



Confidential

Qualified Respondent: Luma Energy ("LUMA")

Reviewer: *Chris Powers*

| Component Weight | Bid Component                                     | Description | Score |
|------------------|---------------------------------------------------|-------------|-------|
| 50%              | Financial and Operational                         |             | 45.9  |
| 45%              | Technical                                         |             | 42.2  |
| 5%               | Presentation of Proposal to Partnership Committee |             | 4.5   |
| TOTAL            |                                                   |             | 92.6  |





Qualified Respondent: Luma Energy ("LUMA")

Reviewer: Dante Huico

| Component Weight        | Bid Component                 | Scoring Metric                                                                                                | Weight | Description                                                                                                                      | Score |
|-------------------------|-------------------------------|---------------------------------------------------------------------------------------------------------------|--------|----------------------------------------------------------------------------------------------------------------------------------|-------|
| 5%                      | 1.4. Approach to O&M Services |                                                                                                               |        |                                                                                                                                  |       |
|                         |                               | 1. Detailed description of all services.                                                                      | 25%    | Committed to a great job in getting broken meters with such experience in the field operations and ability to maintain services. | 4     |
|                         |                               | 2. Experience of management team.                                                                             | 25%    | Top notch team with well-rounded professionals in the industry.                                                                  | 3     |
|                         |                               | 3. Federal funding experience and plan.                                                                       | 25%    | Committed to include I&M which can enhance experience in federal funding.                                                        | 4     |
|                         |                               | 4. Corporate culture.                                                                                         | 5%     | Strong corporate culture in favor of diversity.                                                                                  | 4     |
|                         |                               | 5. Consortia members.                                                                                         | 5%     | Members have excellent experience and knowledge in their respective fields.                                                      | 4     |
|                         |                               | 6. Organizational structure of ManagementCo and ServCo.                                                       | 10%    | Committed to provide detailed response or expanded.                                                                              | 4     |
|                         |                               | 7 & 8. Commitment to social welfare of people of PR, use of local resources, approach to include PR entities. | 5%     | Provided an adequate approach to use local resources and resources.                                                              | 4     |
| Summary for Section 1.4 |                               |                                                                                                               | 100%   |                                                                                                                                  | 3.8   |

| Component Weight | Bid Component                            | Scoring Metric                                                                     | Weight | Description                                                                                                           | Score |
|------------------|------------------------------------------|------------------------------------------------------------------------------------|--------|-----------------------------------------------------------------------------------------------------------------------|-------|
| 25%              | 1.5. Front End Transition Plan<br>(FETA) |                                                                                    |        |                                                                                                                       |       |
|                  |                                          | 1. General and Transition Management.                                              | 10%    | Team provided a very detailed FETA with milestones, goals, working groups, etc.                                       | 4     |
|                  |                                          | 2. T&D Services Milestones.                                                        | 15%    | Plan included 20 milestones including: permits, surface management, safety, environmental and emergency preparedness. | 4     |
|                  |                                          | 3. System Remediation Plan Milestones.                                             | 15%    | Response provides sufficient detail around this section.                                                              | 3     |
|                  |                                          | 4. Customer Service Milestones.                                                    | 10%    | Score a low.                                                                                                          | 3     |
|                  |                                          | 5. Information Technology ("IT") / Operation Technology ("OT") Systems Milestones. | 10%    | Score a low.                                                                                                          | 3     |
|                  |                                          | 6. Financial Management Milestones.                                                | 5%     | Score a low.                                                                                                          | 4     |
|                  |                                          | 7. FEMA Funds and Federal Funding Procurement Manual Milestones.                   | 10%    | Score a low. IEM identified AS Program Manager.                                                                       | 4     |



| Component Weight        | Bid Component                  | Scoring Metric                                        | Weight | Description                                                                                                              | Score |
|-------------------------|--------------------------------|-------------------------------------------------------|--------|--------------------------------------------------------------------------------------------------------------------------|-------|
| 25%                     | 1.5. Front End Transition Plan | 8. Staffing for Front-End Transition Period.          | 10%    | Curator's Appendix & request very detailed well-developed.                                                               | 4     |
|                         |                                | 9. Additional Front-End Transition Period Milestones. | 10%    | Response addressed several critical sub-sections and for each sub-section as well as response question were anticipated. | 4     |
|                         |                                | 10. Asset Acquisition.                                | 2.5%   | Although response included some details on how would approach, some details are needed.                                  | 2     |
|                         |                                | 11. Back-End Transition Plan.                         | 2.5%   | Significant detail provided including clear definition of required and obligation of parties.                            | 4     |
| Summary for Section 1.5 |                                |                                                       | 100%   |                                                                                                                          | 36    |



| Component Weight        | Bid Component                               | Scoring Metric                    | Weight | Description                                                                                                           | Score |
|-------------------------|---------------------------------------------|-----------------------------------|--------|-----------------------------------------------------------------------------------------------------------------------|-------|
| 10%                     | 1.6. Operator Recruitment and Staffing Plan |                                   |        |                                                                                                                       |       |
|                         |                                             | 1. General.                       | 40%    | Event management will be in P.R. However, expectation is that 85-90% employees should join event.                     | 4     |
|                         |                                             | 2. Recruitment and Staffing Plan. | 35%    | Will intend to interview all event employees and fill or my ask wife them or provide.                                 | 4     |
|                         |                                             | 3. Training Plan.                 | 25%    | Employee detail provided including plan to establish in P.R. - Niger Governor College for event and future employees. | 4     |
| Summary for Section 1.6 |                                             |                                   | 100%   |                                                                                                                       | 4     |

| Component Weight | Bid Component                        | Scoring Metric                                                                                        | Weight | Description                                                                        | Score |
|------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------|--------|------------------------------------------------------------------------------------|-------|
| 5%               | 1.7. Approach to Performance Metrics |                                                                                                       |        |                                                                                    |       |
|                  |                                      | 1. Views on Indicative Performance Metrics (Annex IX).                                                | 10%    | Most proposed metrics were viewed favorably with certain exceptions.               | 4     |
|                  |                                      | 2. Key personnel to prepare revised Annex IX during FETP.                                             | 10%    | Key personnel identified appeared qualified.                                       | 4     |
|                  |                                      | 3. Approach to suggesting alternative Performance Metrics during FETP.                                | 10%    | Recommendations from Commission are reasonable.                                    | 4     |
|                  |                                      | 4. Timeline and milestones for finalization of Performance Metrics, including coordination with PREB. | 10%    | Provided.                                                                          | 4     |
|                  |                                      | 5. Approach to Incentive Fee.                                                                         | 5%     | Recommend sensitivity incentives for performance to team.                          | 4     |
|                  |                                      | 6. Approach to engaging with regulatory bodies.                                                       | 10%    | <del>Commitment</del> Committed to engage with PREB and other regulatory agencies. | 4     |
|                  |                                      | 7. Views on time periods for and levels of achievement of Performance Metrics.                        | 10%    | Agree with levels of achievement and time periods.                                 | 4     |
|                  |                                      | 8. Views on Major Outage Event, Minimum Performance Thresholds and Minimum                            | 10%    | No major objectives raised.                                                        | 4.    |

| Component Weight      | Bid Component                        | Scoring Metric                                                                                          | Weight | Description                                                                                                        | Score  |
|-----------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------------------------------|--------|
| 5%                    | 1.7. Approach to Performance Metrics |                                                                                                         |        |                                                                                                                    |        |
|                       |                                      | Performance Level Metrics.                                                                              |        |                                                                                                                    |        |
|                       |                                      | 9. Assumptions and dependencies that impact risk associated with Performance Metrics.                   | 10%    | Team provided comprehensive set of outputs that support the metrics, the risk related threats, and the mitigation. | 4      |
|                       |                                      | 10. Description of methods, processes, tools, techniques that will be used for performance measurement. | 10%    | Provided as input and based on industry standard methods.                                                          | 4      |
|                       |                                      | 11. Ability and commitment to meeting Performance Metrics.                                              | 5%     | Emphasized.                                                                                                        | 4      |
| Total for Section 1.7 |                                      |                                                                                                         | 100%   |                                                                                                                    | 4      |
| 45%                   |                                      |                                                                                                         |        |                                                                                                                    | 42.20% |





Qualified Respondent: Luma Energy

Reviewer: *Calvin Phares*

| Component Weight | Bid Component                                     | Description | Score |
|------------------|---------------------------------------------------|-------------|-------|
| 5%               | Presentation of Proposal to Partnership Committee |             | 4.5   |



# Financial Evaluation (50% Total Weighting)



|                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                        | PSEG Puerto Rico |                                              | Luma Energy |                                                  |       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------------------|-------------|--------------------------------------------------|-------|
| Component                                                                                                                                                                                                                                     | Commentary                                                                                                                                                                                                                                                                                                                             | % Weight         | Values                                       | Score       | Values                                           | Score |
| Front-End Transition Fee                                                                                                                                                                                                                      | <ul style="list-style-type: none"><li>Proponent-estimated cost of labor and expenses incurred during Front-End Transition</li></ul>                                                                                                                                                                                                    | 10%              | \$45mm                                       | 2.5         | \$76mm                                           | 1.5   |
| NPV of Total Service Fee (Mobilization, Fixed & Incentive)                                                                                                                                                                                    | <ul style="list-style-type: none"><li>Based on Proponent-provided 15-year fee schedule</li><li>Luma fee includes the \$60mm Mobilization Fee plus assumed 2% inflation in order to put fee schedule into nominal dollar terms for comparison purposes</li><li>Fixed Fee discounted at 6% and Incentive Fee discounted at 10%</li></ul> | 65%              | \$1,381mm                                    | 30          | \$60mm<br>\$1,456mm<br>\$1,516mm                 | 27.3  |
| Termination Fee - Operator / (Owner)                                                                                                                                                                                                          | <ul style="list-style-type: none"><li>Higher Operator Termination Fee results in higher fee payable to Operator in certain cases of termination (lower is more favorable)</li><li>Higher Owner Termination Fee results in higher proceeds to Owner in certain cases of termination (higher is more favorable)</li></ul>                | 5%               | \$125mm / (\$0mm)                            | 2.5         | \$104 - 158mm / (\$20mm declining to \$13mm)     | 2.1   |
| Net Operator Liability <ul style="list-style-type: none"><li>Operator Damage Cap</li><li>Operator Liability to Owner (aggregate)</li><li>Parent Guarantee</li><li>Delay Liquidated Damages (aggregate)</li><li>Gross N/A/liquid Cap</li></ul> | <ul style="list-style-type: none"><li>Represents amounts of liability / risk Operator willing to absorb</li><li>Higher amounts more favorable to Puerto Rico</li></ul>                                                                                                                                                                 | 15%              | \$15mm<br>\$50mm<br>\$30mm<br>\$3mm<br>\$30M | 3.9         | \$10mm<br>\$110mm<br>\$110mm<br>\$40mm<br>\$110M | 12.5  |
| Back-End Transition Fee                                                                                                                                                                                                                       | <ul style="list-style-type: none"><li>Proponent-estimated cost of labor and expenses incurred during Back-End Transition</li></ul>                                                                                                                                                                                                     | 5%               | \$3mm                                        | 2.5         | \$6mm                                            | 2.5   |
| Total                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                        |                  |                                              | 41.4        |                                                  | 45.9  |

Source: Qualified Respondent Definitive Proposals and subsequent clarification letters.

