

Monthly Report on the T&D System

For the Month of February 2025

March 17, 2025



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1.0 Mission, Goals and Areas of Responsibility

LUMA assumed operations of Puerto Rico's Transmission and Distribution System ("T&D System") on June 1, 2021, with the mission to recover and transform the energy grid and deliver customer-centric, reliable, resilient, safe, and sustainable electricity at reasonable prices for the 1.5 million customers LUMA is proud to serve. LUMA manages and operates the government-owned T&D Assets under the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement ("T&D OMA") executed on June 22, 2020, among the Puerto Rico Electric Power Authority ("PREPA"), the Puerto Rico Public-Private Partnerships Authority ("P3A") and LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, "LUMA"). This report outlines LUMA's key activities for the month of February 2025.

URGENT CASH MATTERS

February 2025 is the twenty-seventh (27th) 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. February 2025 is also the fourteenth (14th) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account. February 2025 is also the fifth (5th) consecutive month in which PREPA did not provide the required funding to replenish the Contingency Reserve Account. Funding the Service Accounts, including the Outage Event Reserve Account and the Contingency Reserve Account, is an obligation of the Owner, pursuant to Section 7.5 of the T&D OMA. To date, PREPA has failed to identify a funding source to meet its obligations under the T&D OMA. Furthermore, PREPA has not funded any of Fiscal Year 2025 Energy Efficiency program as authorized and approved by the Puerto Rico Energy Bureau ("PREB").

2.0 Monthly Sales Summary

Consumption in February 2025 increased by 0.7% compared to the previous month (January 2025) and decreased by 3.4% compared to the same month of the previous year (February 2024). In February 2025, energy sales (\$) decreased by 7.7% compared to January 2025 and increased by 13.7 % compared to February 2024.

Table 2-1. Energy billed by customer segment

Consumption (GWh)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2025 February	445.0	579.9	114.7	25.6	1.8	2.8	1,169.8
2025 January	478.7	556.9	95.7	25.7	1.7	2.9	1,161.7
2024 February	466.1	582.1	132.3	25.5	1.9	3.1	1,210.9

Table 2-2. Energy sales by customer segment

Sales (\$ Million)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total ⁴
2025 February	113.8	159.4	31.3	10.8	0.5	0.8	316.6
2025 January	132.1	169.7	28.9	11.0	0.5	0.8	343.0
2024 February	99.5	138.8	29.7	9.2	0.5	0.7	278.4

Table 2–3. Energy sales by rate component

Energy Sales (\$ Million)	Base	FCA ¹	PPCA ²	CILT & Subsidies & EE ³	Total ⁴
2025 February	77.0	160.3	56.9	22.4	316.6
2025 January	84.3	186.8	49.8	22.1	343.0
2024 February	87.7	120.8	35.9	34.0	278.4

3.0 Recent LUMA Accomplishments

- Conducted Annual Emergency Preparedness Mock Drill with all relevant stakeholders ([LINK](#))
- Completed Planned Upgrades across 15 municipalities including pole replacements, substation maintenance and modernization, streetlights replacement and vegetation management
- Completed specialized aviation response training event at Palo Seco ([LINK](#))
- Supported Job Fair for Engineering and STEM students at various universities to continue developing our workforce and community engagement. ([LINK](#))
- Announced the signing of 9 construction projects for Tranche 1 interconnection points. ([LINK](#))

4.0 System Operations Update

Reported Events

- In February 2025, a total of ten (10) base load generation forced outages occurred. Two (2) load sheds were performed due to generation shortfall⁵. Four (4) load sheds occurred because of generation outages that resulted in the activation of the Under Frequency Load Shed (“UFLS”⁶).
- These events did not require LEOC activation nor any other situation during the month of February.

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

Site Name	Derated ⁷	Forced Outage ⁸	Loadshed ⁹	Planned / Maintenance Outages ¹⁰
San Juan 5	3	4	0	0
San Juan 9	1	0	0	0

¹ FCA: Fuel Charge Adjustment

² PPCA: Purchased Power Charge Adjustment

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

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

⁵ Manual load sheds occur when the electric power demand is higher than the electric power generation supply or to correct the frequency when the UFLS isn't enough to correct the frequency.

⁶ Under Frequency Load Sheds occur when the system frequency drops below 59.2 Hz.

⁷ Derated: A reduction in power generation capacity, typically due to technical limitation.

⁸ Force Outage: Unplanned shutdown of a power station, generation unit, transmission or distribution lines due to unexpected breakdown or failure.

⁹ Loadshed: A protective Electric System mechanism to curtail demand for electric power, typically due to power supply shortfalls or disturbances.

¹⁰ Maintenance Outages: A generating unit shutdown for planned maintenance service.

Site Name	Derated ⁷	Forced Outage ⁸	Loadshed ⁹	Planned / Maintenance Outages ¹⁰
Palo Seco 3	2	1	0	0
Costa Sur 5	4	1	0	0
Costa Sur 6	5	1	2	0
Aguirre 1	0	1	1	0
Aguirre 2	0	1	0	0
AES 1	9	0	0	0
AES 2	2	0	0	0
EcoEléctrica	1	1	1	2
TOTAL	27	10	4	2

Table 3–2: Total Significant Generation Outages by Month

Outage Type:	Derated	Forced Outage	Loadshed	Loadshed due to Generation Shortfall ¹¹	Planned / Maintenance Outages
2025 February	27	10	4	2	2
2025 January	49	21	9	2	0
2024 February	34	14	5	0	2

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

Site Name	Line Trips ¹²	Transformer Trips ¹³	Substation Trips ¹⁴
Aguas Buenas Sec 38 kV Bus	0	0	1
Cambalache TC 115/38 kV Bank	0	0	5
Cambalache TC 38 kV Bus	0	1	0
Cambalache TC 38 kV Bus	0	0	1
Cambalache TC Bank 115/38 kV	0	0	2
Canóvanas TC 115 kV Bus 1	0	1	1
Dorado TC XMR 115/38 kV	0	0	0
Dos Bocas XMR 115/38 kV	0	1	0
La Rambla 38 kV Bus	0	1	2

¹¹ Loadshed due to Generation Shortfall: Occurs when the demand for electricity becomes higher than the available supply.

¹² Line Trips: A protective disconnection of a transmission or distribution line due to a fault or abnormal condition.

¹³ Transformer Trips: The automatic shutdown of a transformer triggered by protective relays due to faults such as overloads or internal issues.

¹⁴ Substation Trips: The protective disconnection of electrical equipment within a substation, often caused by faults or abnormal operating conditions.

Site Name	Line Trips ¹²	Transformer Trips ¹³	Substation Trips ¹⁴
Line - 36100 BO Piñas GIS – Ciales	1	0	0
Line - 36100 Dos Bocas HP – BO Piñas GIS	3	0	0
Line - 36200 Monacillos TC – Juncos TC	1	0	0
Line - 36400 Ponce TC	1	0	0
Line - 37600 Bayamón TC – Palo Seco SP	1	0	0
Line - 40800 Manatí TC	1	0	0
Line - 50300 Costa Sur SP – Aguirre SP	1	0	0
Line - 50800 Sabana Llana TC – Yabucoa TC	1	0	0
Monacillos 38 kV Bus 1	0	0	1
Monacillos 38 kV Bus 2	0	0	1
Rio Blanco 38 kV Bus	0	0	1
Santa Isabel Sect 38 kV Bus (2)	0	0	2
Santa Isabel TC 115/38 kV Bank	0	1	0
Santa Isabel TC 38 kV Bus	0	0	1
Total	10	5	18

Table 3–4: Total Significant Transmission Outages by Month

Outage Type:	Line Trips	Transformer Trips	Substation Trips
2025 February	10	5	18
2025 January	17	0	10
2024 February	16	1	7

5.0 Puerto Rico Energy Bureau Filings and Hearings

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

- [NEPR-MI-2019-0007](#) | **Legacy Performance Metrics** – On February 3, 2025, LUMA submitted response to PREB’s Request for Information (“RFI”), included on the January 17th Resolution and Order (“R&O”). On this same date, LUMA also submitted responses to RFIs related to the cadence of the metrics’ reporting.
- [NEPR-AI-2025-0001](#) | **Notice of Noncompliance with the Puerto Rico Energy Public Policy** – On February 11, 2025, PREB issued a Notice of Noncompliance with SAIDI Metric under Regulation 8543 section 14.01. PREB ordered LUMA to provide a response in line with the information listed in Section 12.03 of Regulation 8543.
- [NEPR-IN-2024-0003](#) | **June 12 Large-Scale Blue-Sky Customer Interruptions Incident** – On February 4, 2025 LUMA submitted its responses to PREB’s RFI’s related to System Configuration, Agreed Operating Procedures and Generation Margin.

- [NEPR-IN-2025-0001](#) | **Electricity Service Interruption from December 31, 2024** – On February 4, 2025, LUMA submitted to PREB the Preliminary Report for Electricity Service Interruption for the December 31st, 2024 Outage Event. On February 28, LUMA submitted the Root Cause Evaluation Report.
- [NEPR-MI-2024-0002](#) | **LUMA’s Accelerated Storage Addition Program (“ASAP”)** – On February 7, 2025, LUMA filed the master template of the Standard Offer Agreement Phase 2 for approval and a status update on the implementation of ASAP. On February 28, LUMA submitted a Program Status Update to summarize the status of all ASAP projects and to provide an estimated timeline for future steps including an Implementation Program Plan.
- [NEPR-MI-2021-0002](#) | **Federal Funding** – On February 11, 2025, LUMA reported to PREB receipt of six FEMA Project Obligation associated with the Substation Rebuilds, one for the Distribution Pole and Conductor Repair and five for the Distribution Automation Improvement Program. On February 25, LUMA submitted one initial Scope of Work (“SOW”) for eight Transformer Replacements, Metaclad Switchgear and GIS Repair related to the System Improvement Plan. On February 28, LUMA submitted the February Progress Report for the 4x25 MW BESS Project.
- [NEPR-AP-2023-0003](#) | **Rate Review** – On February 12, 2025, PREB issued an R&O with the filing requirements for the rate case. On February 21, LUMA participated in a Technical Conference, mandated by PREB on February 18th R&O, to discuss clarifications on timing and filing requirements for the Rate Case.
- [NEPR-AP-2023-0004](#) | **Review of the PREPA Integrated Resource Plan (“IRP”)** – On February 14, 2025, LUMA submitted the Seventh Set of 2025 IRP Prefiling RFI as established in PREB’s R&O from January 24th. On February 26, LUMA submitted a Motion requesting an extension for submitting the 2025 IRP Second Interim Filing by March 27.
- [NEPR-IN-2023-0003](#) | **Commercial Bill Estimates** – On February 18, 2025, LUMA submitted a motion for reconsideration to PREB’s January 27th R&O.
- [NEPR-MI-2019-0016](#) | **DG Interconnection Quarterly Reports** – On February 24, 2025, LUMA participated in a Technical Conference to discuss the Interconnections Progress Quarterly Report for October through December 2024.
- [NEPR-MI-2021-0013](#) | **Electric Vehicles (“EV”)** – On February 28, 2025, LUMA submitted the Semi- Annual Report on Puerto Rico’s Electric Vehicle Adoption Plan (“PR-EVAP”).

Other Filings issued during February 2025:

- [NEPR-MI-2019-0005](#) | **Vegetation Management Plan** – Second Quarter of Fiscal Year 2025 Vegetation Management Progress Report (February 14)
- [NEPR-MI-2019-0006](#) | **Emergency Response Plan (“ERP”)** – Coordination Meeting Report between LUMA, PREPA and Genera for the Second Quarter of Fiscal Year 2025 (February 13)
- [NEPR-MI-2019-0016](#) | **DG Interconnection Quarterly Reports** – Interconnections Progress Quarterly Report for the period of October through December 2024 (February 14)
- [NEPR-MI-2020-0001](#) | **Streetlights Report** – Quarterly Report on Streetlights Repairs for the period of October through December 2024 (February 14)
- [NEPR-MI-2020-0019](#) | **System Remediation Plan (“SRP”)** – Second Quarter of Fiscal Year 2025 Report for the period of October-December 2024 (February 14)

- [NEPR-MI-2021-0002](#) | **Federal Funding** – Second Quarter of Fiscal Year 2025 Federal Funding Report (February 14)
- [NEPR-MI-2021-0004](#) | **Initial Budgets** – Second Quarter of Fiscal Year 2025 Report for the period of October-December 2024 (February 14)
- [NEPR-MI-2022-0001](#) | **Energy Efficiency (“EE”) and Demand Response (“DR”) Transition Period Plan** – Second Quarter of Fiscal Year 2025 Consolidated Transition Period Plan and Demand Response Administrative Cost Quarterly Report (February 14)
- [NEPR-MI-2024-0001](#) | **PREB Approved Investments** –PREB Approved Investments Status Quarterly Report for the Second Quarter of Fiscal Year 2025 (February 14)

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 over the course of many months on some occasions. Responding to these inquiries requires considerable resources and time from LUMA.

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

Committee	Act, Bill or Resolution	LUMA Response
Senate of Puerto Rico	Senate Request for Information 2025-0010 – related to the FEMA funded -one time- Vegetation Clearing Program.	On February 6, 2025, LUMA received an RFI related to vegetation clearing. LUMA provided the response on February 19.
Senate of Puerto Rico	Senate Request for Information 2025-0025 – related to the Advanced Meter Infrastructure (“AMI”) Program. Specifically, the procurement and contracting process for AMI Systems.	LUMA is currently working on its response.

Table 5–2: Material Litigation Update¹⁵

Case No. & Parties	Description	Updates
Civil Case No. SJ2022CV02868 – Ismael Herrero Domenech and the class composed of all residential electrical energy	Consolidated class actions claiming damages from the April 6, 2022, event at Costa	On February 18, 2025, Plaintiff Ismael Herrero filed an Opposition to LUMA’s Motion requesting to stay the discovery until the resolution of the motion to amend the complaint. On February 24, the Court

¹⁵ *Material Litigation Activity* refers to all litigation related to challenges to the OMA, matters that could impede the 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
customers of LUMA Energy LLC v. LUMA Energy LLC, Wendco of Puerto Rico Inc. et al. v. LUMA Energy LLC	Sur that caused an island-wide blackout.	denied Plaintiff's motion to amend the Complaint, and denied LUMA's request to stay on the discovery. As such, the discovery will continue.
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.	On February 3, 2025, the Municipality of Manatí filed its Opposition to LUMA's Motion for Summary Judgment. On February 4, the Court ordered LUMA to file a Reply within 20 days. On February 20, LUMA requested until March 26, to file the Reply. LUMA's request for additional time was granted on that same date.
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").	

7.0 Ongoing External Audits

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

Table 6–1: Summary of Governmental Audits

Government Entity	Audit Description	Significant Updates
Comptroller's Office of Puerto Rico ("OCPR"), No. 15592 (PREPA)	Audit of PREPA during the period of June 1, 2018 – June 30, 2021, by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto Rico, and Act 9 of July 24, 1952, as amended.	On February 24, 2025, LUMA submitted its responses to OCPR's RFI related to the names and tenure of employees that occupy the positions of Chief Executive Officer, Chief Financial Officer, and four other positions in the Transmission Operation Center, over the period under audit.
Comptroller's Office of Puerto Rico ("OCPR"), No. 15671 (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	On February 14, 2025, LUMA submitted its responses to OCPR's RFI related to details about the origin, purpose, source of information, results, and use of results of the Outage Event Tool that is used to provide information about Outage Events.

Government Entity	Audit Description	Significant Updates
Comptroller’s Office of Puerto Rico (“OCPR”), No. 15720 (LUMA)	<p>Rico, and Act 9 of July 24, 1952, as amended.</p> <p>Audit of PREPA during the period of June 1, 2018 – June 30, 2021, by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto Rico, and Act 9 of July 24, 1952, as amended.</p>	<p>On February 27, 2025, LUMA submitted its responses to OCPR’s RFI related to providing the digital copies of all documents available related to the contractual process for seven (7) contracts.</p> <p>On February 19, 2025, LUMA submitted its responses to OCPR’s RFI related to providing digital copies of the disbursements corresponding to thirteen (13) contracts.</p>
Comptroller’s Office of Puerto Rico (“OCPR”), No. 15794 (LUMA)	<p>Audit of PREPA during the period of June 1, 2018 – June 30, 2021, by virtue of Article III, Section 22 of the Constitution of the Commonwealth of Puerto Rico, and Act 9 of July 24, 1952, as amended.</p>	<p>This new audit was announced to LUMA on January 16, 2025, and its objective is Invoicing and Revenue Protection. The Kick-off meeting was held on February 13, 2025.</p> <p>On February 24, 2025, LUMA submitted its responses to OCPR’s RFI related to providing an updated list of procedures, norms, or guidelines approved within the Customer Experience Department and providing the corresponding PDF files.</p> <p>On February 26, 2025, LUMA submitted its responses to OCPR’s RFI related to the number of PCard cardholders, list of reimbursements and its payment stubs as of 12/31/2024, and a PDF copy of the PCard policy.</p>
PREPA Fiscal Year (“FY”) 2023	<p>KPMG Audit of PREPA Financial Statements (“FY2023”)</p>	<p>Audit started in April 2024. LUMA has been providing all data requested by KPMG and PREPA. The expected release date is for late March 2025. LUMA is committed to supporting PREPA’s updated deadline.</p>
PR Treasury Department & Municipalities by PwC	<p>PwC Audit of LUMA Energy, LLC 2022 (Consolidated: ManageCo & ServCo and Standalone: ServCo) – Financial Statements</p>	<p>Audit started at the beginning of August 2024 and remains ongoing. Target issuance date has shifted from November to January 2025 for FY22. FY2023 target issuance date is March 2025 and FY2025 by June 2025.</p>

Government Entity	Audit Description	Significant Updates
P3A FY2023 Audit – by Vázquez & Vilanova	Second Year (“FY2023”) OMA Compliance – audit for the second year of LUMA operations.	On January 17, 2025, LUMA provided the last of the responses to all RFI’s sent by P3A. P3A and its auditors requested additional information the week of February 7 th , and LUMA responded to the request. LUMA is currently waiting for P3A’s feedback on the submitted responses.
P3A FY2024 Audit – by Vázquez & Vilanova	Third Year (“FY2024”) OMA Compliance – audit for the third year of LUMA operations.	On January 17, 2025, LUMA provided the last of the responses to all RFI’s sent by P3A. LUMA is currently waiting for P3A’s feedback on the submitted responses.
Union Pension Plan Compliance (“NEBF”) 2023 (Calendar) Audit – by Withum	Pursuant to Article 6, Sections 6.7 and 6.8 of the Restated Employees Benefit Agreement and Trust for the National Electrical Benefit Fund, the Trustees of the Fund have established a Payroll Audit Program.	On February 19, 2025, LUMA followed up on the updated audit report, which will be provided by the end of February.
P3A Federal Funding Audit – by Kevane Grant Thornton	Audit on the Management of Federally Funded Capital Improvements	Throughout February 2025, LUMA hosted several meetings with Kevane’s Auditors to review LUMA’s Request for Reimbursement Process. Additionally, LUMA has responded to various RFIs following the meeting. LUMA is currently working with Kevane to answer follow up questions as they arise.
COR3 - Central Office for Recovery, Reconstruction and Resiliency Monitoring by Deloitte	Deloitte Monitoring for Q1-FY2025 Federal Funding process.	On January 24, 2025, LUMA received a response from COR3. LUMA responded to the items due by end of January 2025. For the remaining COR3 follow ups, LUMA will respond by the respective deadlines.
<i>The following audits have had no significant changes since the last report:</i>		
OCPR, No. 15560 – Audit of debt issued by the Commonwealth of Puerto Rico and its public corporations from January 1, 2000 – present day.		
OCPR, No. 15637 – Audit of the Municipality of Guánica.		

8.0 Material OMA Items

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

- February 2025 is the twenty-seventh (27th) 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.
- February 2025 is the fourteenth (14th) consecutive month in which PREPA did not provide any funding for the Outage Event Reserve Account.
- February 2025 is the fifth (5th) consecutive month in which PREPA did not provide the required funding to replenish the Contingency Reserve Account.
- LUMA has issued twenty-seventh (27) non-compliance notices to PREPA and notified P3A as Administrator of the T&D OMA.
- Since January 2023, LUMA has been requesting PREPA provide balance sheet reconciliations. Until initial balance sheet reconciliations are provided, including a segregated opening balance sheet for the 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 AAFAF to define the scope of PREPA’s Accounting Remediation project, including the balance sheet separation efforts. To date, LUMA has not been informed of the FTI project results.

LUMA's Performance Metrics

- PREB's Final Reconsideration in case NEPR-AP-2020-0025 contains due process violations, represents a substantial modification of the T&D OMA, and deprives LUMA of a reasonable opportunity to earn the Incentive Fee. On July 15, 2024, LUMA filed for judicial review before the Puerto Rico Appeals Court. On November 8, 2024, the Court of Appeals ruled on Case KLRA202400375. The Court understood that none of LUMA’s arguments were sufficient in law, disagreeing with LUMA’s argument that the PREB exceeded its legal authority and denied the arguments on violations of due process of law. On November 25, 2024, LUMA filed a motion for reconsideration of the November 8th Court of Appeals' ruling but it was denied on December 3, 2024. On January 8, 2025, LUMA filed a *Writ of Certiorari* before the Puerto Rico Supreme Court. On February 21, 2025, the Puerto Rico Supreme Court denied LUMA's *Writ of Certiorari*.

PREPA Reorganization and Shared Services

- LUMA and Genera agreed, in good faith, to extend the existing Amended and Restated Shared Services Agreement (“A&R SSA”) until February 28, 2025, for Genera to facilitate the orderly termination of the services currently being provided.
- LUMA and PREPA agreed, in good faith, to extend the existing Amended and Restated Shared Services Agreement (“A&R SSA”) until June 30, 2025, as stated in the 2025 Fiscal Plan and requested by PREPA.
- As required by the executed extension of the A&R SSA, PREPA is required to submit an updated separation plan through the end of June 2025. As of the end of February 2025, LUMA has not received the required updates from PREPA and LUMA is concerned that PREPA will fail yet again

to assume its responsibilities under the A&R SSA and continue to burden LUMA in the provision of services far beyond the original intend of the T&D OMA.

- LUMA and Genera have held daily meetings to advance the data migration of GenCo's AssetSuite, Curator and Oracle EBS to Genera's new Enterprise Resource Planning ("ERP") system.
- Genera, together with its ERP advisors and in collaboration with LUMA, successfully completed its migration to its new ERP system. This milestone effectively terminates the Shared Services provided to Genera under the A&R SSA, leaving only exit transition support tasks that are on schedule to be finalized by September 30th, 2025.

PREPA Title III Exit

- Since June 17, 2024, the parties have been participating in court-ordered mediation. On July 10, 2024, Judge Swain stayed all litigation in the title III case. The litigation stay period has been extended several times, most recently through March 24, 2025, and the mediation termination date is currently April 30, 2025.
- On February 3, 2025, the PREPA bondholders filed a notice stating that they have extended their cooperation agreement through December 31, 2025.
- On February 7, 2025, Judge Swain entered an order instructing the FOMB to file a status report on or before February 28, 2025, addressing (i) the status of the 2024 PREPA fiscal plan and (ii) a proposed timetable for the formulation and filing of a new or amended plan of adjustment for PREPA.
- On February 11, 2025, the FOMB publicly released the new certified fiscal plan for PREPA.
- On February 24, 2025, the bondholders filed a motion to lift the litigation stay because it is not promoting a consensual resolution to PREPA's Title III case. Instead, the bondholders argue that litigation should proceed on (1) an updated motion for relief from the automatic stay or for adequate protection (with respect to PREPA's use of their cash collateral), (2) a motion for an administrative expense claim (for the cash collateral PREPA has consumed since the title III case was filed in July 2017), (3) the bondholders' accounting claim regarding PREPA's alleged net revenues, and (4) the bondholders' 2022 motion to dismiss PREPA's title III case.
- On February 28, 2025, the FOMB filed a status report in accordance with Judge Swain's February 7 order, stating that the fiscal plan had been certified on February 6 and filed publicly on February 11, and that the FOMB would be prepared "no later than March 17" to file an amended proposed plan of adjustment for PREPA.
- All other substantive activity in PREPA's title III restructuring case continues to be paused. The next title III status conference is scheduled for March 19, 2025.

Net Energy Metering

- In compliance with the current regulation of distributed generation interconnection, LUMA successfully completed an additional 700 supplemental studies in February 2025. The studies cover distribution feeder voltage, thermal, and protection analyses, which are critical to maintaining the distributed system's stability and reliability. As of February 26, 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.

LUMA's Billing and Collection Efforts

- In February 2025, LUMA continued progress on critical Customer Care and Billing System ("CC&B") through its System Remediation Plan ("SRP") initiatives, including User Roles & Functions (98% complete), Letter Automation (95% complete) and CELI/Streetlight balance cleanup (70% complete).
- A second phase of planned CC&B data cleanup was executed, resulting in another \$79M in uncollectable monies being removed from A/R. Additional phases of this critical data cleanup will continue throughout the remainder of FY25 and into FY26.
- On February 26th, LUMA put the recently approved bill modification into production, resulting in a more transparent customer experience in instances where an account requires a billing correction. This will also eliminate the need for an additional, manually produced, letters being sent to customers and include rebilled amounts and reasons in the body of the corrected invoice.
- LUMA reached 3,608 new payment agreements with customers in February 2025, for a total of over 109,933 agreements since June 2021. Also, in February 2025, LUMA completed over 193,000 outbound collection calls for a total of over 3.5 million outbound calls since June 2021. LUMA's Revenue Protection team collected over \$30 million in February 2025 directly related to active customer collections of past due receivables. Collection efforts included outbound calls, letters, emails and inbound calls.
- Customers in danger of defaulting on payment arrangements have increased from 3% in February 2024 to 22% in February 2025.