

Monthly Operations Report on the T&D System

For the Month of April 2026

May 21, 2026



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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 April 2026.

URGENT CASH MATTERS

April 2026 is the forty-first (41st) month in which PREPA did not fully fund one or more of the Service Accounts, in breach of the T&D OMA. April 2026 is also the twenty-eight (28th) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account and the twentieth (20th) 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

April Achievements

LUMA energized 2 new transformers to strengthen the Island's power grid

LUMA energized two new transformers: Veve Calzada Substation in Fajardo and Bayamón TC substation, to reinforce the power grid at strategic locations. These upgrades increased capacity and improved service reliability for more than 78,000 customers. Additionally, 56% of the transformers included in the plan have already received scheduled preventive maintenance, with work and repairs completed at nearly 2,800 points in substations across the Island, helping strengthen reliability as the electrical system's reconstruction continues. [\(link\)](#)

LUMA Performed Upgrades at the Boquerón Substation and on a Transmission Line in the Western Region

LUMA performed upgrade work at the Boquerón Substation in Cabo Rojo and along transmission line 13400 to strengthen system reliability for more than 13,000 customers. The scheduled work included replacing structural metal beams, updating the 38 kV line entrance, and installing components that ensured safe and consistent voltage levels. At the same time, crews replaced insulators, installed a new ABC-type cable, and removed out-of-service sections along 10,000 feet of the transmission line. These improvements helped reduce outages, increased resilience, and sped up restoration when interruptions occurred. We appreciated customers' understanding during the temporary service interruption as our crew worked to complete these critical upgrades safely and efficiently. [\(link\)](#)

LUMA Completes Critical Transmission Line Work to Improve Service for 4,000 Bayamón Customers

LUMA strengthened electric service in Bayamón by energizing a section of the transmission line 10000, that serves residential communities, businesses, and the Universidad Central de Bayamón. . Our crews transferred cables to new structures, replaced outdated poles, and reinforced the system’s capacity with upgrades that meet current industry standards. LUMA also conducted inspections on 27,000 feet of transmission lines in the municipality and completed the required corrective maintenance work. Our crews addressed difficult access areas, poles with beehives, and corrective points identified through advanced technology such as thermal imaging cameras. These efforts strengthened system reliability, improved service continuity, and enhanced overall safety for customers in the region. [\(link\)](#)

We Enhance Grid Resilience in Guayama with Pole Replacements, New Equipment, Feeder Improvements and Vegetation Management

LUMA carried out strategic improvements in hard-to-access areas of the Machete neighborhood in Guayama to provide greater redundancy and strengthen the electric system for more than 4,200 customers. As part of this effort, we are replacing 28 deteriorated poles with galvanized poles capable of withstanding winds of up to 160 miles per hour across more than 7,500 feet. We are working along one of Guayama’s most challenging feeders, improving redundancy by installing new insulators, updated hardware, and enhanced vegetation management. To minimize service interruptions, our crews installed specialized equipment that allows customers to remain connected while the replacements are completed. These improvements support our broader commitment to modernize the grid, enhance reliability, and address the needs of customers in the southern region. [\(link\)](#)

Electric system modernization advanced with technologies that improved outage response

LUMA advanced the modernization of the electric system by deploying new technologies that improved outage response. With funding from the U.S. Department of Energy (“DOE”), we installed 135 automated reclosers that acted as smart sensors across the grid. We prioritized installations in areas where they would have the greatest impact, benefiting more than 32,000 customers across multiple regions. This progress complemented other ongoing projects to strengthen, digitalize, and rebuild Puerto Rico’s electric infrastructure. [\(link\)](#)

3.0 Federal Grants

Federal Grants support a set of coordinated grid resilience and modernization projects designed to strengthen Puerto Rico's electric system. These initiatives focus on restoring critical transmission and substation assets, upgrading protection and control systems, improving grid automation, enhancing inspection capabilities, correcting behind-the-meter safety issues, and hardening telecommunications networks. Together, the projects use grant resources to reduce system vulnerabilities, increase reliability, and improve operational readiness for LUMA’s customers.

DOE Grant Key Milestones

- **P-2 Substation Stabilization – First Tranche Commissioning Report Submitted**
 - The commissioning report for the Caguas and Monacillos TR1/TR3 transformers was formally submitted, confirming full testing, energization, and operational readiness of all

first-tranche substation upgrades. This establishes restored redundancy for more than 180,000 customers.

- **P-2 Fajardo Transformer – Installation and Energization Complete**
 - The Fajardo transformer installation—along with associated Programmable Automation Controller (“PAC”) and Supervisory Control and Data Acquisition (“SCADA”), switching, and containment upgrades—was completed and energized reflecting validated readiness and strengthened reliability for the region.
- **P-3 Transmission Facility Restorations – All Required Lines Complete**
 - All five mandated 38 kV transmission lines were completed ahead of schedule and listed as fully restored. These restorations eliminate major system vulnerabilities and restore key power-flow paths across Puerto Rico.
- **P-5 Grid Modernization – Construction Plan Finalized**
 - The Construction Execution Plan was completed, providing the required framework to begin deploying over 135 automated reclosers that will reduce customer outage frequency and duration.
- **P-6 System Stabilization – Critical Upgrades Completed**
 - All critical stabilization upgrades—breaker replacements, relay improvements, and protection system enhancements—were completed, advancing system resilience ahead of remaining 2026 work.
- **P-7 System Intelligence Enhancement – Implementation Plan Completed**
 - The completed implementation plan outlines the rollout of Light Detection and Ranging (“LiDAR”), aerial inspection tools, and unmanned systems, positioning the utility to modernize grid inspection and gain stronger asset visibility.
- **P-8 Telecom Pole Attachment Guidelines – Standards Plan Complete**
 - The finalized Standards and Guidelines Plan consolidate all engineering procedures governing telecom attachments, enabling consistent field audits and improved control of non-compliant assets.

FEMA Grant Key Milestones

- **Advancement of Project Obligations**
 - A total of 220 projects have been formally obligated, demonstrating continued progress in securing FEMA support for critical recovery initiatives. When accounting for approved amendments, this effort expands to 254 projects, reflecting active refinement and adjustment of project scopes.
- **Structured Financial Tracking of Recovery Activities**
 - Funding activity has been organized and tracked in alignment with FEMA processes, through the current figures exclude Global Project Worksheet (PW). This distinction ensures clarity regarding which portions of the overall FEMA financial portfolio are being reflected and which remain outside the reported scope.

- **Continued Progress Under FEMA Workflow Processes**
 - The workflow highlights ongoing execution within FEMA's established project review and funding mechanism, supporting the advancement of multiple recovery projects across the system.

4.0 Monthly Sales Summary

Consumption in April 2026 decreased by 2.3% compared to the previous month (March 2026) and 4.4% compared to the same month of the previous year (April 2025). In April 2026, revenues were 5.7% higher than in March 2026 and 14.3% compared to the same month of the previous year (April 2025).

Table 2–1. Energy billed by customer segment

Consumption (GWh)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2026 April	504.4	594.4	110.6	23.3	1.9	2.9	1,237.5
2026 March	506.8	612.6	113.6	28.6	2.0	3.0	1,266.6
2025 April	517.4	639.8	106.5	26.1	1.9	3.0	1,294.7

Table 2–2. Energy sales by customer segment

Sales (\$ Million)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2026 April	126.9	173.4	31.5	10.1	0.6	0.8	343.3
2026 March	118.0	164.8	29.7	11.0	0.5	0.7	324.7
2025 April	110.9	154.0	24.7	9.5	0.5	0.7	300.3

Table 2–3. Energy sales by rate component

Energy Sales (\$ Million)	Base	FCA ¹	PPCA ²	CILT & Subsidies & EE ³	Total ⁴
2026 April	83.8	140.4	60.9	58.2	343.3
2026 March	88.5	117.1	58.6	60.5	324.7
2025 April	89.0	129.7	62.5	19.1	300.3

5.0 System Operations Update

Reported Events

- In April 2026, a total of ten (10) base load generation forced outages occurred. Six (6) load sheds

¹ FCA: Fuel Change Adjustment

² PPCA: Purchase Power Change Adjustment

³ CILT: Contribution in Lieu of Taxes, Subsidies, PREPA pension fund rider, Provisional rate 2026 and Energy Efficiency.

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

were due to generation shortfalls that resulted in the activation of Under Frequency Load Shed (“UFLS”)⁵.

- There were no LEOC activations for the month of April 2026.

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

Site Name	Derated ⁶	Forced Outage ⁷	Loadshed ⁸	Planned / Maintenance Outages ⁹
San Juan 5	0	2	2	0
San Juan 9	1	0	0	0
Palo Seco 4	3	4	0	0
Costa Sur 5	4	2	0	0
Costa Sur 6	1	0	0	0
Aguirre 2	2	2	4	1
AES 1	4	0	0	0
AES 2	0	0	0	0
EcoEléctrica	0	0	0	0
Total	15	10	6	1

Table 3–2: Total Significant Generation Outages by Month

Outage Type:	Derated	Forced Outage	Loadshed	Loadshed due to Generation Shortfall ¹⁰	Planned / Maintenance Outages
2026 April	15	10	6	0	1
2026 March	25	9	2	1	3
2025 April	54	23	8	3	0

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

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

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

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

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

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

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

Site Name	Line Trips ¹¹	Transformer Trips ¹²	Substation Trips ¹³
Barceloneta TC 115/38 kV Bank #1	0	1	0
Barceloneta TC 38 kV Bus	0	0	1
Bayamon TC 115/38 kV Bank #1	0	1	0
Caguas TC 38 kV Bus #2	0	0	1
Fajardo TC 115/38 kV Bank #2	0	2	0
Fajardo TC 38 kV Bus	0	0	2
Humacao TC 115 kV Bus #2	0	0	1
Line - 36100 Bayamon TC – Cana	3	0	0
Line - 36100 BO Piñas GIS – Ciales	1	0	0
Line - 36100 Cana - BO Piñas GIS	2	0	0
Line - 36100 Dos Bocas HP - BO Piñas GIS	2	0	0
Line - 36100 Dos Bocas HP – Ciales	1	0	0
Line - 36100 Monacillos TC - Bayamon TC	1	0	0
Line - 36200 Fajardo TC - Daguao TC	1	0	0
Line - 36200 Juncos TC – Monacillos TC	1	0	0
Line - 36300 Humacao TC – Rio Blanco	1	0	0
Line - 37100 Costa Sur SP – Guanica TC	1	0	0
Line - 37400 Cambalache TC – Barceloneta TC	1	0	0
Line - 37500 Monacillos TC - Rio Bayamon	1	0	0
Line - 37500 Rio Bayamon – Bayamon TC	1	0	0
Line - 37700 Bayamon TC – Palo Seco SP	1	0	0
Line - 37800 Buen Pastor - Caguas TC	1	0	0
Line - 37800 Cayey TC - Jobos TC	2	0	0
Line - 37800 Monacillos TC - Buen Pastor	1	0	0
Line - 38200 Palo Seco SP – Monacillos TC	1	0	0
Line - 40800 Manati TC - Radial (Dupont)	1	0	0
Line - 51200 Cambalache GP – Costa Sur SP	2	0	0
Once De Agosto 38 kV Bus	0	0	1
Ponce TC 38 kV Bus #1	0	0	1
Rio Bayamon 115 kV Bus	0	0	1
Rio Blanco 38 kV Bus	0	0	1
Santa Isabel TC 38kV Bus	0	0	1
Substation #5602 Guanica	0	0	1
Total	26	4	11

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

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

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

Table 3–4: Total Significant Transmission Outages by Month

Outage Type:	Line Trips	Transformer Trips	Substation Trips
2026 April	26	4	11
2026 March	22	6	8
2025 April	21	2	11

6.0 Puerto Rico Energy Bureau Filings and Hearings

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

- [NEPR-MI-2021-0002](#) | **Federal Funding** – On April 28, 2026, LUMA submitted to the PREB two FEMA project obligations for the Vegetation Management and Capital Clearing Implementation.
- [NEPR-MI-2019-0006](#) | **Emergency Response Plan** – On April 30, 2026 LUMA submitted to the PREB its Q3FY2026 Emergency Response Plan Coordination Meetings Report requesting that PREB modify the meeting cadence from monthly to quarterly and the reporting cadence from quarterly to biannually.
- [NEPR-MI-2024-0005](#) | **Priority Stabilization** – On April 24, 2026, LUMA submitted to the PREB a motion requesting an extension until June 1, 2026 due to the Comprehensive Transmission Plan being more complex and time-consuming than originally expected.
- [NEPR-AP-2023-0004](#) | **Integrated Resource Plan** – On April 16, 2026, LUMA filed its responses to the Third Set of 2025 IRP Post-Filing RFI Attachment A. On April 23, 2026, LUMA filed an informative motion notifying the PREB that responses to the Third Set of 2025 IRP Post-Filing RFI Attachment B were provided by PREPA on April 17, 2026.
- [NEPR-MI-2026-0002](#) | **Energy Efficiency and Demand Response Three-Year Plan** – On April 20, 2026, LUMA filed a motion to submit the responses to PREB’s requests for information regarding the Three-Year Energy Efficiency and Demand Response Plan.
- [NEPR-MI-2019-0007](#) | **Legacy Performance Metrics** – On April 2, 2026, PREB issued a Resolution and Order with an updated quarterly report data template. On April 22, 2026, LUMA filed a Motion Requesting a Partial Reconsideration of the April 2 Order.
- [NEPR-MI-2026-0004](#) | **Request for Information JR 5-2026** – On April 1, 2026, LUMA filed a motion in compliance with order from March 26, 2026, to present information in response to a specific request from the PREB to provide information and certification related to Supplemental Study charges.
- [NEPR-MI-2026-0003](#) | **Process for the Adoption of the Municipal Streetlighting Regulation** – On April 1, 2026, LUMA filed a motion to request an extension to submit comments on the draft for the Municipal Streetlighting Regulation. On April 6, 2026, LUMA filed a motion to submit preliminary comments and reiterate request for extension to submit detailed comments on the draft for the Municipal Streetlighting Regulation.

- [NEPR-MI-2019-0009](#) | **Interconnection Regulation** – On April 15, 2026, LUMA filed a motion to submit comments on key issues relating to Preliminary Draft of the Interconnection Regulation. These comments were submitted in continued support of the PREB’s efforts to modernize the interconnection regulatory framework and to ensure a safe, reliable and scalable integration of Distributed Energy Resources.

Other Filings made during April 2026:

- [NEPR-MI-2019-0007](#) | Quarterly Report on System Date for January through March 2026 and provided two newly added metrics. (April 22, 2026)
- [NEPR-MI-2021-0002](#) | **Federal Funding** –Monthly Progress Report for 4 x 25 MW Battery Energy Storage System (“BESS”) Project. (April 27,2026)
- [NEPR-MI-2024-0005](#) | **Priority Stabilization Plan** – April 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 (April 27, 2026).
- [NEPR-MI-2024-0002](#) | **Accelerated Storage Addition Program** – Quarterly report on LUMAs accelerated storage addition program for January through March 2026 (April 30, 2026).

7.0 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 April, LUMA submitted comments on six (6) legislative measures, responded to two (2) Requests for Information (RFIs), participated in one (1) Public Hearing, one (1) Oversight Hearing, and one (1) townhall meeting. Additionally, LUMA received two (2) new RFIs.

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 - Government Committee	Request for Input regarding House Resolution 42 (R.C. 42) 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 April 6, 2026, LUMA submitted its comments to the Committee regarding House Resolution 42.

Committee	Act, Bill or Resolution	LUMA Response
House of Representatives of Puerto Rico - Natural Resources Committee	Oversight Hearing summoning regarding House Resolution 294 (R.C. 294) to conduct an investigation into the compliance and effectiveness of Joint Resolution 195 of August 1, 2012, which provided for the creation of the "Consortium for the Protection of Bahía Bioluminiscente Puerto Mosquito of Vieques"; and for other related purposes.	On April 8, 2026, LUMA received an Oversight Hearing summoning regarding House Resolution 294. On April 17, 2026, LUMA attended the Oversight Hearing and received a Request for Additional Information.
House of Representatives of Puerto Rico - Government Committee	Public Hearing summoning regarding House Bill 1042 (P.C. 1042) to create the "Automatic Credit for Blackouts Act".	On April 8, 2026, LUMA received a Public Hearing summoning regarding House Bill 1042. On April 10, 2026, LUMA received notice of the cancellation of the Public Hearing.
Senate of Puerto Rico - Government Committee	Request for Input regarding Senate Joint Resolution 168 (R.C.S. 168) to order the Energy Bureau of the Puerto Rico Public Service Regulatory Board to commence, within ninety (90) days from the effective date of this Joint Resolution, the process of adopting a new comprehensive regulation for the interconnection of generation systems with the Puerto Rico Electric Power Authority's electric grid that is consistent with all mandates, objectives, and guiding principles of Puerto Rico's electric system, as well as with the Public Energy Policy, as established in Act No. 17-2019, as amended, known as the "Puerto Rico Public Energy Policy Act".	On April 10, 2026, LUMA received a Request for Input regarding Senate Joint Resolution 168. On April 27, 2026, LUMA submitted its comments to the Committee.

Committee	Act, Bill or Resolution	LUMA Response
Senate of Puerto Rico - Innovation, Reform and Appointments Committee	Request for Input regarding Senate Bill 1183 (P.S. 1183) to create the "Planning and Permissions Code".	On April 10, 2026, LUMA received a Request for Input regarding Senate Bill 1183. On April 27, 2026, LUMA submitted its comments to the Committee.
Senate of Puerto Rico - Innovation, Reform and Appointments Committee	Request for Input regarding Senate Bill 1173 (P.S. 1173) to establish the "Act to Simplify Puerto Rico's Permitting System".	On April 10, 2026, LUMA received a Request for Input regarding Senate Bill 1173. On April 27, 2026, LUMA submitted its comments to the Committee.
House of Representatives of Puerto Rico - Government Committee	Request for Input regarding House Bill 1207 (P.C. 1207) to create the "Law for Municipal Collaboration in the Installation, Repair, Maintenance and Modernization of the Public Lighting System".	On April 13, 2026, LUMA received a Request for Input regarding House Bill 1207. On April 20, 2026, LUMA submitted its comments to the Committee.
Senate of Puerto Rico - Housing and Social Welfare Committee	Townhall meeting summoning to conduct an investigation into the urgent situation of the undermining and collapse of the road Urb. Valle Real in Ponce.	On April 16, 2026, LUMA received a Townhall meeting summoning. On April 28, 2026, LUMA attended the Townhall meeting and received a referral of several service orders to repair Streetlight in the area.
House of Representatives of Puerto Rico - Northern Region Committee	Request for Input regarding House Bill 1184 (P.C. 1184) to create the "Northern Corridor" Revitalization Program.	On April 18, 2026, LUMA received a Request for Input regarding House Bill 1184.
Senate of Puerto Rico - Innovation, Reform and Appointments Committee	Request for Input regarding Senate Resolution 459 (R.S. 459) to order the Commission on Innovation, Reform and Appointments of the Senate of Puerto Rico to conduct thorough research on current and projected water supply system in the municipality of Cabo Rojo and bordering municipalities; evaluate the hydrological, technical,	On April 22, 2026, LUMA received a Request for Input regarding Senate Resolution 459.

Committee	Act, Bill or Resolution	LUMA Response
	environmental and socioeconomic of the Essence Project; quantify their water demand actual in daily and annual gallons; determine the potential impact on communities currently experiencing low pressure and deficiencies in the service; Analyze the risks of overexploitation and saline intrusion in aquifers southwest coastal; and for other related purposes.	
House of Representatives of Puerto Rico - Government Committee	Public Hearing summoning regarding House Resolution 42 (R.C. 42) to carry out an investigation regarding LUMA's new CEO work plan.	On April 23, 2026, LUMA submitted its comments to the Committee regarding House Resolution 42. On April 24, 2026, LUMA attended the Public Hearing and received a Request for Additional Information.

Table 5–2: Material Litigation Update¹⁴

Case No. & Parties	Description	Updates
Civil Case No. SJ2025CV11093/ CT-2025-0006- P3A v. LUMA Energy LLC; LUMA Energy Servco, LLC/ Adv. Proc. 25-00061	Declaratory Judgment Complaint and Injunction filed by P3A seeking the nullification of the OMA.	On April 10, 2026, P3A filed a motion for leave to supplement its Opposition to the Motion to Remand, requesting the Court to consider the Rate Case filing. On April 14, 2026, the Court granted P3A's motion for leave and LUMA's Motion for leave to supplement its Opposition to the Motion to Remand. On that same date, the Court issued an order granting in part the bondholders' motion to

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

Case No. & Parties	Description	Updates
<p>Civil Case No. SJ2025CV11202/ CT-2025-0007- Hon. Jennifer González Colon; Government of Puerto Rico v. LUMA Energy, LLC/LUMA Energy Servco, LLC/ Adv. Proc. 25-00062</p>	<p>Complaint filed by the Government of Puerto Rico against LUMA seeking the nullification of the T&D OMA.</p>	<p>intervene but limited the scope of their intervention.</p> <p>On April 10, 2026, P3A filed a motion for leave to supplement its Opposition to the Motion to Remand, requesting the Court to consider the Rate Case filing. On April 14, 2026, the Court granted P3A's motion for leave and LUMA's Motion for leave to supplement its Opposition to the Motion to Remand. On that same date, the Court issued separate orders granting in part the bondholders' and the FOMB's respective motions to intervene but limited the scope of their intervention.</p>
<p>Eduardo Horrutinier, et. al. v. LUMA, SJ2025CV11155/ Case No. 17-03283</p>	<p>Class action; declaratory judgment and injunction challenging the imposition and collection of the Pension Charge</p>	<p>On April 6, 2026, Plaintiffs filed a Notice of Appeal before the Title III Court.</p>
<p>Civil Case No. SJ2025CV03310 – WendCo of Puerto Rico Inc. et al. v. LUMA Energy LLC</p>	<p>Class action complaint claiming damages from April 16, 2025, event that caused an island-wide blackout.</p>	<p>On April 30, 2026, LUMA filed a motion informing that status of the discovery.</p>
<p>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</p>	<p>Consolidated class actions claiming damages from the April 6, 2022, event at Costa Sur that caused an island-wide blackout.</p>	<p>On April 28, 2026, LUMA filed its Reply in support of its Motion for Summary Judgment. The Motion is now submitted for adjudication.</p>
<p>Civil Case No. SJ2025CV06607/ CT-2025-0003/ USCA No. 25-2077- Departamento de Asuntos del Consumidor v. LUMA Energy LLC, et. als.</p>	<p>Declaratory judgment action challenging the Liability Waiver on constitutional grounds</p>	<p>On April 21, 2026, the First Circuit entered an order scheduling the appeal of the DACO case for oral argument on June 4, 2026.</p>

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.
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.
Multicom Group Corporation v. LUMA Energy LLC, SJ2025CV08258.	Complaint for collection of \$1.5M under a contract with LUMA as agent of PREPA
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”)
Case No. 17-BK-04780	LUMA’s request for payment for administrative expenses

8.0 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. 15592 (PREPA)	Audit of PREPA during the period of June 1, 2018 – June 30, 2021, by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto	On March 24, 2026, OCPR sent a document for management’s feedback. The response was submitted on April 8, 2026. On April 13, 2026, OCPR sent a second document for management’s feedback.

Government Entity	Audit Description	Significant Updates
	Rico, and Act 9 of July 24, 1952, as amended.	The response was submitted on April 28, 2026.
Comptroller’s Office of Puerto Rico (“OCPR”), No. 15720 (LUMA)	Audit of PREPA during the period of June 1, 2018 – June 30, 2021, by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto Rico, and Act 9 of July 24, 1952, as amended.	At this moment, there are no pending requests.
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.
OCPR, No. 15794 (LUMA)	Audit of PREPA during the period of June 1, 2018 – June 30, 2021, by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto Rico, and Act 9 of July 24, 1952, as amended.	On March 26, 2026, OCPR sent a document for management’s feedback. The response was submitted on April 10, 2026.
OCPR, No. 15929 (LUMA)	Special Investigation of PREPA – LUMA for the period June 1, 2021 – December 31, 2025, 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.	Confidential investigation started on April 26, 2026, with an OCPR request for Accounts Payable policies and procedures, the organizational chart of LUMA with the top-level employees for each department (CEO direct reports), and the report Supplier Payment History for the period of January 1, 2024, to December 31, 2025. The information was submitted on April 20, 2026.
OCPR, No. OC-25-39 (Puerto Rico Fiscal Agency and Financial Authority [“AAFAF”] Audit Report)	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. LUMA responded with supporting documentation on May 1, 2026.

Government Entity	Audit Description	Significant Updates
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 FY2023 Audit	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 April 2026, however this date has shifted to May 2026.
PR Treasury Department & Municipalities by Pricewaterhouse Coopers ("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 April 2026 towards May 2026. The 2024 audit is estimated to be completed by October 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 / Affinity Consulting Group, LLC and Global Consultas Asociados, LLC ("Affinity-Global)	Third Year ("FY2024") T&D OMA Compliance – audit for the third year of LUMA operations.	On April 23, 2026, LUMA held a kick-off meeting with P3A, and the auditors hired to perform the OMA Compliance audit. LUMA is gathering the information by the due date of April 24, 2026.
P3A FY2025 Audit – by / Affinity Consulting Group, LLC and Global Consultas Asociados, LLC ("Affinity-Global)	Fourth Year ("FY2025") T&D OMA Compliance – audit for the fourth year of LUMA operations.	On April 23, 2026, LUMA held a kick-off meeting with P3A, and the auditors hired to perform the OMA Compliance audit. LUMA is gathering the information by the due date of April 24, 2026.

Government Entity	Audit Description	Significant Updates
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.
Central Office for Recovery, Reconstruction and Resiliency (“COR3”) Monitoring by Deloitte	Deloitte Monitoring for Q1-FY2025 Federal Funding process.	On April 9, 2026, COR3 communicated that it deems LUMA’s Corrective Action Plans to be sufficient to address the recommendations from COR3. 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.

9.0 Material T&D OMA Items

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

- April 2026 is the forty-first (41st) 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.
- April 2026 is the twenty-eighth (28th) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account.
- April 2026 is the twentieth (20th) consecutive month in which PREPA did not provide the required funding to replenish the Contingency Reserve Account.
- LUMA has issued thirty-nine (41) non-compliance notices to PREPA and notified P3A as Administrator of the T&D OMA.
- LUMA has issued twenty-eight (28) 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. To this date, LUMA awaits PREPA’s comments to proceed with the MOA submission to FEMA.
- 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 11th 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. This macroeconomic information is still pending.

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

- In compliance with the current regulation of distributed generation interconnection, LUMA has successfully completed an additional 6,941 supplemental studies in April 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 April 30th, all feeders with penetration levels above fifteen percent (15%) have been studied. Through this process, LUMA has identified the required system upgrades. LUMA is currently in the process of preparing the cost and timeline information to share with the developers. LUMA is highly concerned about the increasing number of interconnections surpassing the pace of comprehensive studies, which poses a systemic reliability risk. LUMA has engaged in discussions with distributed generation developers and installers to secure payments for required supplemental studies.

Third Party Pole Attachments ("TPA")

- On April 6, 2026, LUMA issued invoices for fiscal years from FY2022-FY2025 to telecommunication carriers using the determined pole attachment rate in compliance with Regulation 9090.
- On April 10, 2026, LUMA shared with telecommunication carriers a new draft Pole License Agreement.
- LUMA continues working on the joint use of PREPA infrastructure for security cameras with the municipalities of Cabo Rojo, Manatí, Cataño, Dorado, and Juana Díaz.
- LUMA deposed during the public audience before the Puerto Rico Telecommunications Bureau ("NET", for its Spanish acronym) regarding the Case NET-2025-RS-0002.
 - On April 2, 2026, the NET issued a Resolution and Order through which it ordered all telecommunications companies and internet service providers to submit within twenty (20) days from the notification of said Resolution and Order an inventory to the NET of their geocoded infrastructure.
 - On April 29, 2026, multiple carriers submitted their motions requesting reconsiderations to the NET's Order.
 - On April 30, 2026, the NET issued a resolution and order expressing that they will evaluate the reconsiderations' motions.

- On April 24, 2026, LUMA deposed in a public hearing held by the Government Committee of the House of Representatives of PR regarding the House Resolution 42, which among other topics included third party attachments.
- LUMA continues to perform tasks related to the Utility Pole Abatement Program (“DOE Program No. 8”), successfully completing Task 8.1 Milestone and has been conducting pre-surveys, surveys, and notifications regarding abandoned cables and non-compliant attachments in compliance with Tasks 8.2 and 8.3 of DOE Program No. 8.

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 May, and the projected plan is to continue to review the data of the pending cycles 4-20 in May. Updates to the rest of the cycles will be in June.
- Unbilled dropped to 1.22% of our total customers. Continued focus on actioning unbilled accounts.
- LUMA activated almost 2,321 customers on the Net Energy Metering (“NEM”) tariff in April.
- LUMA will begin receiving Low Income Home Energy Assistance Program (“LIHEAP”) funds in May on behalf of qualified customers. LUMA reached 5,557 new payment agreements with customers in April 2026, for a total of over 164,907 agreements since August 2021. Also, in April LUMA completed over 151,132 outbound collection calls for a total of over 6.3 million outbound calls since August 2021. LUMA's Revenue Protection team collected over \$25.6 million in April 2026 directly related to active customer collections of past due receivables. Collection efforts included outbound calls, letters, emails, and inbound calls.