

Monthly Report on the T&D System

For the Month of October 2025

November 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 October 2025.

URGENT CASH MATTERS

October 2025 is the thirty-fifth (35th) 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. October 2025 is also the twenty-second (22nd) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account. October 2025 is also the fourteenth (14th) 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

October Achievements

- LUMA crews completed a series of preventive maintenance tasks at the Candelaria Arena substation in Toa Baja, benefiting over 8,000 customers in the area and reinforcing the reliability of electric service. As part of this work, crews corrected hot spots identified through thermographic inspections, helping to prevent potential equipment failures and service interruptions. ([link](#))
- As part of our ongoing improvement plan for the electric system in the western region, LUMA completed the replacement and maintenance of critical equipment at the Lares and Las Marías substations, directly benefiting more than 12,300 customers in the area. These efforts are essential to improving service reliability and strengthening the grid in this part of the island. ([link](#))
- As part of our commitment to strengthening electric service in the eastern region, LUMA completed maintenance work at the Verde Mar substation in Humacao, benefiting more than 3,000 customers. LUMA crews performed maintenance on the transformer's voltage regulator (Load Tap Changer or LTC), a critical component that ensures voltage stability and minimizes fluctuations. LUMA also replaced seven insulators, known as "machetes," with new polymer devices that offer greater resistance and reduce the accumulation of contaminants, helping to minimize outages and improve service continuity.

In addition to substation maintenance, we are advancing the reconstruction of transmission line 12600, which connects the Naguabo TC and Verde Mar substations. ([link](#)).

- LUMA filed a motion in federal court to secure \$200 million in past due debts to local vendors to pay overdue claims from suppliers who have supported Puerto Rico's electric transmission and distribution system. Due to PREPA's ongoing underfunding of the service accounts used to operate and maintain the grid, more than \$202 million is owed to companies that have provided essential services. ([link](#))

3.0 Monthly Sales Summary

Consumption in October 2025 decreased by 2.2% compared to the previous month (September 2025) and 8.5% compared to the same month of the previous year (October 2024). In October 2025, energy sales increased by 11.6% compared to September 2025 and 23.1% compared to October 2024.

Table 2–1. Energy billed by customer segment

Consumption (GWh)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2025 October	633.7	686.6	113.3	28.2	2.0	3.4	1,467.3
2025 September	669.8	666.4	136.2	23.0	1.6	3.2	1,500.2
2024 October	694.4	727.5	152.6	23.8	1.8	3.4	1,603.5

Table 2–2. Energy sales by customer segment

Sales (\$ Million)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2025 October	168.9	207.8	35.8	11.8	0.6	0.9	425.9
2025 September	158.3	179.2	33.5	9.3	0.5	0.8	381.6
2024 October	140.3	163.2	33.3	8.1	0.4	0.7	346.0

Table 2–3. Energy sales by rate component

Energy Sales (\$ Million)	Base	FCA ¹	PPCA ²	CILT & Subsidies & EE ³	Total ⁴
2025 October	100.2	203.8	47.8	74.1	425.9
2025 September	99.6	152.2	63.4	66.4	381.6
2024 October	108.0	157.2	54.5	26.3	346.0

¹ FCA: Fuel Charge Adjustment

² PPCA: Purchased Power Charge Adjustment

³ CILT: Contribution In Lieu of Taxes, Subsidies, PREPA pension fund rider, Provisional rate 2026 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 October 2025, a total of sixteen (16) base load generation forced outages occurred. One (1) load shed was due to generation shortfall.
- During the month of October 2025, the LEOC was not activated.

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

Site Name	Derated ⁵	Forced Outage ⁶	Loadshed ⁷	Planned / Maintenance Outages ⁸
San Juan 5	5	3	0	0
San Juan 6	8	2	1	0
San Juan 9	2	0	0	0
Palo Seco 3	4	1	0	0
Palo Seco 4	8	7	0	0
Costa Sur 5	2	1	0	0
Costa Sur 6	2	0	0	0
Aguirre 2	4	0	0	0
AES 1	2	1	0	1
AES 2	3	1	0	0
EcoEléctrica	0	0	0	0
Total	40	16	1	1

Table 3–2: Total Significant Generation Outages by Month

Outage Type:	Derated	Forced Outage	Loadshed	Loadshed due to Generation Shortfall ⁹	Planned / Maintenance Outages
2025 October	40	16	1	1	1
2025 September	41	8	3	1	3
2024 October	40	18	11	5	2

⁵ Derated: A reduction in power generation capacity, typically due to technical limitation.

⁶ Force Outage: Unplanned shutdown of a power station, generation unit, transmission or distribution lines due to unexpected breakdown or failure.

⁷ Loadshed: A protective Electric System mechanism to curtail demand for electric power, typically due to power supply shortfalls or disturbances.

⁸ Maintenance Outages: A generating unit shutdown for planned maintenance service.

⁹ 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 October 2025

Site Name	Line Trips ¹⁰	Transformer Trips ¹¹	Substation Trips ¹²
Acacias TC 38kV Bus	0	0	1
Barranquitas 115 kV Bus	0	0	1
Berwind TC 38 kV	0	0	1
Caguas TC 115/38 kV Bank #2	0	1	0
Cambalache TC Bank 115/38 kV	0	1	0
Jobos Bank 1 115/38 kV	0	1	0
Jobos Bank 2 115/38 kV	0	1	0
Line-36100 Bayamón TC – Cana	1	0	0
Line-36100 Monacillos TC – Bayamón TC	1	0	0
Line-36200 Fajardo TC – Dagua	5	0	0
Line-36200 Monacillos TC – Juncos TC	4	0	0
Line-36300 Humacao TC – Rio Blanco	4	0	0
Line-36300 Jobos TC – Juan Martín	1	0	0
Line-36400 Dos Bocas – Jayuya	4	0	0
Line-36400 Ponce TC – Jayuya	4	0	0
Line-36700 Mayagüez TC – San Sebastián TC	6	0	0
Line-36800 Palmer TC – Fajardo TC	1	0	0
Line-36800 Sabana Llana TC – Canóvanas TC	1	0	0
Line-37100 Acacias TC – San Germán TC	3	0	0
Line-37200 Mayagüez TC – Mayagüez Plant	1	0	0
Line-37400 Cambalache TC – Dos Bocas	1	0	0
Line-37400 Dorado TC – Hato Tejas	1	0	0
Line-37400 Dorado TC – Vega Baja TC	2	0	0
Line-37400 Vega Baja TC – Manatí TC	2	0	0
Line-37500 Monacillos TC – Rio Bayamón	1	0	0
Line-37800 Cayey TC – Jobos TC	2	0	0
Line-37800 Monacillo TC – Caguas TC	1	0	0
Line-38200 Palo Seco SP – Monacillos TC	1	0	0
Line-38300 Monacillos TC – San Juan Plant	1	0	0
Line-39100 Victoria TC – Mora TC	1	0	0
Line-39800 Acacias TC – Mayagüez Plant	1	0	0
Line-40100 Aguirre SP – Jobos TC	2	0	0
Line-50200 Costa Sur SP – Manati TC	2	0	0
Line-50300 Costa Sur SP – Aguirre SP	1	0	0

¹⁰ Line Trips: A protective disconnection of a transmission or distribution line due to a fault or abnormal condition.

¹¹ Transformer Trips: The automatic shutdown of a transformer triggered by protective relays due to faults such as overloads or internal issues.

¹² Substation Trips: The protective disconnection of electrical equipment within a substation, often caused by faults or abnormal operating conditions.

Site Name	Line Trips ¹⁰	Transformer Trips ¹¹	Substation Trips ¹²
Line-50700 Yabucoa TC – AES	1	0	0
Line-50800 Yabucoa TC – Sabana Llana TC	1	0	0
Line-51000 Aguas Buenas GIS – Aguirre SP	6	0	0
Line-51200 Cambalache – Costa Sur	1	0	0
Maunabo TC 38 kV Bus	0	0	1
Monacillo TC 115 kV Bus #3	0	0	1
Palmer TC 115 kV Bus	0	0	2
Rio Blanco 38 kV Bus	0	0	1
San Fernando 38 kV Bus	0	0	1
Substation #4006 Guayama PDS	0	0	1
Substation #4402 Santa Isabel	0	0	1
Substation #9105 Vega Alta PDS	0	0	1
Tres Monjitas 38 kV Bus	0	0	1
Viaducto 115/38 kV Bank 1	0	1	0
Viaducto 115/38 kV Bank 2	0	1	0
Total	64	6	13

Table 3–4: Total Significant Transmission Outages by Month

Outage Type:	Line Trips	Transformer Trips	Substation Trips
2025 October	64	6	13
2025 September	42	4	7
2024 October	47	4	3

5.0 Puerto Rico Energy Bureau Filings and Hearings

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

- [NEPR-MI-2021-0002](#) | **Federal Funding** – On October 3, 2025, LUMA reported the Energy Bureau receipt of seven (7) FEMA Project Obligations, including three (3) for the Distribution Automation, two (2) for the Distribution Pole and Conductor Repair and two (2) for Transmission Line Rebuild. On October 14, LUMA submitted reimbursement information regarding federally funded projects as well as LUMA’s Consolidated Project List in compliance with the October 3rd Resolution and Order (“R&O”). On October 15, LUMA submitted a corrected version of LUMA’s Consolidated Project List to update a project cost calculation. On October 27, LUMA submitted an updated Consolidated Project List that includes the costs incurred for all obligated energy projects.

- [NEPR-AP-2023-0003](#) | **Rate Review** – On October 4, 2025, LUMA filed a motion in compliance with the October 3rd R&O, providing detailed information on the status of a disbursement from the Department of Energy earmarked for the Electric System Priority Stabilization Plan. Throughout October, LUMA provided approximately 30 responses to Requests for Information (“RFI”) and participated in two technical conferences. The first one October 16, focused on the plan for constructing the Fiscal Year (“FY”) 2026 final order on rates and procedural matters related to the adjudicative proceeding, and the second on October 23, addressed RFI’s responses and evidentiary hearing panels.
- [NEPR-MI-2022-0001](#) | **Energy Efficiency (“EE”) and Demand Response (“DR”) Transition Period Plan (“TPP”)** – On October 13, LUMA submitted a motion informing Sunnova’s participation in the Customer Battery Energy Sharing (“CBES”) and CBES+ program has been paused due to the sale of its assets and LUMA is working with the asset purchaser to transition them into the program as a certified Demand Response Aggregator.
- [NEPR-MI-2021-0004](#) | **Initial Budgets** – On October 10, 2025, LUMA submitted a budget amendment requesting the Energy Bureau to use the amended FY2025 budget as the baseline for FY2026 and the revision to the Federally Funded Capital Budget, reducing it from \$1.2 billion to \$718 million to match the current FEMA project pipeline based on the FASSt Consolidated Project Plan List requested by PREPA as Subrecipient. On October 17, 2025, LUMA submitted a notice outlining recent internal measures taken in response to critical funding challenges impacting the operation and maintenance of Puerto Rico’s electric transmission and distribution system. The notice detailed actions such as cost reductions, and workforce adjustments, emphasizing the urgent need for a sustainable funding solution to ensure continued service reliability and operational stability. On October 20, LUMA submitted a motion in compliance with PREB’s October 18 R&O, detailing the rationale, scope, and mitigation measures related to recent workforce reductions, affirming that these actions were necessary due to persistent funding constraints and do not compromise the safe and reliable operation of the electric system. On October 24, the Energy Bureau approved LUMA’s request to amend the FY2026 Provisional Budget to reflect the amended FY2025 budget and denied the reduction to the federally funded budget ordering LUMA to continue pursuing projects under the \$1.2 billion allocation. PREB also reminded PREPA that LUMA is the T&D Operator, not PREPA.
- [NEPR-AP-2023-0004](#) | **Integrated Resource Plan (“IRP”)** – On October 17, 2025, LUMA filed the 2025 Integrated Resource Plan Report with its Appendices following the requirements of Regulation 9021, which included the recommended Preferred Resource Plan, the results of the 12 Core Scenarios and the 5 Year Action Plan. The 2025 IRP Report also included other crucial information such as load forecasts, inputs and Assumptions, current condition and assessment of resources, and the Transmission and Distribution Analysis.
- [NEPR-MI-2025-0004](#) | **Emergency Reserve Account** – On October 29, 2025, LUMA submitted a request for reconsideration of the Puerto Rico Energy Bureau’s October 9, 2025, denial of access to the Emergency Reserve Account (“ERA”) to recover costs incurred in response to Hurricane Erin. The filing outlines how the event met all applicable criteria for ERA access and proposes a framework to ensure the ERA functions as an effective emergency funding mechanism.
- [NEPR-MI-2019-0006](#) | **Emergency Response Plan (“ERP”)** – On October 31, 2025, LUMA submitted the ERP Coordination Meetings Report between LUMA, PREPA and Genera for the first Quarter of FY 2026.

- [NEPR-MI-2024-0002](#) | **Accelerated Storage Addition Program (“ASAP”)** – On October 10, 2025, LUMA requested a modification to the October 3 Order regarding the distribution of the Standard Offer Phase 1 (SO1) Agreement to Phase 2 proponents pending resolution of outstanding issues. On October 17, LUMA submitted a summary of those issues and proposed revisions to the SO1 template to address them. The changes are limited and aim to align the agreement with prior Energy Bureau’s approvals and clarify key differences between Phase 1 and Phase 2 projects. On October 27, LUMA and Polaris jointly informed PREB and PREPA that Polaris is ready to execute the SO1 Agreement with an added provision on Tested Storage capacity, which LUMA confirms aligns with SO1 objectives. On October 31, LUMA submitted its Q1 FY2026 quarterly report in compliance with the March 5 Order.

Other Filings made during October 2025:

- [NEPR-MI-2019-0007](#) | **Legacy Performance Metrics** – Quarterly Report on System Data for July through September 2025 (October 20).
- [NEPR-MI-2021-0002](#) | **Federal Funding** –Monthly Progress Report for 4x25 MW BESS Project. (October 27)
- [NEPR-MI-2024-0005](#) | **Priority Stabilization Plan** –Monthly Collaborative Report on the Progress of the Electric System Priority Stabilization Plan (October 27).
- [NEPR-MI-2020-0019](#) | **System Remediation Plan** – FY2025 Annual Report (October 28)
- [NEPR-MI-2021-0004](#) | **Initial Budgets** – FY2025 Annual Report (October 28)
- [NEPR-MI-2022-0001](#) | **Energy Efficiency (“EE”) and Demand Response (“DR”) Transition Period Plan (“TPP”)** –Monthly ELRP Report (October 15). September Monthly CBES+ Report (October 20). Annual Consolidated Transition Period Plan and Demand Response Administrative Cost Report for FY2025 (October 28).
- [NEPR-MI-2023-0001](#) | **Wheeling Implementation** –FY2025 Wheeling Annual Report (October 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.

During the month of October, LUMA submitted comments on twelve (12) legislative measures, responded to three (3) requests for information (RFIs), and participated in three (3) public hearings. In addition, LUMA received one (1) new RFI and two (2) new summons for public hearings.

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 - Planning, Permitting, Infrastructure and Urban Planning Committee	Request for Input regarding Senate Resolution 129 (R.S. 129) to research the use that municipalities, the Planning Board, the Office of Permit Management and other public agencies concerned apply to the impact levies they charge, to cover expenses for the provision of endowment uses of the public domain, including infrastructures, such as roads, public transport, aqueducts, sanitary sewers, electricity, etc. telephones, ports and airports, outside or within the boundaries of the project, as a direct result of such a project.	On October 1, 2025, LUMA received a Request for Input regarding Senate Resolution 129. On October 16, 2025, LUMA submitted its comments to the Committee.
House of Representatives of Puerto Rico - Southern Region Committee	Public Hearing summoning regarding House Resolution 77 (R.C. 77) to conduct a comprehensive investigation into the ongoing power outages in District 21, which includes the municipalities of Guánica, Lajas, Las Marías, Maricao, Sabana Grande, and Yauco.	On October 2, 2025, LUMA submitted its response to the Committee's Request for Additional Information as a result of the Public Hearing held on September 25, 2025, regarding House Resolution 77.
Senate of Puerto Rico - Innovation, Reform and Appointments Committee	Request for Input regarding Senate Bill 684 (P.S. 684) to amend Act No. 17-2019, as amended, known as the "Puerto Rico Energy Public Policy Act", in order to include the food sector as a critical and essential service within the facilities of indispensable services under said Act, establish public policy; and for other related purposes.	On October 3, 2025, LUMA submitted its comments to the Committee regarding Senate Bill 684 (P.S. 684).

Committee	Act, Bill or Resolution	LUMA Response
House of Representatives of Puerto Rico - Government Committee	Request for Input regarding House Joint Resolution 182 (R.C.C. 182) to order the Puerto Rico Electric Power Authority to carry out, publicize, and execute a detailed and coordinated plan for maintenance, works, and improvements to the infrastructure of the electric power system, primarily to the structures and facilities that enable and sustain the proper functioning of drinking water pumping stations and filtration plants, owned by the Aqueduct and Sewer Authority, and which serve subscribers residing in the neighborhoods, sectors and communities located in the Municipality of Mayagüez.	On October 3, 2025, LUMA received a Request for Input regarding House Joint Resolution 182. On October 17, 2025, LUMA requested additional time to respond to the RFI. On October 27, 2025, LUMA sent a second request for additional time to respond to the RFI. On October 31, 2025, LUMA submitted its comments to the Committee regarding R.C.C. 182.
House of Representatives of Puerto Rico - Transportation and Infrastructure Committee	Request for Input regarding House Joint Resolution 178 (R.C.C. 178) to order the Puerto Rico Highway and Transportation Authority and the Municipality of San Juan to establish and implement the necessary mechanisms for the installation of electric lighting systems on the highways and sidewalks of Old San Juan; and for other related purposes.	On October 7, 2025, LUMA submitted its comments to the Committee regarding House Joint Resolution 178.
House of Representatives of Puerto Rico - Economic Development Committee	Public Hearing summoning regarding House Resolution 400 (R.C. 400) to research the feasibility, convenience and necessity of establishing nuclear plants for the generation of electricity in Puerto Rico.	On October 7, 2025, LUMA submitted its comments to the Committee regarding House Resolution 400. On October 8, 2025, LUMA attended the Public Hearing. On October 15, 2025, LUMA submitted its response to the Committee's Request for Additional Information as a result of the Public Hearing.

Committee		Act, Bill or Resolution	LUMA Response
Senate of Puerto Rico - Government Committee	Request for Input regarding Senate Bill 753 (P.S.753) to establish the "Puerto Rico Essential Electric and Water Billing Transparency Act," to ensure that electric and drinking water bills include a detailed breakdown of service interruptions and credits applied; to provide for the obligations of the providers of these services; establish the rights of subscribers.		On October 8, 2025, LUMA received a Request for Input regarding Senate Bill 753. October 23, 2025, LUMA submitted its comments to the Committee.
House of Representatives of Puerto Rico - Consumer Affairs Committee	Request for Input regarding House Resolution 399 (R.C. 399) to research the processes of filing, handling and resolution of complaints before LUMA Energy.		On October 9, 2025, LUMA received a Request for Input regarding House Resolution 399. On October 10, 2025, LUMA requested additional time to respond to the RFI. On October 15, 2025, LUMA submitted its comments to the Committee. On October 27, 2025, LUMA received a Public Hearing summoning regarding House Resolution 399.
House of Representatives of Puerto Rico - Government Committee	Request for Input regarding House Bill 893 (P.C.893) to create the "Economic Relief and Direct Assistance to Federal Employees During Government Shutdowns Act".		On October 9, 2025, LUMA received a Request for Input regarding House Bill 893. On October 20, 2025, LUMA submitted its comments to the Committee.
Senate of Puerto Rico - Government Committee	Request for Input regarding House Bill 133 (P.C.133) to create the "Fair Payment Plans to Ensure Continuity of Essential Services Act".		On October 13, 2025, LUMA submitted its comments to the Committee regarding House Bill 133.
House of Representatives of Puerto Rico - Government Committee	Request for Input regarding House Joint Resolution 167 (R.C.C. 167) to order LUMA Energy and the Aqueduct and Sewer Authority to grant to any customer with notice of suspension of service, an		On October 13, 2025, LUMA submitted its comments to the Committee regarding House Joint Resolution 167.

Committee		Act, Bill or Resolution	LUMA Response
	extension of time or extension, as of the date notified for the suspension of service, of a term of not less than thirty (30) days in addition to that already established by provision of Law No. 33 of June 27, 1985, as amended, better known as the "Act to Establish the Minimum Procedural Requirements for the Suspension of Essential Public Services".		
House of Representatives of Puerto Rico - Elders and Social Welfare Committee	Public Hearing summoning regarding House Bill 834 (P.C.834) to create the "Priority Restoration of Essential Services for Foster and Transitional Homes Act".	On October 14, 2025, LUMA submitted its comments to the Committee regarding House Bill 834. On October 15, 2025, LUMA attended the Public Hearing.	
House of Representatives of Puerto Rico - Government Committee	Public Hearing summoning regarding House Resolution 42 (R.C. 42) to carry out a financial and operational investigation aimed at examining the positions and discrepancies that arose in the context of the controversy between LUMA Energy and the Puerto Rico Electric Power Authority (PREPA) regarding the alleged debt claimed by LUMA Energy, as well as the management of public and federal funds related to the electricity transition and distribution contract.	On October 20, 2025, LUMA received a Public Hearing summoning regarding House Resolution 42. On October 27, 2025, LUMA submitted its comments to the Committee. On October 28, 2025, LUMA attended the Public Hearing. On October 31, 2025, LUMA submitted its response to the Committee's Request for Additional Information as a result of the Public Hearing.	

Committee		Act, Bill or Resolution	LUMA Response
Senate of Puerto Rico - Government Committee	Request for Input regarding Senate Bill 793 (P.S. 793) to amend the "Electric Power Authority Net Metering Program Act" to provide that the twenty-five (25) percent directed to the Department of Education under the Net Metering Program shall be used exclusively for the exclusive use of payroll and hiring of T1 and T2 special education assistants.	On October 21, 2025, LUMA received a Request for Input regarding Senate Bill 793.	
House of Representatives of Puerto Rico - Northern Region Committee	Public Hearing summoning regarding House Resolution 317 and 471 (R.C. 317 & R.C. 471) to conduct an exhaustive investigation aimed at identifying the reasons why the communities of Representative Districts 13 and 14, which includes the municipalities of Arecibo, Hatillo, Barceloneta, Florida and Manatí, experience constant interruptions and intermittency in the service of drinking water.	On October 30, 2025, LUMA received a Public Hearing summoning regarding House Resolutions 317 and 471.	

Table 5–2: Material Litigation Update¹³

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 April 16, 2025, event that caused an island-wide blackout.	During the Initial hearing held on October 14, 2025, the Court issued a scheduling order for the class certification

¹³ *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
		phase, in a bifurcated discovery.
Civil Case No. SJ2025CV06607/ CT-2025-0003- Departamento de Asuntos del Consumidor v. LUMA Energy LLC, et. als.	Declaratory judgment action challenging the Liability Waiver on constitutional grounds	On October 27, 2025, Judge Laura T. Swain denied LUMA's motion to enforce the automatic stay. On October 31, LUMA filed a notice for appeal.
Notice of Dispute issued by P3A against LUMA under the T&D OMA; Demand of Mediation issued by LUMA against P3A under the T&D OMA	On July 22, 2025, P3A issued a Notice of Dispute identifying six categories of purported Technical Disputes.	The dispute process under the T&D OMA remains stayed, pending resolution of LUMA v. P3A, Adv. Proc. Case No. 25-00043.
LUMA v. P3A, Adv. Proc. Case No. 25-00043	LUMA filed a Complaint seeking a declaratory judgment concluding that the Threshold Dispute over the classification of the issues raised in the Notice of Dispute ("NOD")	On October 10, 2025, LUMA filed a motion for leave to supplement its reply on the jurisdictional issue. On October 11, P3A submitted an opposition to LUMA's motion for leave, and LUMA filed its supplement. On October 15, 2025, the Court granted LUMA's motion for leave.
Case No. 17-BK-04780	LUMA's request for payment for administrative expenses	On October 23, 2025, LUMA submitted a motion for allowance and authorization of payment of administrative expenses under the T&D OMA.
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.	
Civil Case No. SJ2022CV02868 – Ismael Herrero Domenech and the class composed of all residential electrical energy customers of LUMA Energy LLC	Consolidated class actions claiming damages from the April 6, 2022, event at Costa Sur that caused an island-wide blackout.	

Case No. & Parties	Description	Updates
v. LUMA Energy LLC, WendCo of Puerto Rico Inc. et al. v. LUMA Energy LLC		

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 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. 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 August 24, 1952, as amended.	At this moment, there are no pending requests.
Comptroller’s Office of Puerto Rico (“OCPR”), No. 15671 (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 pending requests.
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 August 24, 1952, as amended.	On October 20, 2025, OCPR sent an RFI requesting the Oracle EBS print screens and other supporting documents related to three journal entries for write-offs in January 2024, January 2025, and February 2025. The information was submitted on October 24.
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 on November 15, 2024.	At this moment, there are no pending requests.

Government Entity	Audit Description	Significant Updates
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.	At this moment, there are no pending requests.
PREPA Fiscal Year ("FY") 2023	KPMG Audit of PREPA Financial Statements ("FY2023")	LUMA continues to support PREPA's ongoing audit and has provided responses on a rolling basis to KPMG and PREPA requests. On August 2025, Hacienda's representatives notified LUMA that PREPA's audit was expected to be completed and published in November 2025, however this date has shifted to December 2025.
PR Treasury Department & Municipalities by PwC	PwC Audit of LUMA Energy, LLC 2023 and 2024 (Consolidated: ManageCo & ServCo and Standalone: ServCo) – Financial Statements	The 2023 audit remains ongoing with a target issuance date shifted from October 2025 towards November 2025. The 2024 audit is expected to be completed by March 2026.
P3A FY2022 Audit – by Vázquez & Vilanova	First Year ("FY2022") T&D OMA Compliance – audit for the first full year of LUMA operations.	No pending actions from LUMA.
P3A FY2023 Audit – by Vázquez & Vilanova	Second Year ("FY2023") T&D OMA Compliance – audit for the second year of LUMA operations.	No pending actions from LUMA.
P3A FY2024 Audit – by Vázquez & Vilanova	Third Year ("FY2024") T&D OMA Compliance – audit for the third year of LUMA operations.	No pending actions from LUMA.
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.	No pending actions from LUMA.
COR3 - Central Office for Recovery, Reconstruction and Resiliency Monitoring by Deloitte	Deloitte Monitoring for Q1-FY2025 Federal Funding process.	No pending actions from LUMA.

Government Entity	Audit Description	Significant Updates
<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.		

8.0 Material T&D OMA Items

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

- October 2025 is the thirty-fifth (35th) 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.
- October 2025 is the twenty-second (22nd) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account.
- October 2025 is the thirteenth (13th) consecutive month in which PREPA did not provide the required funding to replenish the Contingency Reserve Account.
- LUMA has issued thirty-five (35) non-compliance notices to PREPA and notified P3A as Administrator of the T&D OMA.
- LUMA has issued seventeen (17) notices to PREPA and notified P3A as Administrator regarding fuel advances made by PREPA to Genera outside of the funding cycle established in the T&D OMA, LTGA OMA and the PGHOA.
- Since January 2023, LUMA has requested 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.
- On June 12, 2025, LUMA notified PREPA of its irrevocable delegation of authority as its agent after LUMA obtained on June 2, 2025, a copy of Resolution 5183, To Repeal Resolution 5020 and Authorize the Executive Director of PREPA as the Sole Entity Responsible for the Management of Grant Applications Related to the Transmission and Distribution System, approved on April 30, 2025, by the Governing Board of PREPA. Resolution 5183 is null, and void given the irrevocable authority granted by PREPA to LUMA under section 5.6(a) of the T&D OMA to represent PREPA before any Governmental Body, which includes the Federal Emergency Management Agency ("FEMA").
- LUMA provided PREPA with a status update on the Accelerated Storage Addition Program ("ASAP"), confirming that two Standard Offer 1 (SO1) agreements—Polaris (submitted August 14 and updated October 30) and Fonroche (submitted September 18)—are under PREPA's review following approval by the Puerto Rico Energy Bureau ("PREB"). Polaris has confirmed readiness to execute, with financing secured and procurement underway. LUMA reiterated its request on multiple occasions for both agreements to be included on the PREPA Governing Board agenda and informed PREPA that four additional PREB-approved SO1 agreements (totaling 335 MW) will

be submitted by November 20. LUMA respectfully requested that all pending agreements be approved at the upcoming board meeting to accelerate deployment of critical battery energy storage systems in support of Puerto Rico's energy transformation.

- LUMA is advancing the modernization of Vieques' electrical system through the planned development of a new substation and microgrid, pending approval from PREPA's Governing Board to authorize the \$7.38 million land acquisition from PRIDCO and designate a representative to finalize the transaction. The purchase approval (LUMA-PREPA-T-01019) was sent on July 30, and the microgrid study was submitted on November 6.

LUMA Budget Approval, Amendment and Reallocation

- LUMA continues to emphasize the importance of the Emergency Reserve Account ("ERA") in enabling timely and effective emergency response. If the Puerto Rico Energy Bureau denies the request again, it will weaken the ERA's intended function, deprive the energy system of a vital recovery tool, and force LUMA to divert already limited operational funds away from essential maintenance and reliability work, further compounding the system's financial and operational challenges.

PREPA Reorganization and Shared Services

- As stipulated by the T&D OMA, Shared Services were only intended to last 6 months after commencement of GenCo Operator, which term shall not exceed 3 years. After the original 6 months of Shared Services, the Agreement has been extended for PREPA four (4) times with the last one executed on June 30, 2025 for an additional six (6) months until December 31, 2025. It is imperative that PREPA complete its full separation from the Shared Services Agreement to advance its reorganization as established in its Fiscal Plan. Accordingly, LUMA continues to support PREPA with the provision of Shared Services with the expectation that no further extension will be required.
- The A&R SSA outlines specific conditions to ensure mutual alignment on expectations for progress during this extension period. However, the biweekly Shared Services reports submitted by PREPA on July 15, July 30 and August 21, and October 01, 2025 did not meet the requirements set forth in the agreement. While LUMA appreciates PREPA's effort to comply with the requirements, the reports do not include specific requests for LUMA's support or provide timelines for transition, testing, or implementation activities. These details will enable LUMA to

plan and resource its support for PREPA and facilitate collaboration. Additionally, LUMA has identified several concerns that require immediate attention:

- **Timeline Misalignment and Missed Milestones:** Some deliverables now extend beyond the contractual end date, with deadlines set for January 2026. This is inconsistent with the scope and intent of the fourth (4th) Amendment. LUMA clarifies that it does not intend to extend the A&R SSA a fifth (5th) time beyond December 31st, 2025.
- **ERP Interface Misunderstanding:** PREPA has indicated that certain milestones depend on LUMA's collaboration on an ERP interface. To clarify, no ERP integration is currently underway or agreed upon under the A&R SSA. If PREPA requires ERP related information, it must submit a formal written request specifying the details. LUMA will review, analyze, and respond accordingly. It is important to differentiate between ERP data transfer to PREPA's new ERP in Oracle Fusion (ultimately a one-time "cut-over") and the required financial reporting as established in the T&D OMA as one is not dependent on the other. LUMA is ready to transfer all PREPA's current ERP data as contained on CO1 within Oracle EBS. However, the financial information of GridCo required by HoldCo to consolidate its financial statements after the ERP separation (Shared Services termination) will be provided once HoldCo's Governance framework is established and consistent with form and timing defined in the T&D OMA.

Net Energy Metering

- In compliance with the current regulation of distributed generation interconnection, LUMA successfully completed an additional **14,491 supplemental studies in October 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 October 29th, 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")

- During the month of October, LUMA continued negotiation with carriers about the newly proposed FCC Pole Attachment Rate.
- On October 2, 2025, following the Notice to carriers issued by LUMA on September 30, 2025, requesting inventory information for 72 poles in San Juan as a pilot for the island-wide inventory a meeting with carriers was held to clarify the template provided to collect information for the inventory pilot initiative. The effort was notified to the Government of Puerto Rico. LUMA received responses from seven (7) carriers and is currently collecting and evaluating the submitted information.
- The new application fee for the new pole attachment requests was shared with the carriers on October 13, 2025.
- LUMA has continued conversations with the government regarding additional funding for the TPA inventory and pole attachments transfers in relation to our pole replacement programs. The last meeting took place on October 23, 2025.

- LUMA continued the weekly meetings with carriers as part of our efforts to develop a relocation plan for Third-Party Attachments (TPA) to receive reimbursement on Pole replacement programs. Carriers have issued a Request for Proposal to their vendors and are currently responding to RFI's to receive quotes from vendors that could help us size the cost of work to be performed, so that we can present the Government of PR a reasonable number for funding. A technical meeting to review the final numbers of the proposals was held on October 31, 2025, and the next meeting is scheduled for November 4, 2025, by which time carriers are expected to have reviewed the numbers and selected contractors (more than one with possibility of dividing the contractors by Region).

LUMA's Billing and Collection Efforts

- LUMA has partnered with our Bill Print vendor to launch an Address Standardization initiative aimed at reducing returned mail and ensuring customers receive their invoices on time. By cleansing and validating address data using USPS-compliant standards, we aim to improve delivery success, reduce operational costs, and enhance the customer experience. Customers will be encouraged to verify their mailing information to support this effort.
- LUMA activated almost 4,800 customers on the Net Energy Metering ("NEM") tariff.
- LUMA began receiving Low Income Home Energy Assistance Program ("LIHEAP") funds in May on behalf of qualified customers. In October, over \$1.4M in payments were applied to customer accounts. LUMA reached 4,385 new payment agreements with customers in October 2025, for a total of over 134,531 agreements since August 2021. Also, in October LUMA completed over 318,041 outbound collection calls for a total of over 5.5 million outbound calls since August 2021. LUMA's Revenue Protection team collected over \$24 million in October 2025 directly related to active customer collections of past due receivables. Collection efforts included outbound calls, letters, emails and inbound calls.