meetings, which were regarding assumptions and parameters for the 2025 IRP modeling.
- [NEPR-AP-2025-0002](#) | **Temporary Rate Adjustment** – On May 22, 2025, LUMA filed a request to PREB for its approval of the proposed Fiscal Year (“FY”) 2026 Budget and a temporary rate adjustment to become effective on June 1, 2025. On May 29, PREB issued an R&O in which denied LUMA’s Temporary Rate request.
- [NEPR-MI-2019-0009](#) | **Interconnection Regulation** – On May 24, 2025, LUMA filed a motion presenting its intention to respond to the concerns presented by Enphase and SESA on May 7 and May 14 regarding the Smart Inverters Settings Sheets. LUMA requested the opportunity to present its proposal to PREB before any determination is made about the implementation of Smart Inverters Settings and the IEEE1547 Technical Bulletin and requested until June 20, 2025 to submit its comments and complete proposal.
- [NEPR-MI-2020-0001](#) | **Permanent Rate** – On May 31, 2025, LUMA filed the proposed FY2026 Annual Riders for the Contribution in Lieu of Taxes to municipalities (“CILT”), subsidies (“SUBA-HH & SUBA-NHH”), and Energy Efficiency (“EE”) programs to be in effect from July 1, 2025, to June 30, 2026.

Other Filings made during May 2025:

- [NEPR-MI-2020-0001](#) | **Streetlights Report** – Quarterly Report on Streetlights Repairs for the period of January through March 2025 (May 12)
- [NEPR-MI-2019-0016](#) | **Distributed Generation (“DG”) Interconnection Progress Report** – Quarterly DG Interconnection Progress Report for the Period of January through March 2025 (May 14)
- [NEPR-MI-2019-0005](#) | **Vegetation Management Plan** – Third Quarter (“Q3”) of FY 2025 Vegetation Management Progress Report (May 15)
- [NEPR-MI-2020-0019](#) | **System Remediation Plan (“SRP”)** – Q3 of FY2025 Report for the period of January-March 2025 (May 15)
- [NEPR-MI-2021-0004](#) | **Initial Budgets** – Q3 of FY2025 Report for the period of January-March 2025 (May 15)
- [NEPR-MI-2022-0001](#) | **Energy Efficiency (“EE”) and Demand Response (“DR”) Transition Period Plan (“TPP”)** – May 2025 report on the Development of the Pilot Emergency Backup Generators Demand Response Program and the Q3 of FY2025 Consolidated TPP and DR Quarterly Report (May 14 and May 15)
- [NEPR-MI-2024-0001](#) | **PREB Approved Investments** – PREB Approved Investments Status Quarterly Report for Q3 of FY2025 (May 15)

- [NEPR-MI-2024-0005](#) | **System Improvements Plan** – May 2025 Monthly Collaborative Report on the Progress of the Electric System Priority Stabilization Plan (May 27)
- [NEPR-MI-2021-0002](#) | **Federal Funding** –Q3 of FY2025 Federal Funding Report and the Monthly Progress Report for 4x 25 MW BESS Project (May 13 and May 28).

6.0 Legislative Matters & Material Legal Update

Monitoring legislative activity, responding to requests for comments, and preparing LUMA employees for public hearings is an important and significant responsibility, requiring multiple interactions with members and staff of the Puerto Rico Senate and House of Representatives.

Table 5–1: Summary of Relevant Legislation and Requests for Comments or Information in the Puerto Rico Senate, House of Representatives or Governor’s Office of Legislative Affairs

Committee	Act, Bill or Resolution	LUMA Response
Senate of Puerto Rico	Request for Information 2025-0049 regarding Island wide Blackout (Week: April 14-20, 2025).	On May 8, 2025, LUMA provided a response to the RFI.
	Request for Information 2025-0057 regarding the Home Efficiency Rebate Program.	On May 8, 2025, LUMA received the Senate's Request for Information 2025-0057. LUMA provided a response to the RFI on May 15, 2025.
	Request for Information 2025-0051 regarding budget, expenditure and contracts for public relations and communications.	On May 9, 2025, LUMA provided a response to the RFI.
	Request for Information 2025-0061 regarding a detailed report on the expenses incurred in the production and distribution in the media of the documentary " <i>A la luz de la verdad</i> ", about the country's electricity system.	On May 20, 2025, LUMA received the Senate's Request for Information 2025-0061. On May 22, 2025, LUMA provided a response to the RFI.
	Request for Information 2025-0063 regarding information on the expense and source of funding for the documentary video on the transfer of the	On May 23, 2025, LUMA received the Senate's Request for Information 2025-0063.

Committee	Act, Bill or Resolution	LUMA Response
	replacement transformer for the Santa Isabel substation.	
	Request for Information 2025-0065 regarding the expenditure incurred for advertising on digital boards or "billboards" from last January to the present.	On May 23, 2025, LUMA received the Senate's Request for Information 2025-0065.
Senate of Puerto Rico - Government Committee	Public Hearing summoning regarding R.S. 85 to conduct a thorough investigation into the potential planned closure of seven (7) LUMA Energy Customer Experience Centers.	On May 1, 2025, LUMA received a Public Hearing summoning regarding Senate Resolution No. 85 (R.S. 85). LUMA attended the Public Hearing on May 8, 2025. LUMA provided additional information, as requested by the Committee, on May 16, 2025.
	Request for Input regarding P.S. 586, to amend Act No. 17-2019, known as the "Puerto Rico Energy Public Policy Act" , in order to establish regional goals for generation from renewable energy sources.	On May 8, 2025, LUMA received the Request for Input regarding P.S. 586. LUMA submitted its comments to the Committee regarding Senate Bill No. 586 (P.S. 586) on May 21, 2025.
	Request for Input regarding P.S. 600, to amend Act No. 17-2019, known as the "Puerto Rico Energy Public Policy Act" , in order to establish regional goals for generation from renewable energy sources.	On May 8, 2025, LUMA received the Request for Input regarding P.S. 600. LUMA submitted its comments to the Committee regarding Senate Bill No. 600 (P.S. 600) on May 29, 2025.
	Request for Input on P.S. 528 to amend Act 17-2019, as amended, known as the "Puerto Rico Energy Public Policy Act" , in order to establish as one of the initial objectives of said public policy the promotion and development of Community Renewable Energy projects.	On May 9, 2025, LUMA received a Request for Input based on Senate Bill No. 528 (P.S. 528). LUMA submitted its comments to the Committee on May 16, 2025.

Committee	Act, Bill or Resolution	LUMA Response
Senate of Puerto Rico - Joint Committee on Public-Private Partnerships	<i>Request for Input regarding P.S. 458 to amend Act 29-2009, as amended, known as the "Public-Private Partnerships Act"</i> , so that in all contracts, auctions, bids and, particularly in alliance contracts, certifications are included, in which the person or company that is interested in having or then obtains a public-private partnership agreement with the Government of Puerto Rico, establishes that it will not subcontract the provision of goods or services subject to the agreement to members of its family unit, its shareholders, partners, related entities or former employees.	On May 9, 2025, LUMA received a Request for Input based on Senate Bill No. 458 (P.S. 458). LUMA submitted its comments to the Committee on May 30, 2025.
Senate of Puerto Rico - Planning, Permits Infrastructure & Urbanism Committee	<i>Request for Input regarding P.S. 553 to establish the "Puerto Rico Critical Infrastructure Protection and Resilience Act"</i> in order to develop a legal framework that guarantees the security, operational continuity and rapid recovery of essential infrastructures in the face of natural and man-made disasters.	On May 14, 2025, LUMA received a Request for Input based on Senate Bill No. 553 (P.S. 553).
House of Representatives of Puerto Rico - Consumer Affairs Committee	<i>Public Hearing summoning regarding R.C. 88</i> to conduct a thorough investigation into power outages and voltage fluctuations; among other matters.	On May 1, 2025, LUMA received a Public Hearing summoning regarding House Resolution No. 88 (R.C. 88). LUMA attended the Public Hearing on May 27, 2025.
House of Representatives of Puerto Rico - Metro Region Committee	<i>Public Hearing summoning regarding R.C. 102</i> to conduct a thorough investigation regarding the Paseo la Cima residential construction project located in Bo. Cupey, Río	On May 1, 2025, LUMA received a Public Hearing summoning regarding House Resolution No. 102. On May 2, 2025, LUMA was notified of the cancellation of the Hearing.

Committee	Act, Bill or Resolution	LUMA Response
	Piedras sector of the Municipality of San Juan.	
House of Representatives of Puerto Rico - North Committee	Public Hearing summoning regarding R.C. 199 to conduct a thorough investigation into the measures taken by PRASA at the La Plata Dam as part of preparations for the upcoming hurricane season.	On May 1, 2025, LUMA received a Public Hearing summoning regarding House Resolution No. 199 (R.C. 199). LUMA requested to be excused from the Hearing on May 2, 2025. The Committee excused LUMA from attending the public hearing.
House of Representatives of Puerto Rico - Central Region Committee	Oversight Hearing summoning regarding R.C. 87 , which orders and investigation into all matters related to the municipalities of Lares, Adjuntas, Utuado, Jayuya, Ciales, Morovis, Orocovis, Corozal, Barranquitas, Naranjito and Comerio.	On May 9, 2025, LUMA received an Oversight Hearing summoning regarding House Resolution No. 87. On May 13, 2025, LUMA was notified of the cancellation of the Hearing.
House of Representatives of Puerto Rico - Municipal Affairs Committee	Request for Input regarding P.C. 493 , to prohibit charging municipalities for the public lighting service when evidence is presented that said lighting is not in operation.	On May 2, 2025, LUMA submitted its comments to the Committee regarding House Bill No. 493 (P.C. 493).
	Public Hearing summoning regarding P.C. 430 to amend Law 107-2020, known as the "Municipal Code of Puerto Rico," regarding the notification of work aimed at normalizing or restoring the electric power system by the municipality during a state of emergency.	On May 14, 2025, LUMA attended the Public Hearing regarding House Bill No. 430 (P.C. 430). As a result from the Public Hearing, LUMA received a request for additional information. On May 22, 2025, LUMA provided a response to the Committee's request for additional information.
House of Representatives of Puerto Rico - Government Committee	Request for Input regarding R.C. 42 evaluating the chronology and shortages in backup platforms, among others, associated with the Islandwide interruption of electrical service that occurred at 12:38 p.m. on April 16, 2025	On May 2, 2025, LUMA submitted its comments to the Committee regarding House Resolution No. 42 (R.C. 42).

Committee	Act, Bill or Resolution	LUMA Response
	<p>Public Hearing summoning regarding R.C. 42 to investigate regarding the components that make up the bill issued by LUMA Energy.</p>	<p>On May 8, 2025, LUMA received a Public Hearing summoning regarding House Resolution No. 42. LUMA attended the Public Hearing on May 14, 2025. On May 21, 2025, LUMA provided a response to the Committee's request for additional information as a result of the Public Hearing.</p>
	<p>Request for Input on P.S. 82 to amend Article 1.4 of Act 82-2010, as amended, known as the "Public Policy Law for Energy Diversification through Sustainable and Alternative Renewable Energy in Puerto Rico", with the objective of incorporating the use of hydrogen-based technologies into the definition of Alternative Renewable Energy, in line with the strategic plan adopted by the United States Department of Energy</p>	<p>On May 9, 2025, LUMA submitted its comments to the Committee regarding Senate Bill No. 82 (P.S. 82).</p>
	<p>Public Hearing summoning and Request for Input regarding P.C. 133: "To create the "Fair Payment Plans to Ensure Continuity of Essential Services Act".</p>	<p>On May 14, 2025, the Committee sent notification of the cancellation of the Public Hearing regarding House Bill No. 133 (P.C. 133).</p>
	<p>Request for Input regarding R.C.C. 124 to order the granting of an automatic credit to be applied in subsequent billing cycles to any subscriber, whether residential or commercial, who proves ownership of equipment or appliance that has been damaged as a result of blackouts or voltage fluctuations in the electrical system.</p>	<p>On May 14, 2025, LUMA received a Request for Input based on the Joint House Resolution No. 124 (R.C.C. 124). LUMA submitted its comments to the Committee on May 30, 2025.</p>

Committee	Act, Bill or Resolution	LUMA Response
	Request for Additional Information as a result of the <i>Oversight Hearing regarding R.C. 42</i> , held at LUMA's Palo Seco Warehouse.	As a result of the Oversight Hearing, LUMA received a request for additional information to be submitted in May 2025. On May 20, 2025, LUMA provided a response to the Committee's request for additional information.
	<i>Public Hearing summoning regarding R.C. 42</i> to investigate fast and safe energization protocols in the event of a general collapse of the electrical system after a major atmospheric event.	On May 20, 2025, LUMA received a Public Hearing summoning regarding House Resolution No. 42. LUMA attended the Public Hearing on May 28, 2025.
House of Representatives - Reorganization, Efficiency and Diligence Committee	<i>Request for Input regarding P.C. 357 to amend the definition of "Sustainable Renewable Energy" in Act No. 82-2010, as amended</i> , by adding the combustion of hydrogen as part of the alternative renewable energy sources to be considered.	On May 13, 2025, LUMA received a Request for Input based on Senate Bill No. 357 (P.S. 458). LUMA submitted its comments to the Committee on May 20, 2025.
House of Representatives of Puerto Rico - Transportation and Infrastructure Committee	<i>Public Hearing summoning regarding R.C. 97</i> to follow-up to the incident that occurred on the Urban Train. (The causes and its maintenance)	On May 30, 2025, LUMA received a Public Hearing summoning regarding House Resolution No. 97.

Table 5–2: Material Litigation Update¹⁴

Case No. & Parties	Description	Updates
Civil Case No. SJ2022CV02868 – Ismael Herrero Domenech and the class composed of all residential electrical energy customers of LUMA Energy LLC v. LUMA Energy LLC, WenCo of Puerto Rico Inc. et al. v. LUMA Energy LLC	Consolidated class actions claiming damages from the April 6, 2022, event at Costa Sur that caused an island-wide blackout.	On May 1, 2025, the Court granted the parties joint request to extend the discovery until June 30, 2025.

¹⁴ Material Litigation Activity refers to all litigation related to challenges to the T&D OMA, matters that could impede the T&D OMA work or litigation with significant financial risk. This does not include ordinary litigation proceedings that originate as part of the operation of the T&D System, including but not limited to pre-litigation dispute resolution, management of active litigation, discovery, PREB invoice challenges, and other litigation procedures.

Case No. & Parties	Description	Updates
Civil Case No. SJ2025CV03310 – WendCo of Puerto Rico Inc. et al. v. LUMA Energy LLC	Class action complaint claiming damages from the April 16, 2025, event that caused an island-wide blackout.	On May 22, 2025, the Court granted LUMA until June 23, 2025 to file its responsive pleading.
The following cases have had no significant changes since the last report:		
Civil Case No. 22–CV–01357 – CADFI Corp. v. PREPA, LUMA and Municipality of San Juan	Plaintiff alleges that pole placement in sidewalks violates ADA.	
Domingo Marrero v. Mun. de Guánica, Civil Case No. PO2021CV00963	Plaintiff alleged that pole placement in sidewalks violates the Americans with Disabilities Act (“ADA”).	
Civil Cases No. SJ2023CV01793, No. SJ2023CV02513 (consolidated) – LUMA Energy ServCo, LLC v. Municipio Autónomo de Manatí	Challenge to Manatí Municipality’s construction excise tax determinations for LUMA.	

7.0 Ongoing External Audits

LUMA is subject to multiple audits related to its activities under the T&D OMA. LUMA takes all required audits under T&D OMA very seriously and therefore allocates considerable resources and time to completion of these.

Table 6–1: Summary of Governmental Audits

Government Entity	Audit Description	Significant Updates
Comptroller’s Office of Puerto Rico (“OCPR”), No. 15592 (PREPA)	Audit of PREPA during the period of June 1, 2018 – June 30, 2021, by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto Rico, and Act 9 of July 24, 1952, as amended.	At this moment there are no outstanding RFIs for this audit.
Comptroller’s Office of Puerto Rico (“OCPR”), No. 15720 (LUMA)	Audit of PREPA during the period of June 1, 2018 – June 30, 2021, by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto Rico, and Act 9 of July 24, 1952, as amended.	On April 29, 2025, OCPR sent an RFI requesting the disbursements made for two (2) contracts. The information was submitted on May 9. On May 16, 2025, OCPR sent an RFI requesting the disbursements made to three (3) suppliers. The information was submitted on May 21.

Government Entity	Audit Description	Significant Updates
Comptroller’s Office of Puerto Rico (“OCPR”), No. 15794 (LUMA)	Audit of PREPA during the period of June 1, 2018 – June 30, 2021, by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto Rico, and Act 9 of July 24, 1952, as amended.	<p>On April 24, OCPR sent an RFI related to CC&B reports for Accounts Receivable. The information was submitted on May 15.</p> <p>On April 28, OCPR sent an RFI related to obtaining a report of disbursements from the Oracle system for the period 1/1/2024 to 3/31/2025. The information was submitted on May 6. In addition, the auditors requested the complete CC&B database for Accounts Receivable. Considering the complexity of this request, LUMA is collaborating through technical meetings with the OCPR auditors to complete this RFI.</p> <p>On May 16, OCPR sent an RFI related to PCard cardholders with duplicate accounts and evidence of the account’s cancellation. The information was submitted on May 23.</p>
Comptroller’s Office of Puerto Rico (“OCPR”), No. OC-25-39 (AAFAF Audit Report)	This audit pertains to Autoridad de Asesoría Financiera y Agencia Fiscal de Puerto Rico (“AAFAF”) and the report was issued in November 15, 2024.	The OCPR requested a Plan de Acción Correctiva (“PAC”) from LUMA in response to Recommendation # 19 in the report. LUMA submitted the PAC response on May 15, 2025.
Comptroller’s Office of Puerto Rico (“OCPR”), Carta Circular OC-25-20	This Circular Letter applies to government entities under the Executive Branch who receive contributions from the General Fund.	On May 1, the OCPR requested all government agencies a certification as recipients of the General Fund from Puerto Rico’s government. LUMA was included on such request and responded on May 19 that this requirement does not apply since LUMA is not an entity under the Executive Branch as stipulated on the request.
PREPA Fiscal Year (“FY”) 2023	KPMG Audit of PREPA Financial Statements (“FY2023”)	Audit started in April 2024. LUMA has been providing all data requested by KPMG and PREPA. The expected release date was for late May 2025, however this has shifted towards late June 2025. LUMA is committed to supporting PREPA’s updated deadline.

Government Entity	Audit Description	Significant Updates
PR Treasury Department & Municipalities by PwC	PwC Audit of LUMA Energy, LLC 2023 (Consolidated: ManageCo & ServCo and Standalone: ServCo) – Financial Statements	The 2023 audit remains ongoing with a target issuance date by the end of June 2025.
P3A FY2022 Audit – by Vázquez & Vilanova	First Year (“FY2022”) T&D OMA Compliance – audit for the first full year of LUMA operations.	LUMA provided its final response to the audit on December 20, 2024. LUMA is currently waiting for P3A’s feedback.
P3A FY2023 Audit – by Vázquez & Vilanova	Second Year (“FY2023”) T&D OMA Compliance – audit for the second year of LUMA operations.	On January 17, 2025, LUMA provided the last of the responses to all RFI’s sent by P3A. P3A and its auditors requested additional information the week of February 7 th , and LUMA responded to the request. LUMA is currently waiting for P3A’s feedback on the submitted responses.
P3A FY2024 Audit – by Vázquez & Vilanova	Third Year (“FY2024”) T&D OMA Compliance – audit for the third year of LUMA operations.	On January 17, 2025, LUMA provided the last of the responses to all RFI’s sent by P3A. LUMA is currently waiting for P3A’s feedback on the submitted responses.
Union Pension Plan Compliance (“NEBF”) 2023 (Calendar) Audit – by Withum	Pursuant to Article 6, Sections 6.7 and 6.8 of the Restated Employees Benefit Agreement and Trust for the National Electrical Benefit Fund, the Trustees of the Fund have established a Payroll Audit Program.	On February 19, 2025, LUMA followed up on the updated audit report, which will be provided by the end of February. LUMA has not received the finalized report.
COR3 - Central Office for Recovery, Reconstruction and Resiliency Monitoring by Deloitte	Deloitte Monitoring for Q1-FY2025 Federal Funding process.	On April 22, 2025, LUMA provided COR3 a status update on its ongoing items. LUMA will continue to respond to the remaining follow ups by their respective deadlines.
<i>The following audits have had no significant changes since the last report:</i>		
OCPR, No. 15560 – Audit of debt issued by the Commonwealth of Puerto Rico and its public corporations from January 1, 2000 – present day.		
OCPR, No. 15637 – Audit of the Municipality of Guánica.		
OCPR, No. 15671 – Audit to PREPA for the period of June 1, 2018 – June 30, 2021.		

8.0 Material T&D OMA Items

PREPA's Non-Compliance with T&D OMA Obligations

- May 2025 is the thirtieth (30th) consecutive month in which PREPA did not fully fund one or more of the Service Accounts and failed to comply with its contractual obligations, in breach of the T&D OMA.
- May 2025 is the seventeenth (17th) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account.
- May 2025 is the eighth (8th) consecutive month in which PREPA did not provide the required funding to replenish the Contingency Reserve Account.
- LUMA has issued thirty (30) non-compliance notices to PREPA and notified P3A as Administrator of the T&D OMA.
- LUMA has issued 10 non-compliance notices to PREPA and notified P3A as Administrator for authorizing \$1,268.685 M of fuel advances to Genera outside of the regular funding cycle as specified by T&D OMA, LTGA OMA and the PGHOA.
- Since January 2023, LUMA has been requesting PREPA to provide balance sheet reconciliations. Until initial balance sheet reconciliations are provided, including a segregated opening balance sheet for the Transmission and Distribution (“T&D”) system, LUMA is prevented from providing certain Operation and Maintenance (“O&M”) services related to financial reporting under T&D OMA. On August 20, 2024, FTI was contracted by the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) to define the scope of PREPA’s Accounting Remediation project, including the balance sheet separation efforts. To date, LUMA has not been informed of the FTI project results.

LUMA Budget Approval, Amendment and Reallocation

- On May 15, LUMA submitted its budget amendment as anticipated on the March 31st notice, reallocating \$15.6 million within the Operating Budget from the Support Services Department to the Customer Experience, Operations, and Utility Transformation Departments to better align resources with operational priorities, and \$13.9 million within the Non-Federal Capital Budget to advance the Electric System Priority Stabilization Plan, resiliency initiatives, and critical capital improvements. LUMA noted that all proposed reallocations remain within their respective budget categories and no funds are transferred between the Operating Budget and the Non-Federal Capital Budget. On May 30, LUMA submitted a motion reiterating the request of approval from the Energy Bureau of the budget amendment as submitted on May 15th, stating the importance of the Energy Bureau to address and approve the requested amendment expeditiously to enable LUMA to proceed with necessary expenditures. Timely approval will allow LUMA to allocate resources effectively, maintaining momentum on essential maintenance and capital improvements initiatives.

PREPA Reorganization and Shared Services

- In February 2025, LUMA and PREPA agreed, in good faith, to extend the existing Amended and Restated Shared Services Agreement (“A&R SSA”) until June 30, 2025, as stated in the 2025 Fiscal Plan and requested by PREPA. As required by the executed extension of the A&R SSA,

PREPA is required to submit an updated separation plan through the end of June 2025. As of the end of May 2025, LUMA has not received the required updates from PREPA and LUMA is concerned that PREPA will fail yet again to assume its responsibilities under the A&R SSA and continue to burden LUMA in the provision of services far beyond the original intent of the T&D OMA.

PREPA Title III Exit

- Since June 17,2024, the parties have been participating in court-ordered mediation. On July 10, 2024, Judge Swain stayed all litigation in the Title III case for an initial 60-day period, through September 8,2024. The litigation stay period has been extended several times, most recently without an end date (except as specifically modified in an order entered on March 20,2025), the appointment of the lead mediator has been extended to October 1, 2025, and the mediation period has been extended to October 31,2025.
- In response to a motion filed by the non-settling bondholders, the Title III court entered the March 20 order modifying the litigation stay in PREPA's Title III case specifically to permit (1) FOMB to file an amended plan of adjustment for PREPA and an amended disclosure statement; (2) the parties to litigate the non-settling bondholders' administrative expense claim for PREPA's alleged misuse of net revenues; and (3) FOMB to litigate its objection to the PREPA bond trustee's proof of claim in the Commonwealth's Title III case.

Net Energy Metering

- In compliance with the current regulation of distributed generation interconnection, LUMA successfully completed an additional 695 supplemental studies in May 2025. The studies cover distribution feeder voltage, thermal, and protection analyses, which are critical to maintaining the distributed system's stability and reliability. As of May 30th, all feeders with penetration levels above fifteen percent (15%) have been studied. Through this process, LUMA has identified the required system upgrades. LUMA is currently in the process of preparing the cost and timeline information to share with the developers. LUMA is highly concerned about the increasing number of interconnections surpassing the pace of comprehensive studies, which poses a systemic reliability risk. LUMA has engaged in discussions with distributed generation developers and installers to secure payments for required supplemental studies.

Third Party Pole Attachments ("TPA")

- LUMA continues to enhance the TPA application process by implementing new requirements and providing training to all carriers on the use of Pole Loading Analysis, which is now mandatory for all applications.
- On May 22, 2025, LUMA met with the President of the Puerto Rico Telecommunications Bureau ("NET"), per its Spanish acronym) to discuss challenges, progress, and areas of opportunity related to joint-use poles.
- On May 23, 2025, LUMA submitted its Attachment Rate, calculated using the FCC Telecom Formula, along with supporting documentation to the President of the NET.
- On May 23, 2025, LUMA also met with representatives from the Department of Energy ("DOE") to review the status, challenges, and opportunities related to Third-Party Attachments involving telecommunications providers.

LUMA's Billing and Collection Efforts

- LUMA continues to pause progress on critical Customer Care and Billing System (“CC&B”) through its System Remediation Plan (“SRP”) initiatives, including, Letter Automation (98% complete) and CELI/Streetlight balance cleanup (75% complete) due to critical programming activities required to ensure LUMA is able to comply with future PREB orders, such as a Pension or Emergency Rider.
- LUMA began receiving Low Income Home Energy Assistance Program (“LIHEAP”) funds in May on behalf of qualified customers. Over \$3.4M in payments were applied to customer accounts. LUMA reached 1,940 new payment agreements with customers in May 2025, for a total of over 118,314 agreements since June 2021. Also, in May LUMA completed over 313,000 outbound collection calls for a total of over 4.3 million outbound calls since June 2021. LUMA’s Revenue Protection team collected over \$26 million in May 2025 directly related to active customer collections of past due receivables. Collection efforts included outbound calls, letters, emails and inbound calls.
- LUMA issued a thirty (30) day disconnect letter to twenty-one (21) Municipalities with accounts in arrears.
- LUMA reduced the number of Federal Agencies with past due balances by 25%.