

# Monthly Operations Report on the T&D System

For the Month of March 2026

April 15, 2026



# Contents

- 1.0 Mission, Goals and Areas of Responsibility ..... 1**
- 2.0 LUMA Accomplishments ..... 1**
- 3.0 Monthly Sales Summary ..... 6**
- 4.0 System Operations Update..... 7**
- 5.0 Puerto Rico Energy Bureau Filings and Hearings ..... 9**
- 6.0 Legislative Matters & Material Legal Update..... 11**
- 7.0 Ongoing External Audits..... 15**
- 8.0 Material T&D OMA Items ..... 18**

## 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 January 2026.

### **URGENT CASH MATTERS**

March 2026 is the fortieth (40th) month in which PREPA did not fully fund one or more of the Service Accounts, in breach of the T&D OMA. March 2026 is also the twenty-seventh (27th) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account and the nineteenth (19th) 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.

## 2.0 LUMA Accomplishments

### **March Achievements**

#### **LUMA Completed Essential Works in Old San Juan to Strengthen Electric Reliability**

- We completed essential work on line 5100 in Old San Juan to address a breakdown and continue strengthening the electric system that supports this historic tourism and business district. The intervention was part of our broader modernization efforts to improve reliability for more than 2,000 customers.
- To carry out the repairs safely, we temporarily interrupted service while our Underground, Maintenance, and Construction teams worked together on both aerial and underground components. This coordinated approach allowed us to resolve the issue and reduce the likelihood of future breakdowns.
- We also gathered technical information throughout the process and shared updates through our official platforms to keep residents, businesses, and visitors informed. These efforts reflected our commitment to strengthening Puerto Rico's electric infrastructure's resilience and reliability. ([link](#))

#### **LUMA Energized New High-Capacity Transformers for Over 10,000 Customers**

- We successfully energized the new transformer at the Yahuecas Substation in Adjuntas, replacing equipment that had operated for more than 70 years and benefiting over 10,000 customers in the central region. The project included a full modernization of the substation, strengthening a facility that serves as a critical distribution point for nearby communities.
- In addition to the installation, we completed a full renovation supported by coordinated work across planning, construction, and energization teams. Over recent months, we maintained constant

communication with customers and external partners to inform them of the scheduled outages required to carry out the work safely and efficiently.

- This modernization increased system capacity, improved voltage regulation, and reduced the likelihood of unexpected interruptions; particularly important in Adjuntas, Lares, Las Marías, and Maricao, where mountainous terrain creates additional operational challenges. The project also highlighted the importance of replacing equipment that has exceeded its useful life to ensure long-term reliability for Puerto Rico. [\(link\)](#)

### **We Advanced Infrastructure Improvements to Foster Economic Growth in Ponce**

- As part of our ongoing efforts to support new communities and commercial activity in the southern region, we carried out electrical infrastructure projects in Ponce to expand capacity and strengthen system resilience for more than 10,300 customers. These initiatives aligned with our strategic planning to ensure the grid can sustain responsible growth and contribute to the region's economic development.
- The project enabled the connection of new residential and commercial developments that previously could not be integrated due to redundancy and capacity limitations. Work focused on creating a backup link between feeders from La Rambla TC and the Coto Laurel substation, reducing outage risk and improving overall service stability. Crews also advanced vegetation removal as part of a comprehensive preventive maintenance effort.
- Our teams worked on extending a 13,000-volt feeder, installing more than 20 wind-resistant poles and constructing an underground segment to increase load-transfer capacity between feeders. These improvements strengthened system redundancy, enhanced operational flexibility and supported the sustained development of communities and businesses across Ponce. [\(link\)](#)

### **Reinforcing System Reliability for 100,000 Customers in Manatí**

- As part of our Preventive and Corrective Maintenance Plan for substations, we completed critical maintenance and repairs on the main transformer at the Manatí TC substation, a strategic facility that supports nearly 100,000 customers in the northern region. Inspections showed conditions that required immediate attention to prevent interruptions and protect the reliability of the system.
- Over a three month period, our teams fully refurbished the transformer, correcting nearly thirty oil leaks, replacing a 115 kV breaker, repairing a 38 kV breaker, filtering and processing transformer oil, maintaining the voltage regulator, and applying protective coating to prevent future corrosion. This extensive work required careful planning and coordination to avoid affecting the electrical system.
- All tasks were carried out in collaboration with local municipal entities to ensure safety and minimize customer impact. These improvements formed part of our ongoing plan to modernize and strengthen the electric infrastructure, reduce outages, increase reliability, and prepare the system for future investments and the replacement of critical equipment. [\(link\)](#)

### **LUMA Completed Key Improvements at the Cayey Substation to Benefit Over 7,500 Customers**

- Planned improvement work at the Cayey TC Substation was completed as part of the preventive and corrective maintenance program to strengthen service for more than 7,500 customers in the central region. Recent transformer maintenance, including mechanical, electrical, and control cabling tests, was finished without affecting customers thanks to system load redistribution.
- During this week's work, crews replaced a switch on the bus connected to the transformer to prevent larger outages identified during preliminary testing. Due to the current system configuration,

some customers experienced temporary service interruptions while these essential improvements took place.

- Coordination with municipal personnel and critical load customers supported local preparation efforts, and the community was encouraged to take preventive measures. In addition, upgrades continued at the Villa del Rey Substation in Caguas, where two switches were replaced and improved to strengthen protection capacity and enhance service quality for over 7,300 customers, including hospitals, schools, and residential communities. [\(link\)](#)

### **Strengthening Reliability Through New Transmission Structures**

- As part of Department of Energy (“DOE”) funded projects, we completed the installation of five new 115 kV transmission structures in the Quebrada Negrito area of Trujillo Alto, strengthening an essential energy corridor between the Villa Betina and Quebrada Negrito substations. A detailed inspection had confirmed the need to replace the structures due to factors such as wildlife damage, natural wear, and other conditions that could affect the safe operation of the grid.
- This intervention addressed a condition that posed a risk to daily system operations, reducing the likelihood of outages and improving the stability of a critical transmission corridor. The work required careful logistics due to the terrain, and nearby residents supported the effort by facilitating access so crews could mobilize specialized equipment safely and efficiently.
- With the new structures in service, the corridor gained greater strength and resilience, reducing vulnerabilities tied to wildlife interaction or environmental exposure. These improvements directly contributed to a more stable system capable of better supporting high-consumption events, atmospheric phenomena, and operational fluctuations. [\(link\)](#)

### **Upgrading the Southern Region: Wildlife Protection and System Improvements**

- We installed wildlife protectors at the Guayanilla substation as part of our Preventive and Corrective Maintenance Plan to improve reliability for more than 8,400 customers in the southern region. These devices, which helped reduce animal-related events by about 40% between 2024 and 2025, were added to equipment including the transformer, distribution breakers, and insulators. Crews also performed maintenance and diagnostic tests on the 1997 transformer to assess its condition after years without required servicing.
- Based on system data showing that approximately 8% of events are linked to wildlife, we continued installing protectors across the island, surpassing 100 substations to date, to minimize outages and reduce risks for animals. Local crews also installed a 160-mph wind-resistant pole to energize transmission line 13100, providing the company Messer Gas with a dedicated line that improves redundancy for the region and supports economic development.
- These improvements formed part of strategic projects funded by the Department of Energy to advance grid recovery and modernization. All efforts were carried out in coordination with the municipal administration, reinforcing our commitment to system reliability, wildlife protection, and more resilient electrical infrastructure for surrounding communities. [\(link\)](#)

### **Improving Service Stability Through a Coordinated Regional Initiative**

- As part of offering a more stable, safe, and reliable electric service, we launched a high-impact effort to address complaints related to voltage fluctuations and open-phase conditions across multiple municipalities in the central region, including Aibonito, Barranquitas, Cayey, Cidra, Comerío, Corozal, Naranjito, and Orocovis. This initiative focused on identifying and correcting system conditions that contribute to weak or unstable service.

- Unlike daily work that responds to individual cases, this effort brought together teams from Customer Service, Key Accounts, Metering, Transmission and Distribution, and Safety to conduct a coordinated operation that accelerated response and maximized impact in each community. The first deployment took place on February 19 in Aibonito, where eight crews addressed nearly 100 complaints in one day, followed by a second deployment on March 18 in Comerío. The next phase is scheduled for April 23 in Cidra.
- Throughout the initiative, we guided customers when issues originated inside their homes or businesses and conducted system checks and calibrations when conditions stemmed from the grid. These actions reaffirmed our commitment to listening to our customers and addressing long-standing system challenges so they can receive the service they deserve. [\(link\)](#)

### **Advancing Progress Through Stronger Supplier Collaboration**

- As part of our commitment to transparency, alignment and effective execution, we hosted a meeting with our suppliers and strategic partners to share key updates and strengthen dialogue around the transformation of Puerto Rico's electric system. The session highlighted the essential role suppliers play in execution and provided a clear view of investment priorities, procurement activity, and operational factors influencing progress.
- During the event, our leadership team shared updates on federally funded projects, contracting activity, and ongoing efforts to streamline processes and increase supplier participation. To date, we executed nearly 1,800 contracts representing more than \$8.3 billion, with 57 percent of active suppliers being Puerto Rican companies; reflecting our focus on strengthening local capacity and supporting economic development.
- We also discussed relevant operational considerations, including legal matters, account management and external factors affecting payment flows, reaffirming our commitment to open communication and shared accountability. Supplier partners emphasized the importance of clear processes, collaboration, and a resilient electric system as cornerstones of Puerto Rico's long-term progress. [\(link\)](#)

### **We Partnered with the Salvation Army to Strengthen Community Safety**

- As part of our commitment to community safety, we offered the educational talk "The 7 Steps to Electrical Safety" at the Salvation Army facilities in Mayagüez. Our health and safety team explained how electricity reaches homes, the effects of electrical current on the human body, how to handle electricity safely, and what actions to take in emergencies involving downed wires.
- During the visit, we also identified an immediate need within the community served by the Salvation Army and coordinated the donation of non-perishable food items. This contribution, supported by our employee volunteers, formed part of our *LUMA en tu Comunidad* program, which focuses on actions that respond to regional needs and promote social well-being.
- Our partnership with the Salvation Army reinforced our commitment to listening, supporting, and accompanying the communities we serve. Local leaders highlighted both the value of the electrical safety orientation and the importance of the donated food items for programs benefiting seniors and children in Mayagüez. [\(link\)](#)

### **Our New CEO Outlined the Path Forward for Grid Modernization**

- As our new Chief Executive Officer ("CEO"), engineer Janisse Quiñones began her tenure with a clear focus on strengthening system reliability, promoting multisector collaboration, and actively listening to employees, communities, and partners. Her extensive experience in the operation and

modernization of complex electric systems, combined with her background in emergency management, positioned her to address the challenges and opportunities ahead.

- During her first remarks, she emphasized three priorities that would guide her leadership: listening with purpose to understand community and employee needs, maintaining an operational focus to stabilize the grid and reduce outages, and fostering collaboration across government, municipalities, the private sector, and communities to advance transformation. Her approach reflected both respect for the work accomplished and commitment to leading the next phase of modernization.
- Drawing on a career that includes large scale system modernization and service in the U.S. Coast Guard, she highlighted the importance of preparedness, coordination, and response in strengthening system resilience. With her appointment, we reaffirmed our commitment to modernizing Puerto Rico's electric system through technical leadership, operational discipline, and a vision centered on the needs of the island. [\(link\)](#)
- We announced the appointment of Janisse Quiñones as Chief Executive Officer, effective March 30, 2026, as part of our planned leadership transition. Born in Caguas and a UPR Mayagüez graduate, Quiñones brought extensive experience in emergency management and utility leadership, including her most recent role as CEO and Chief Engineer of the Los Angeles Department of Water & Power.
- In her remarks, Quiñones emphasized her commitment to strengthening and modernizing Puerto Rico's electric system, highlighting the importance of reliability, resilience, and transparency. She also brought more than two decades of service in the U.S. Coast Guard, where she specialized in emergency and disaster management, along with advanced degrees in business and international relations.
- Since 2023, we have worked under Juan Saca's leadership to increase efficiency, strengthen our leadership team, and invest over \$2.5 billion, including federal funds, to stabilize and improve the transmission and distribution system. Saca expressed pride in the progress achieved and confidence in the company's future under Quiñones' leadership. [\(link\)](#)

### **Advancing Women's Growth Through Workshops, Mentorship, and Community Engagement**

- Through our Women in LUMA ("WIL") initiative, we hosted a week of activities focused on supporting the personal and professional development of women and promoting local women-led entrepreneurship. With more than 1,095 women on our team, including field technicians and apprentices, we continued advancing representation across technical, operational, and leadership roles.
- Throughout the week, we offered workshops, learning sessions, mentorship activities, and women-led markets that brought together employees, guest speakers, and dozens of small business owners. Sessions led by distinguished professionals covered leadership, communication, wellness, and entrepreneurial experiences, reinforcing our commitment to creating meaningful growth opportunities for women.
- We also recognized participants in our WIL pilot mentorship program and welcomed over 50 women entrepreneurs into our facilities to showcase their products. Looking ahead, we aimed to expand these initiatives to reach young people and professionals beyond the organization, reaffirming our commitment to creating spaces where women can grow, lead, and make an impact within LUMA and in the communities we serve. [\(link\)](#)

## Enhancing Grid Preparedness for Puerto Rico's March Sporting Events

- Strategic maintenance and modernization work was carried out in the San Juan and Rio Grande regions to support two major international sporting events: the Puerto Rico Open and the World Baseball Classic. In the eastern region, an intensive agenda on line 3,100 was completed, including insulation and hardware replacements, correction of thermal hot spots, repair of five main breakers, and additional preventive maintenance to reduce the risk of failures.
- In San Juan, reinforcement and evaluation work was completed on infrastructure serving the Hiram Bithorn Stadium area. Efforts included inspections and repairs in the underground system and ongoing coordination with the Municipality of San Juan. As part of the preparedness strategy, the Incident Command System structure was activated, and dedicated Incident Management Teams were established to support real-time coordination and decision-making throughout both events.
- Preventive inspections, brigade coordination, and operational adjustments were also strengthened to ensure an agile response during event days. These efforts reaffirmed the commitment to enhancing system resilience, minimizing unexpected interruptions, and supporting reliable service during high-impact sporting events across Puerto Rico. ([link](#))

## 3.0 Monthly Sales Summary

Consumption in March 2026 increased by 13.2% compared to the previous month (February 2026) and decreased by 3.6% compared to the same month of the previous year (March 2025). In March 2026, revenues were 13.1% higher than in February 2026 and lower by 12.4% compared to the same month of the previous year (March 2025). The base rate represents 6.98% of total energy sales revenues for March 2026.

**Table 2–1. Energy billed by customer segment**

Consumption (GWh)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total <sup>4</sup>
<b>2026 March</b>	506.8	612.6	113.6	28.6	2.0	3.0	<b>1,266.6</b>
<b>2026 February</b>	426.4	550.4	111.9	25.7	1.6	2.8	<b>1,118.9</b>
<b>2025 March</b>	514.8	639.4	127.5	26.4	2.1	3.1	<b>1,313.3</b>

**Table 2–2. Energy sales by customer segment**

Sales (\$ Million)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total <sup>4</sup>
<b>2026 March</b>	<b>118.0</b>	<b>164.8</b>	<b>29.7</b>	<b>11.0</b>	<b>0.5</b>	<b>0.7</b>	<b>324.7</b>
<b>2026 February</b>	<b>97.8</b>	<b>149.1</b>	<b>28.9</b>	<b>10.1</b>	<b>0.5</b>	<b>0.7</b>	<b>287.1</b>
<b>2025 March</b>	<b>135.0</b>	<b>185.8</b>	<b>36.9</b>	<b>11.4</b>	<b>0.6</b>	<b>0.8</b>	<b>370.5</b>

Table 2–3. Energy sales by rate component

Energy Sales (\$ Million)	Base	FCA <sup>1</sup>	PPCA <sup>2</sup>	CILT & Subsidies & EE <sup>3</sup>	Total <sup>4</sup>
2026 March	88.5	117.1	58.6	60.5	324.7
2026 February	79.4	111.0	43.1	53.6	287.1
2025 March	88.5	194.1	63.1	24.8	370.5

## 4.0 System Operations Update

### Reported Events

- In March 2026, a total of nine (9) base load generation forced outages occurred. Two (2) load sheds were due to generation shortfall.
- There were no LEOC activations for the month of March.

Table 3–1: Significant Generation Outages by Site for March 2026

Site Name	Derated <sup>5</sup>	Forced Outage <sup>6</sup>	Loadshed <sup>7</sup>	Planned / Maintenance Outages <sup>8</sup>
San Juan 5	3	3	1	1
San Juan 9	2	3	0	0
Palo Seco 4	0	1	0	1
Costa Sur 5	4	0	1	0
Costa Sur 6	5	0	0	0
Aguirre 2	1	0	0	0
AES 1	4	2	0	0
AES 2	6	0	0	0
EcoEléctrica	0	0	0	1
<b>Total</b>	<b>25</b>	<b>9</b>	<b>2</b>	<b>3</b>

<sup>1</sup> FCA: Fuel Charge Adjustment

<sup>2</sup> PPCA: Purchased Power Charge Adjustment

<sup>3</sup> CILT: Contribution In Lieu of Taxes, Subsidies, PREPA pension fund rider, Provisional rate 2026 and EE: Energy Efficiency

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

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

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

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

<sup>8</sup> Maintenance Outages: A generating unit shutdown for planned maintenance service.

**Table 3–2: Total Significant Generation Outages by Month**

Outage Type:	Derated	Forced Outage	Loadshed	Loadshed due to Generation Shortfall <sup>9</sup>	Planned / Maintenance Outages
<b>2026 March</b>	25	9	2	1	3
<b>2026 February</b>	27	9	2	0	3
<b>2025 March</b>	36	7	4	0	1

**Table 3–3: Significant Transmission Outages by Line / Transformer for March 2026**

Site Name	Line Trips <sup>10</sup>	Transformer Trips <sup>11</sup>	Substation Trips <sup>12</sup>
Canovanas Substation #2402	0	0	1
Bayamon TC Bank 230/115 kV	0	1	0
Costa Sur Bank #1 230/115 kV	0	1	0
Dorado TC Bank 115/38 kV	0	1	0
Dorado TC Bus 38 kV	0	0	1
Fajardo TC Bank #2 115/38 kV	0	1	0
Fajardo TC Bus 115 kV	0	0	1
Juncos TC Bus #2 115 kV	0	0	1
Line - 36100 BO Piñas GIS - Ciales	1	0	0
Line - 36100 Ciales – Morovis	1	0	0
Line - 36100 Dos Bocas HP - BO Piñas GIS	1	0	0
Line - 36100 Dos Bocas HP – Ciales	1	0	0
Line - 36200 Daguao TC – Fajardo TC	1	0	0
Line - 36200 Juncos TC – Rio Blanco	1	0	0
Line - 36200 Juncos TC - Villa Betina	1	0	0
Line - 36200 Monacillos TC – Juncos TC	1	0	0
Line - 36200 Monacillos TC - Villa Betina	1	0	0
Line - 36400 Ponce TC – Jayuya	1	0	0
Line - 37400 Dorado TC – Hato Tejas TC	1	0	0
Line - 37400 Dorado TC - Vega Baja TC	1	0	0
Line - 37400 Vega Baja TC – Manati TC	1	0	0
Line - 37800 Caguas TC – Monacillos TC	1	0	0
Line - 39000 Aguas Buenas – Comerio TC	1	0	0
Line - 39000 Monacillos TC – Aguas Buenas GIS	1	0	0

<sup>9</sup> Loadshed due to Generation Shortfall: Occurs when the demand for electricity becomes higher than the available supply.

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

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

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

Site Name	Line Trips <sup>10</sup>	Transformer Trips <sup>11</sup>	Substation Trips <sup>12</sup>
Line - 41400 Juncos TC – Humacao TC	1	0	0
Line - 41700 Juncos TC – Amgen	1	0	0
Line - 50400 Costa Sur SP – Mayaguez TC	1	0	0
Line - 50500 Mayaguez TC – Mora TC	1	0	0
Line - 50500 Mora TC – Cambalache Plant	1	0	0
Line - 50900 Aguirre SP – Aguas Buenas GIS	1	0	0
Manati TC Bank 115/38/13 kV	0	1	0
Monacillos TC Bank #2 115/38 kV	0	1	0
Palo Seco Bus 115 kV	0	0	1
Ponce TC Bus #1 38 kV	0	0	1
San Sebastian Substation #7805	0	0	1
Vega Baja TC Bus #1 38 kV	0	0	1
<b>Total</b>	<b>22</b>	<b>6</b>	<b>8</b>

**Table 3–4: Total Significant Transmission Outages by Month**

Outage Type:	Line Trips	Transformer Trips	Substation Trips
<b>2026 March</b>	22	6	8
<b>2026 February</b>	14	6	8
<b>2025 March</b>	12	1	7

## 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 March 2, 2026, LUMA submitted the implementation plan to comply with the Puerto Rico Energy Bureau’s February 5 and February 11, 2026 orders, including reconciliation of FEMA project funding, confirmation of transmission and distribution damage inventories and timelines for reactivating priority projects. On March 5, 2026, LUMA submitted 19 FEMA Project Obligations, 14 for Vegetation Management, 2 Transmission Pole Replacement, 1 Streetlighting Distribution, 1 Grid Automation, 1 Telecommunications. On March 11, 2026, LUMA submitted its Updated 90-Day Plan report. On March 13, 2026, LUMA submitted 2 FEMA Project Obligation for Vegetation Management. On March 13, 2026, LUMA submitted two infrastructure repair plans for the Ponce region related to Hurricane Fiona. On March 23, 2026, LUMA submitted an updated version of a previously approved Area Plan for Mayaguez G.

- [NEPR-AP-2023-0003](#) | **Rate Review** – On March 3, 2026, LUMA filed its Reply to the Rate Design Briefs. On March 6, 2026, LUMA submitted its brief in response to the Legal Questions. On March 11 and 17, 2026, LUMA filed updated and revised Revenue Requirement schedules incorporating PREPA's February 23, 2026 filing and Genera's final revenue requirement. On March 20, 2026, LUMA filed its Reply to the Legal Questions. On March 27, 2026, in compliance with the Energy Bureau orders, LUMA filed the Draft Procedural History. That same day, LUMA also submitted its response to the Puerto Rico Local and Environmental Organizations ("LECO") Public Comments and requested that LECO's allegations of performance deficiencies be stricken.
- [NEPR-MI-2020-0001](#) | **Permanent Rate** – On March 16, 2026, LUMA submitted the quarterly reconciliation for December 2025 through February 2026, along with the proposed factors for April to June 2026. On March 20 and March 23, LUMA responded to Requests for Information and participated in a Technical Conference on March 25, 2026, related to the quarterly factors. On March 26, LUMA submitted responses to a second Request for Information. On March 27, the Energy Bureau issued a Resolution and Order establishing the factors effective from April 1 through June 30, 2026.
- [NEPR-MI-2021-0004](#) | **Initial Budget** – On March 25, 2025, LUMA submitted a budget amendment and reallocation request to the Energy Bureau.
- [NEPR-MI-2019-0016](#) | **DG Interconnection Quarterly Progress Report** – On March 6, 2026, LUMA filed a motion submitting a revised version of the DG Interconnection Quarterly Progress Report for the period of October to December 2025. On March 12, 2026, LUMA participated in a Compliance Hearing held by the Energy Bureau. On March 25, 2026, LUMA submitted a second revised version of the DG Interconnection Quarterly Progress Report for the same reporting period.
- [NEPR-AP-2023-0004](#) | **Integrated Resource Plan** – On March 9, 2026, LUMA filed its responses to the Second Set of 2025 RFIs issued by the Energy Bureau on February 27, 2026. On March 11, 2026, LUMA filed its response to RFI 18. On March 19, 2026, the Energy Bureau held the 2025 IRP Initial Technical Hearing.
- [NEPR-MI-2026-0002](#) | **Energy Efficiency and Demand Response Three-Year Plan** – On March 2, 2026, LUMA filed a motion to submit the Three-Year Energy Efficiency and Demand Response Plan covering the period from July 1, 2026, through June 30, 2028 (Fiscal Years 2027–2028). On March 16, 2026, LUMA filed its presentation for the Technical Workshop held on March 17, 2026.
- [NEPR-MI-2026-0001](#) | **Request for Information to LUMA Energy, LLC and LUMA Energy Servco, LLC regarding agreements executed with municipalities related to public lightning** – On March 3, 2026, LUMA submitted responses to requests for information in compliance with the February 11, 2026, Resolution and Order. In this filing, LUMA reiterated that it has not yet executed agreements with municipalities for the installation, repair, or maintenance of public luminaires.

#### Other Filings made during March 2026:

- [NEPR-MI-2019-0007](#) | **Legacy Performance Metrics** – Monthly Report on System Reliability Metrics for February 2026 (March 20, 2026).
- [NEPR-MI-2021-0002](#) | **Federal Funding** – Monthly Progress Report for 4 x 25 MW BESS Project. (March, 27, 2026)

- [NEPR-MI-2024-0005](#) | **Priority Stabilization Plan** –March 2026 Monthly Collaborative Report on the Progress of the Electric System Priority Stabilization Plan, in compliance with the Resolution and Order of March 28, 2025, and July 16, 2025 (March 27, 2026).
- [NEPR-MI-2020-0015](#) | **Annual Compliance Report for Retail Energy Provider** – Annual Compliance Report regarding compliance with the Renewable Energy Portfolio for the 2025 calendar year (March 31, 2026).

## 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 March, LUMA submitted comments on four (4) legislative measures, responded to three (3) Requests for Information (RFIs), and participated in one (1) Public Hearing. Additionally, LUMA received one (1) new RFI and one (1) new Public Hearing Summon.

**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
House of Representatives of Puerto Rico - Small and Medium Business Committee	Request for Information regarding <b>House Bill 252 (P.C. 252)</b> to amend Act 454-2000, as amended, known as the "Small Business Administrative and Regulatory Flexibility Act," to provide that regulations for the supply of essential services containing a payment or deposit bond shall permit the prorated payment of the required amount; provided, however, that the corresponding government entity may impose a charge equivalent to five (5%) percent of the total required bond, when the deferred payment of the bond is granted.	On March 18, 2026, LUMA submitted Additional Information to the Committee regarding House Bill 252.
Senate of Puerto Rico	<b>Senate Request for Information 2026-0022</b> regarding Streetlight and Notifications to PRASA on Load Shedding in the Arecibo Senate District.	On March 6, 2026, LUMA submitted its comments to the Committee regarding the Senate's Request for Information 2026-0022.

Committee	Act, Bill or Resolution	LUMA Response
House of Representatives of Puerto Rico - Government Committee	Request for Input regarding <b>House Bill 1148 (P.C. 1148)</b> to establish the "Resilient Electrical Infrastructure and Public Safety through Integrated Vegetation Management Act," in order to create a uniform and technically sound regulatory framework for vegetation management in Puerto Rico's electric easements.	On March 6, 2026, LUMA submitted its comments to the Committee regarding House Bill 1148.
House of Representatives of Puerto Rico - Northern Region Committee	Public Hearing summoning regarding <b>House Resolution 99 (R.C. 99)</b> to conduct an investigation into all matters related to government services and infrastructure affecting municipalities under its jurisdiction, including Barceloneta. RFI in the face of reports of prolonged interruptions in water and energy services in Barceloneta.	On March 10, 2026, LUMA received a Public Hearing summoning regarding House Resolution 99. On March 17, 2026, LUMA attended the Public Hearing and received a Request for Additional Information. On March 24, 2026, LUMA submitted the Additional Information to the Committee.
House of Representatives of Puerto Rico - Northern Region Committee	Request for Input regarding <b>House Resolution 249 (R.C. 249)</b> to conduct an investigation on the conditions of the public lighting system in Representative District Number 14 corresponding to the municipalities of Arecibo and Hatillo, including the analysis of the current plan for the installation or replacement of luminaires, the government prioritization criteria and the supervision and monitoring mechanisms established.	On March 10, 2026, LUMA submitted its comments to the Committee regarding House Resolution 249.
Senate of Puerto Rico - Government Committee	Request for Information regarding <b>Senate Resolution 187 (R.S. 187)</b> on the Status of the Reconstruction of Puerto Rico's Electric System.	On March 11, 2026, LUMA submitted its comments to the Committee regarding Senate Resolution 187.
House of Representatives of Puerto Rico - Transportation and Infrastructure Committee	Request for Input regarding <b>House Resolution 86 (R.C. 86)</b> to conduct an investigation into the deficiencies in the repair and replacement of luminaires on state and municipal highways in the Municipalities of Toa Baja and Cataño; examine LUMA's "Community Public Lighting Initiative Program," its	On March 12, 2026, LUMA submitted its comments to the Committee regarding House Resolution 86.

Committee	Act, Bill or Resolution	LUMA Response
	execution, scope, and compliance with the needs of communities; evaluate LUMA Energy's response to citizen complaints; to analyze the economic and technological resources used to address this problem.	
House of Representatives of Puerto Rico - Government Committee	Public Hearing summoning regarding <b>House Resolution 42 (R.C. 42)</b> to carry out an investigation regarding LUMA's new CEO work plan.	On March 26, 2026, LUMA received a Public Hearing summoning regarding House Resolution 42.
House of Representatives of Puerto Rico - Government Committee	Request for Input regarding <b>House Resolution 42 (R.C. 42)</b> to carry out an investigation regarding the payment for electric service in public schools in accordance with Law 114-2007 and Puerto Rico's public energy policy.	On March 26, 2026, LUMA received a Request for Input regarding House Resolution 42.

**Table 5–2: Material Litigation Update**<sup>13</sup>

Case No. & Parties	Description	Updates
<b>Civil Case No. SJ2025CV11093/ CT-2025-0006- P3A v. LUMA Energy LLC; LUMA Energy Servco, LLC/ Adv. Proc. 25-00061</b>	Declaratory Judgment Complaint and Injunction filed by P3A seeking the nullification of the OMA.	On March 2, 2026, LUMA filed a motion requesting leave to supplement its opposition to the motion to remand to include PREPA's filing requesting the dismissal of the Rate Case on the basis of the nullification actions. The Court granted LUMA's motion on March 4, 2026.
<b>Civil Case No. SJ2025CV11202/ CT-2025-0007- Hon. Jennifer González Colon; Government of Puerto Rico</b>	Complaint filed by the Government of Puerto Rico against LUMA seeking the nullification of the T&D OMA.	On March 2, 2026, LUMA filed a motion requesting leave to supplement its opposition to the motion to remand to include PREPA's filing

<sup>13</sup> *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
<b>v. LUMA Energy, LLC/LUMA Energy Servco, LLC/ Adv. Proc. 25-00062</b>		requesting the dismissal of the Rate Case on the basis of the nullification actions. The Court granted LUMA's motion on March 4, 2026.
<b>Eduardo Horrutinier, et. al. v. LUMA, SJ2025CV11155</b>	Class action; declaratory judgment and injunction challenging the imposition and collection of the Pension Charge	During the Omnibus hearing held on March 18, 2026, Judge Swain denied Plaintiffs' request to lift the stay. On March 24, 2026, the Court issued a Memorandum Order denying the Motion for Modification of automatic stay.
<b>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, WendCo of Puerto Rico Inc. et al. v. LUMA Energy LLC</b>	Consolidated class actions claiming damages from the April 6, 2022, event at Costa Sur that caused an island-wide blackout.	On March 19, 2026, LUMA filed its Motion for Partial Summary Judgment regarding the class certification issue. On March 23, 2026, Plaintiffs filed their opposition to LUMA's Motion for Summary Judgment

**The following cases have had no significant changes since the last report:**

<b>Civil Case No. 22–CV–01357 – CADFI Corp. v. PREPA, LUMA and Municipality of San Juan</b>	Plaintiff alleges that pole placement in sidewalks violates ADA
<b>Domingo Marrero v. Mun. de Guánica, Civil Case No. PO2021CV00963</b>	Plaintiff alleged that pole placement in sidewalks violates the Americans with Disabilities Act (“ADA”).
<b>Civil Cases No. SJ2023CV01793, No. SJ2023CV02513 (consolidated) – LUMA Energy ServCo, LLC v. Municipio Autónomo de Manatí</b>	Challenge to Manatí Municipality’s construction excise tax determinations for LUMA.
<b>Notice of Dispute issued by P3A against LUMA under the T&amp;D OMA; Demand of Mediation issued by LUMA against P3A under the T&amp;D OMA</b>	On July 22, 2025, P3A issued a Notice of Dispute identifying six categories of purported Technical Disputes.
<b>Civil Case No. SJ2025CV03310 – WendCo of Puerto Rico Inc. et al. v. LUMA Energy LLC</b>	Class action complaint claiming damages from April 16, 2025, event that caused an island-wide blackout.

The following cases have had no significant changes since the last report:	
<b>Multicom Group Corporation v. LUMA Energy LLC, SJ2025CV08258.</b>	Complaint for collection of \$1.5M under a contract with LUMA as agent of PREPA
<b>Civil Case No. SJ2025CV06607/ CT-2025-0003/ USCA No. 25-2077- Departamento de Asuntos del Consumidor v. LUMA Energy LLC, et. als.</b>	Declaratory judgment action challenging the Liability Waiver on constitutional grounds
<b>LUMA v. P3A, Adv. Proc. Case No. 25-00043</b>	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”)
<b>Case No. 17-BK-04780</b>	LUMA’s request for payment for administrative expenses

## 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
<b>Comptroller’s Office of Puerto Rico (“OCPR”), No. 15592 (PREPA)</b>	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 March 24, 2026, OCPR sent a document for management’s feedback. The response is due on April 8, 2026.
<b>Comptroller’s Office of Puerto Rico (“OCPR”), No. 15720 (LUMA)</b>	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	On March 6, 2026, OCPR sent an RFI with follow-up questions for a sample of contracts. The information was submitted on March 10, 2026.

Government Entity	Audit Description	Significant Updates
	Commonwealth of Puerto Rico, and Act 9 of August 24, 1952, as amended.	<p>On March 6, 2026, OCPR sent an RFI requesting a Representation Letter signed by Management for the period December 1, 2024, to March 6, 2026. The letter was submitted on March 12, 2026.</p> <p>On March 11, 2026, OCPR sent a document for management's feedback. The response was submitted on March 27, 2026.</p> <p>There are no pending requests as of the close of the month of March 2026.</p>
<b>OCPR, No. 15671 (PREPA)</b>	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.
<b>OCPR, No. 15794 (LUMA)</b>	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.	<p>On March 10, 2026, OCPR sent an RFI requesting the total income by concept for the period July 1, 2024, to June 30, 2025. The information was submitted on March 12, 2026.</p> <p>On March 20, 2026, OCPR sent an RFI requesting a Representation Letter signed by Management for the period July 1, 2021 to March 20, 2026. The letter was submitted on March 23, 2026.</p> <p>On March 5 and March 9, 2026, OCPR sent two documents for management's feedback. The responses were submitted on March 20, 2026.</p> <p>On March 26, 2026, OCPR sent a document for management's feedback. The response is due on April 10, 2026.</p>

Government Entity	Audit Description	Significant Updates
<b>OCPR, No. OC-25-39 (Puerto Rico Fiscal Agency and Financial Authority [“AAFAF”] Audit Report)</b>	This audit pertains to AAFAF and the report was issued on December 15, 2024.	On January 27, 2026, LUMA received a notification from OCPR with the evaluation letter of the PAC response submitted on October 1, 2025, requesting additional information. The due date for this request is May 1, 2026. LUMA will be responding by such date.
<b>OCPR, Carta Circular OC-25-20</b>	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.
<b>PREPA FY2023 Audit</b>	KPMG Audit of PREPA Financial Statements (FY2023)	LUMA continues to support PREPA’s ongoing audit and has provided responses on a rolling basis to Klynveld Peat Marwick Goerdeler (“KPMG”) and PREPA requests. PR Treasury Department’s (“Hacienda’s”) representatives notified LUMA that PREPA’s audit was expected to be completed and published in March 2026, however this date has shifted to April 2026.
<b>PR Treasury Department &amp; Municipalities by Pricewaterhouse Coopers (“PwC”)</b>	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 March 2026 towards April 2026. The 2024 audit is estimated to be completed by May 2026.
<b>P3A FY2022 Audit – by Vázquez &amp; Vilanova</b>	First Year (“FY2022”) T&D OMA Compliance – audit for the first full year of LUMA operations.	No pending actions from LUMA.
<b>P3A FY2023 Audit – by Vázquez &amp; Vilanova</b>	Second Year (“FY2023”) T&D OMA Compliance – audit for the second year of LUMA operations.	No pending actions from LUMA.
<b>P3A FY2024 Audit – by Vázquez &amp; Vilanova</b>	Third Year (“FY2024”) T&D OMA Compliance – audit for the third year of LUMA operations.	No pending actions from LUMA.

Government Entity	Audit Description	Significant Updates
<b>Union Pension Plan Compliance (“NEBF”) 2023 (Calendar) Audit – by Withum</b>	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.
<b>Central Office for Recovery, Reconstruction and Resiliency (“COR3”) Monitoring by Deloitte</b>	Deloitte Monitoring for Q1-FY2025 Federal Funding process.	No pending actions from LUMA.

***The following audits have had no significant changes since the last report:***

**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

- March 2026 is the fortieth (40<sup>th</sup>) 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.
- March 2026 is the twenty-seventh (27<sup>th</sup>) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account.
- March 2026 is the nineteenth (19<sup>th</sup>) consecutive month in which PREPA did not provide the required funding to replenish the Contingency Reserve Account.
- LUMA has issued thirty-nine (39) non-compliance notices to PREPA and notified P3A as Administrator of the T&D OMA.
- LUMA has issued twenty-six (26) 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.

- 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 presented a comprehensive proposal during the March 4, 2026 stakeholder meeting with PREPA to resolve concerns and prevent delays to over \$150 million in federal funding for the Monacillos PCC Project, emphasizing that FEMA-identified historic structures do not impede operations and that further progress depends solely on PREPA’s agreement to the required MOA to avoid jeopardizing critical grid-modernization efforts.
- The Consolidated Project List process adopted by PREB in its February 5, 2026, R&O, as subsequently ratified by its February 11, 2026, R&O, should serve as the controlling execution mechanism concerning the review and reactivation of previously withdrawn FEMA funded projects under the FEMA Accelerated Awards Strategy (“FAASt”) program. Projects included in the revised list of the February 11<sup>th</sup> R&O should be reactivated and aligned with available Stafford Act Section 406 funding opportunities, with additional reactivation occurring as further Stafford Act Section 428 funding becomes available. Compliance oversight by PREPA or P3A should proceed concurrently with project development, rather than as a condition precedent to activation, to ensure timely use of federal funding and reduce reimbursement exposure. Continued failure to activate the 289 FAASt projects places at risk the recovery of approximately \$231 million in incurred costs and exposes an additional \$170 million in reconciled costs to potential de-obligation, for a total incurred cost exposure of \$401 million. Although costs have already been incurred on the affected projects, reimbursement remains uncertain where projects remain inactive or where discrepancies persist regarding eligibility for advancement, and any FEMA reimbursements not received risk being borne directly by ratepayers.
- On March 24, 2026, the Fiscal Plan kickoff meeting with PREPA, LUMA, Genera, and FOMB confirmed the updated plan structure and initiated early drafting of non-financial chapters, emphasizing the need for prompt data sharing and establishing bi-weekly recurring meetings to ensure timely coordination of forthcoming financial components. For the financial chapter, the macroeconomic information from the FOMB is preliminary expected to be available by end of April.

### **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 (5) times with the last one executed on December 31, 2025 for an additional six (6) months until June 30, 2026. It is imperative that PREPA complete its full separation from the Share 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 additional extension period. However, the biweekly Shared Services reports submitted by PREPA so far did not meet the requirements set forth in the agreement. In alignment with its approved Fiscal Plan, PREPA as a holding company (HoldCo) has yet to establish a comprehensive financial governance framework to standardize and consolidate financial reporting across PREPA (HydroCo), LUMA (GridCo), and Genera (GenCo). This lack of coordination continues to hinder the development of integrated financial statements. Moreover, PREPA has not yet created the legal entity for GridCo, which is essential for properly segregating Transmission and Distribution assets under LUMA's operation. PREPA also remains engaged in Shared Services, having repeatedly requested extensions to the Shared Services Agreement rather than executing a full exit. These unresolved issues pose significant challenges to achieving accurate and consolidated financial reporting.

### **Net Energy Metering**

- LUMA has completed an additional 6,430 supplemental studies in March 2026. The studies cover distribution feeder voltage, thermal, and protection analyses, which are critical to maintaining the distributed system's stability and reliability. As of March 31st, 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.
- Uncoordinated growth of Distributed Energy Resources (DER) is contributing to voltage instability, equipment overloads, and broader system reliability challenges; LUMA's cluster studies have identified the need for significant network upgrades—including transformer replacements, capacitor bank conversions, feeder improvements, switches, and voltage regulators—and the associated investment requirements exceed \$51 million, in addition to \$9.3 million in unfunded supplemental study costs.

### **Third Party Pole Attachments (“TPA”)**

- During the month of March, LUMA continued negotiations with telecommunications carriers regarding the proposed FCC Pole Attachment Rate.
- Advanced coordination with carriers and government stakeholders in support of TPA inventory and pole attachment transfers associated with pole replacement programs.
- Progressed development of a comprehensive work plan with carriers focused on payment compliance and the regularization of unauthorized attachments.
- Finalized draft of the new Pole License Agreement, scheduled for distribution to carriers in April.
- Ongoing coordination with the municipalities of Cabo Rojo, Manatí, Cataño, Dorado, Juana Díaz, and Aguada regarding joint use of PREPA infrastructure for security camera installations.
- Participated in proceedings before the Puerto Rico Telecommunications Bureau (Case No. NET-2025-RS-0001) and continued engagement with industry stakeholders on joint use matters.

- Advanced coordination with DOE on the Utility Pole Loading Abatement (TPA) project.
- Continued collection efforts related to outstanding balances associated with pole attachments.

### **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 customer experience. Customers will be encouraged to verify their mailing information to support this effort. Cycle 1 was updated in January. Cycle 2 and cycle 3 will be updated in April, and the projected plan is to continue to cycle 4.
- Unbilled dropped to 1.37% of our total customers. Continued focus on actioning unbilled accounts.
- LUMA activated almost 3,086 customers on the Net Energy Metering ("NEM") tariff in March.
- LUMA will begin receiving Low Income Home Energy Assistance Program ("LIHEAP") funds in May on behalf of qualified customers. LUMA reached 6,942 new payment agreements with customers in March 2026, for a total of over 159,350 agreements since August 2021. Also, in March LUMA completed over 153,663 outbound collection calls for a total of over 6.2 million outbound calls since August 2021. LUMA's Revenue Protection team collected over \$25.5 million in March 2026 directly related to active customer collections of past due receivables. Collection efforts included outbound calls, letters, emails and inbound calls.

### **LUMA Budget Amendment Request**

- LUMA submitted to PREB a request for amendment and reallocation. Shifting authorized funds toward high priority system needs. The amendment is primarily driven by the \$128.5 million DOE grant awarded in September 2025 to PREPA. These funds will support key initiatives such as transformer replacements, Advanced Metering Infrastructure deployment, grid automation, and transmission improvements. Of this, \$46.8 million is allocated to FY2026 projects. At the same time, some projects originally planned under non-federal capital funding are now eligible for FEMA or DOE funding, freeing up \$27.3 million, with an additional \$5.7 million available due to project delays—bringing total available NFC reallocations to \$33.0 million. LUMA proposed using a small portion for DOE cost-share and redirecting the rest to address system needs. In total, \$58.9 million in Non-Federally Funded Capital budget was requested to be reallocated to prioritize reliability, safety, and system stabilization. These reallocations focus on addressing urgent reliability and safety needs, including new customer connections, grid automation enhancements, distribution line rebuilds, replacement of more than 1,000 high risk poles, fiber system restoration, transmission pole repairs, substation stabilization, and upgrades at the Santurce Energy Management system ("EMS") facility.