



GOVERNMENT OF PUERTO RICO
PUERTO RICO PUBLIC-PRIVATE PARTNERSHIPS AUTHORITY

August 23, 2022

LUMA Energy, LLC

644 Fernández Juncos Ave., Suite 301
San Juan, PR 00907
Attention: General Counsel
Email: legal@lumamc.com

with copy to:

LUMA Energy, LLC

644 Fernández Juncos Ave., Suite 301
San Juan, PR 00907
Attention: Mario Hurtado
Email: mario.hurtado@lumapr.com

Re: Request for Information

Ladies and Gentlemen:

Reference is made to the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement dated as of June 22, 2020 “O&M Agreement” among (a) the Puerto Rico Electric Power Authority (“PREPA”), a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, created by Act No. 83 of the Legislative Assembly of Puerto Rico, enacted on May 2, 1941, (b) the Puerto Rico Public-Private Partnerships Authority (“P3 Authority”), a public corporation of the Commonwealth of Puerto Rico, created by Act No. 29 of the Legislative Assembly of Puerto Rico, enacted on June 8, 2009, (c) LUMA Energy, LLC (“ManagementCo”), a limited liability company organized under the laws of Puerto Rico and (d) LUMA Energy ServCo, LLC (“ServCo” and, together with ManagementCo, “LUMA”), a limited liability company organized under the laws of Puerto Rico.

On August 17, 2022, LUMA reported via its official Twitter account that there was a failure in the transmission line that affected the AES Puerto Rico (“AES”) power generation facility. The following day, AES sent a notice to PREPA (“AES Notice”) claiming that various recent system interruption events (including the August 17th interruption of 230kv in transmission line #50700) caused forced outages of AES’s units and had negatively impacted its operations. According to AES Notice, AES had

formally expressed its claim to LUMA regarding the present, continuous and potential future effects that the interruption events have in AES's operation, including the damages caused by the forced outages of its units and the related inability to generate and deliver energy to PREPA. See, **Exhibit A**. AES's Notice also included a letter from AES to LUMA dated August 15, 2022, which alluded to a series of system interruptions on August 9, 2022 and August 12, 2022 (collectively with the August 17th interruption "Service Interruption Events").

Pursuant to Section 6.2(v) of the O&M Agreement, the P3 Authority requests LUMA to: (i) identify the transmission lines that have affected AES's operations; (ii) identify exactly what was the failure in the transmission line in each of the Service Interruption Events; (iii) explain what caused each of the failures (if it was lack of maintenance, please state expressly); (iv) explain how were the failures corrected; (v) inform how long did it take to repair each of the Service Interruption Events; (vi) provide how many customers were affected by each of the Service Interruption Events (peak customers interrupted and customer outage percent); and (vii) provide any other relevant information.

The P3 Authority kindly requests that the information requested above be provided by no later than September 7, 2022.

Sincerely,



Sheila Torres-Sterling

Senior Legal Advisor

Puerto Rico Public-Private Partnerships Authority

**HAND DELIVERED
AND VIA EMAIL: josue.colon@prepa.com**

August 18, 2022

Josué Colón, Executive Director
Puerto Rico Electric Power Authority
New Office Building Santurce
1110 Ponce De Leon Avenue, 7th Floor, San Juan, PR 00907

RE: System Interruptions – April 6 and August 9, 12 & 17, 2022

Dear Mr. Josué Colón:

Hope this communication finds you well. We hereby make reference to the Power Purchase and Operating Agreement between AES Puerto Rico, LP (“AES-PR”) and the Puerto Rico Electric Power Authority (“PREPA”). The purpose of this letter is to inform PREPA that we have sent several communications to LUMA Energy Puerto Rico (“LUMA”) regarding various recent system interruption events. For your reference, we hereby attach letters dated July 1, 2022, July 29, 2022, August 15, 2022, and August 18, 2022. (See attached.)

In the above-referenced letters we addressed the April 6, 2022 blackout event and the subsequent August 9 and 12, 2022 system interruptions that have caused forced outages of our units and have negatively impacted AES Puerto Rico, LP (“AES-PR”) and its operations. In the most recent letter, we addressed the system interruption of 230kv in transmission line #50700 that occurred yesterday, August 17, 2022.

As you know, these events are out of AES-PR’s control and are specifically caused by an abnormal condition in the electric system. We have formally expressed our claim to LUMA regarding the present, continuous and potential future effects that said events have on AES-PR. Including, the potential damages caused by the forced outages of our units and the related inability to generate and deliver energy to PREPA by the abrupt failures of the transmission lines.

We continue to work incessantly to mitigate the consequences of these events and to reestablish conditions as soon as feasible with each event. We have also requested that LUMA share with us its action plan and proposed measures to adequately manage these events. We reiterate our commitment to provide reliable energy to PREPA in benefit of Puerto Rico end-users.

Sincerely,



Jesus Bolinaga
President



Julio 1, 2022

Wayne Stensby
President & CEO
LUMA Energy Puerto Rico
644 Fernandez Juncos Ave. Suite 301, San Juan, PR 00907

RE: Power Purchase and Operating Agreement – April 2022 Invoice

Dear Mr. Stensby:

We hope this letter finds you well. We hereby make reference to the April 2022 invoice sent by AES Puerto Rico, LP ("AES-PR") to LUMA Energy Puerto Rico ("LUMA") on June 13, 2022. As informed to LUMA, said invoice includes the total sum and capacity calculations that AES-PR deems to correspond to that period.


First, we want to thank your team for their time as of May 12, 2022 to meet and discuss with us the unfortunate blackout event that occurred on April 6, 2022 and its impact on AES-PR. We also thank LUMA for the partial payment made on June 16, 2022 towards the April 2022 invoice.

The purpose of this communication is to formally express our position that no penalties should be imposed on AES-PR vis-à-vis the blackout event and the consequent recovery period related to Unit 2. As you know, the event was out of AES-PR's control and was specifically caused by an abnormal condition in the electric system. Said recovery period was forced and necessary due to the significant impact and damages caused to Unit 2 by the system interruption. As discussed in a meeting held at your offices with LUMA representatives on June 15, 2022, AES-PR has suffered significant economic losses as a result of this event, as whenever our Units go out of service due to a system event, we must assume fuel costs to bring them back online, as well as pay for backup electricity. Another important factor to consider is that our two (2) Units cannot start simultaneously, so we must wait for one of them to be synchronized and reach a certain level of stability to be able to start the other one. More importantly, such an abrupt event causes substantial damage to the electromechanical equipment, which also affects an agile responsiveness capacity.

For all of the above, AES-PR does not accept the partial and incomplete payment received as sufficient, nor the subsequent negative impact on the rolling average of the Equivalent Availability Factor. The payment made by LUMA shall not be deemed an acceptance and satisfaction of the full amount due or a waiver from AES-PR of the remaining balance. AES-PR reserves its rights to recover payment of the outstanding amount.

AES-PR acknowledges and appreciates LUMA's efforts in addressing this situation. We respectfully request that LUMA reevaluate its position regarding the April 2022 invoice and proceed to cover the unpaid invoice amount as soon as possible. AES-PR remains available to further discuss this and any other relevant matters. We take this opportunity to reiterate our commitment providing reliable energy and to continue the cordial relationship with LUMA in benefit of Puerto Rican end-users.

Sincerely,


Jesus Bolinaga
Presidente



July 29, 2022

Wayne Stensby
President & CEO
LUMA Energy Puerto Rico
644 Fernandez Juncos Ave. Suite 301, San Juan, PR 00907

RE: Power Purchase and Operating Agreement – April & May 2022 Invoice

Dear Mr. Stensby:

This communication is in reference to our letter dated July 1, 2022 and to the April 2022 invoice sent by AES Puerto Rico, LP ("AES-PR") to LUMA Energy Puerto Rico ("LUMA") on June 13, 2022. As of today, AES-PR has still not received payment for the outstanding amount related to said invoice nor a response from LUMA to our letter.

As notified to LUMA, said invoice includes the total sum and capacity calculations that AES-PR deems to correspond to that period. Nevertheless, on June 16, 2022, we received only a partial payment towards the April 2022 invoice. Please note that the adjustments and penalties imposed by LUMA have a negative impact on the rolling average of the Equivalent Availability Factor that will inevitably be carried forward to future invoices. This, including the invoice for the May 2022 period that was sent to LUMA on July 11, 2022.

As previously informed and discussed with LUMA representatives, we reaffirm that no penalties should be imposed on AES-PR vis-à-vis the blackout event that occurred on April 6, 2022 and the consequent recovery period related to Unit 2. As you know and we have firmly stated, the event was out of AES-PR's control and said recovery period was forced and necessary due to the significant impact and damages caused to Unit 2 by the system interruption.

AES-PR is not in a position to accept the partial payment received as sufficient, nor in a position to accept or assume the negative impact on subsequent periods. We respectfully request that LUMA proceed to cover the unpaid invoice amount corresponding to the April 2022 period and proceed to pay the May 2022 invoice as issued as soon as possible. AES-PR reserves its rights to recover payment of the outstanding amount.

We remain available to further discuss this and any other relevant matters.

Sincerely,



Jesus Bolinaga
Presidente



August 15, 2022

Wayne Stensby
President & CEO
LUMA Energy Puerto Rico
644 Fernandez Juncos Ave. Suite 301, San Juan, PR 00907

RE: System Interruptions - August 2022

Dear Mr. Stensby:

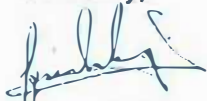
Hope this letter finds you well. The purpose of this communication is to address the recent transmission and distribution events and to formally express our claim regarding the significant impact that said events have on AES Puerto Rico, LP ("AES-PR"). In particular, we make reference to the event that occurred on August 9, 2022 where the Puerto Rico Electric Power Authority ("PREPA") reported a system disruption on transmission lines #51200 and #51100 that caused the forced outage of Unit 1. More recently last Friday, August 12, 2022, there was a new event on transmission line #50200 that caused the forced outage on Unit 2.

As you know, these events are out of AES-PR's control and have a negative impact on the energy availability and cause direct damages to our units. Once again, we reaffirm that the above-mentioned outages and related recovery periods are forced and necessary due to the significant impact and damages caused to the units by the system interruptions. Please note that these new events will exacerbate the effect of the April 6, 2022 blackout event that forced the outage of Unit 2. AES-PR is not in a position to accept or assume the economic impacts of these events.

As such, we hereby request that LUMA Energy Puerto Rico ("LUMA") share with us, as soon as possible, its action plan and proposed measures to adequately manage these events and their consequences. We inform you that AES-PR will continue to work with your team to resolve related matters and the negative impact on the rolling average of the Equivalent Availability Factor that will inevitably be carried forward to future invoices.

We remain available to further discuss this and any other relevant matters.

Sincerely,



Jesus Bolinaga
President



August 18, 2022

Wayne Stensby
President & CEO
LUMA Energy Puerto Rico
644 Fernandez Juncos Ave. Suite 301, San Juan, PR 00907

RE: System Interruptions – April 6 and August 9, 12 & 17, 2022

Dear Mr. Stensby:

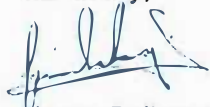
We hereby make reference our letters dated July 1, 2022, July 29, 2022, and the most recent, dated August 15, 2022. In said letter we directly addressed the April 6, 2022 blackout event and the August 9 and 12, 2022 system interruptions that have caused forced outages of our units and negative impact on AES Puerto Rico, LP ("AES-PR") and our operations (See attached). We are writing to you in this opportunity to unfortunately address yet another significant system interruption of 230kv in transmission line #50700 that occurred yesterday, August 17, 2022.

With this interruption, AES-PR's Plant was left entirely out of operation and completely unable to generate and provide energy to the PR Power Electric Power Authority ("PREPA") and to the people in the island. This time, both of our units by which our Plant can deliver energy to the system were out; and for more than six hours, we did not receive information regarding a potential solution. Likewise, once we received power from the grid, AES-PR began its start-up initiative with many difficulties due to the abrupt way in which the units were forced out related to the failure of the transmission lines.

As you may understand, an issue that has already caused undue economic and operational burden in AES-PR, is now more severe and of greater concern to us. AES-PR hereby sustains its claim regarding the present, continuous and potential future effects that said events have on AES-PR.

Once more, we emphatically request that LUMA Energy Puerto Rico share with us its action plan and proposed measures to adequately manage these events and mitigate their present and future consequences. AES-PR reserves its rights to exercise any or all of its rights and remedies at any time in connection with these events, existing or hereafter arising. We reiterate our commitment to provide reliable energy and remain available to discuss any relevant matters.

Sincerely,



Jesus Bolinaga
President

