



Monthly Report on the T&D System

For the Month of March 2022

April 14th, 2022

Contents

- 1.0 Mission, Goals and Areas of Responsibility 1
- 2.0 Monthly Sales Summary 1
- 3.0 Outage Summary 2
- 4.0 PREB Filings & Hearings 3
- 5.0 Legislative and Legal Matters..... 4
- 6.0 Material OMA Items 8

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 Transmission and Distribution Operating 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 March 2022.

2.0 Monthly Sales Summary

The provided information is based on **preliminary fuel data** provided by PREPA and it is subject to change.

- Overall, billed sales in March increased 14.6% from the previous month and 18.1% compared to the same month a year ago.
- Compared to the same month last year, Residential, Commercial, and Industrial billed sales increased.
- Fuel costs for PREPA's generation facilities and EcoEléctrica are substantially higher compared to the same month last year due to increased global market prices and updated supply contract terms.

Table 2-1. Energy billed by customer segment¹

Consumption (GWh)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total
2022 Mar.	481.6	544.5	146.7	22.4	2.1	2.7	1,200.0
2022 Feb.	430.8	550.7	141.3	21.9	1.8	2.4	1,148.9
2021 Mar.	512.0	609.9	176.6	20.9	2.0	2.6	1,324.2

Table 2-2. Energy sales by rate component¹

Energy Sales (\$M)	Base	FCA ²	PPCA ³	CILT & Subsidies ⁴	Total
2022 Mar.	94.4	196.9	48.4	22.4	362.1
2022 Feb.	88.6	173.0	33.4	20.9	315.9
2021 Mar.	91.9	170.7	24.9	19.2	306.7

Table 2-3. Energy sales by customer segment¹

Energy Sales (\$M)	Residential	Commercial	Industrial	Public Lighting	Agriculture	Other Authorities	Total
2022 Mar.	133.3	176.9	40.9	9.7	0.6	0.7	362.1
2022 Feb.	111.3	158.7	36.3	8.8	0.5	0.3	315.9
2021 Mar.	117.1	139.5	40.8	8.2	0.6	0.5	306.7

Footnotes

1: As billed.

2: FCA: Fuel Charge Adjustment

3: PPCA: Purchased Power Charge Adjustment

4: CILT: Contribution In Lieu of Taxes

3.0 Outage Summary

Reported Events

- No Emergencies or Major Outage Events were recorded in March 2022.
- Several forced outages occurred throughout the month that resulted in load shed events. Approximate duration and size are noted where appropriate.

Table 3-1: Significant Generation Outages

Date	Description of outage
03/02/2022	Aguirre 2: Non-Scheduled Outage AES 1: Forced Outage – Load shed from 2306 to 2321. ~227MW
03/03/2022	AES 2: Forced Outage – Load shed from 0103 to 0114. ~210MW
03/10/2022	Aguirre 2: Forced Outage
03/12/2022	Pale Seco 3: Non-Scheduled Outage
03/13/2022	Aguirre 2: Forced Outage – Load shed from 0140 to 0150. ~180MW
03/14/2022	Aguirre 2: Derated AES 2: Derated
03/15/2022	AES 1: Derated
03/16/2022	Aguirre 1: Planned Outage Aguirre 2: Forced Outage
03/17/2022	AES 2: Derated San Juan 7: Derated
03/19/2022	Costa Sur 6: Derated
03/21/2022	San Juan 7: Derated
03/22/2022	AES 2: Derated
03/23/2022	Pale Seco 4: Derated
03/24/2022	Palo Seco 4: Derated
03/25/2022	Palo Seco 4: Derated AES 2: Forced Outage

Date	Description of outage
	AES 1: Derated
03/26/2022	Palo Seco 4: Forced Outage – Load shed from 2316 to 2326. ~170MW
03/29/2022	Palo Seco 3: Forced Outage – Load shed from 1543 to 1552. ~120MW
03/30/2022	AES 2: Forced Outage
03/31/2022	Aguirre 2: Forced Outage

Table 3-2: Significant Transmission Outages

- No Significant Transmission Outages were recorded in March 2022.

4.0 PREB Filings & Hearings

As part of LUMA's commitment to transparency, LUMA participated in and supported discussions with the Energy Bureau across a broad range of topics. LUMA has been actively involved in supporting the Energy Bureau's independent coordinator, ACCION Group, for Tranche 2 of the renewable procurement process.

- [NEPR-AP-2020-0025](#) | **LUMA's Performance Metrics** – On March 1, 2022 LUMA opposed LECO's request for extension on Discovery deadline. On March 3, 2022 LUMA submitted rebuttal testimony of witness Mario Hurtado and a motion to compel responses to discovery from ICPO. On March 16, 2022 LUMA submitted responses in LECO's 5th and 6th discovery requests, and ICPO's discovery request. On March 24, 2022 LUMA submitted responses in LECO's 7th and ICPO's 2nd discovery requests.
- [NEPR-MI-2019-0007](#) | **Performance Metrics** – On March 11, 2022 LUMA submitted the response to data requested during the February 24, 2022 Technical Conference. On March 21, 2022 LUMA submitted the Quarterly Performance Metrics and responded to the motion filed by PREPA on March 3, 2022.
- [NEPR-MI-2021-0013](#) | **Electric Vehicles** – On March 4, 2022, LUMA participated in a Compliance Hearing to present the plan and current status of the Electric Vehicle Phase I Infrastructure Plan. On March 24, 2022, LUMA filed comments in response to a resolution and order about surveying customers.
- [NEPR-MI-2021-0006](#) | **Demand Response (DR) Planning and Energy Efficiency (EE)** – On March 9, 2022, LUMA participated in a technical conference to present the work plan for developing the Transition Period Plan for EE and DR and discuss current status. LUMA also offered clarifications to questions and comments made by the Commissioners and stakeholders.
- [NEPR-MI-2019-0016](#) | **DG Interconnection Progress Report** – On March 17, 2022, LUMA submitted a motion providing further information on action items raised in the quarterly DG Interconnection Compliance Hearing which took place on February 23, 2022.
- [NEPR-MI-2021-0009](#) | **Puerto Rico Cost Test** – On March 7, 2022, LUMA filed two sets of comments for the PR Cost Test, including comments on the PR Cost Test framework, including the prioritization of impacts, and responses to the discussion questions for stakeholders in the Energy Bureau's Avoided Cost Study results presentation.
- [NEPR-MI-2020-0018](#) | **Physical Security Plan** – On March 15, 2022, LUMA submitted the fourth Physical Security Progress Report.

- [NEPR-MI-2021-0002](#) | **Federal Funding** – On March 18, 2022, LUMA and PREPA submitted the current PREPA-LUMA 90-Day Plan.
- [NEPR-MI-2021-0008](#) | **Customer Bill** – On March 2, 2022, LUMA submitted notice of a minor issue (Cost per kWh Graph missing from fourth logical page) related to the launch of the approved model bill. On March 3, 2022, LUMA received approval from the Energy Bureau to proceed with the launch of the approved model bill. On March 9, 2022, LUMA submitted a notice of the March 4, 2022 bill launch. On March 23, 2022, LUMA submitted a notice of the minor data issue being resolved.
- [NEPR-MI-2020-015](#) | **Renewable Energy Portfolio Compliance** – On March 31, 2022, LUMA filed the Annual Renewable Energy Portfolio Compliance Report, providing data regarding Renewable Energy Credits (RECs) and outlining LUMA's progress on the integration of renewable energy.

5.0 Legislative and Legal Matters

- 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 weeks and months on some occasions.
- Responding to these inquiries requires considerable resources and time from LUMA.

Table 5-1: Summary of Requests for Comments or Legislation Filed in the Puerto Rico Senate or House of Representatives

Committee	Bill or Resolution	Requesting Comments On or Filed	LUMA Response or Legislation Title
House Committee on Economic Development, Planning, Telecommunications, Public-Private Partnerships and Energy	House Resolution 446	March 1, 2022	The HR446 orders an ongoing investigation on all matters related to the performance, execution, and compliance of LUMA Energy with the obligations assumed in the public-private partnership agreement with the Puerto Rico Electric Power Authority, and for other related purposes. On March 3, 2022, a request of documents was subpoenaed to LUMA. On March 8, 2022, LUMA submitted 71 boxes which contained the documentation requested.
House Committee on Development and Public Fund Oversight of the Southeastern Region	House Resolution 597	March 1, 2022	The HR597 instructs orders an exhaustive and continuous investigation into any matter related to the performance, execution, and compliance by LUMA of its obligations under the Public-Private Partnership contract with the Puerto Rico Electric Power Authority, and related to the quality and effectiveness of the services provided by LUMA to Representative District No. 34 which is composed of sectors of the municipalities of San

			<p>Lorenzo, Patillas, Yabucoa and Maunabo; and other related purposes.</p> <p>Comments on HR597 were submitted to the Committee on March 1, 2022.</p>
House Committee on Development and Public Fund Oversight of the Southeastern Region	House Resolution 606	March 1, 2022	<p>The HR606 orders an exhaustive and continuous investigation into any matter related to the performance, execution, and compliance by LUMA of its obligations under the Public-Private Partnership contract with the Puerto Rico Electric Power Authority and related to the quality and effectiveness of the services provided by LUMA to Representative District No. 34 which is composed of sectors of the municipalities of San Lorenzo, Patillas, Yabucoa and Maunabo, and other related purposes.</p> <p>Comments on HR606 were submitted to the Committee on March 1, 2022.</p>
House Committee on Development and Public Fund Oversight of the Southeastern Region	House Resolution 613	March 1, 2022	<p>The HR613 orders exhaustive and continuous investigation into any matter related to the performance, execution, and compliance by LUMA of its obligations under the Public-Private Partnership contract with the Puerto Rico Electric Power Authority and related to the quality and effectiveness of the services provided by LUMA to Representative District No. 29 which is composed of sectors of the municipalities of Cidra and Cayey and other related purposes.</p> <p>Comments on HR613 were submitted to the Committee on March 1, 2022.</p>
House Committee on Development and Public Fund Oversight of the Southeastern Region	House Resolution 616	March 1, 2022	<p>The HR616 orders an exhaustive and continuous investigation into any matter related to the performance, execution, and compliance by LUMA of its obligations under the Public-Private Partnership contract with the Puerto Rico Electric Power Authority and related to the quality and effectiveness of the services provided by LUMA to Representative District No. 32 which is composed of sectors of the municipalities of Caguas and Gurabo and other related purposes.</p> <p>Comments on HR616 were submitted to the Committee on March 1, 2022.</p>

<p>House Committee on Economic Development, Planning, Telecommunications, Public-Private Partnerships and Energy</p>	<p>Senate Joint Resolution 55</p>	<p>March 8, 2022</p>	<p>House Committee on Economic Development, Planning, Telecommunications, Public-Private Partnerships and Energy requested comments for their evaluation of SJR55 that pursue to order the Puerto Rico Electric Power Authority (PREPA) to make all the necessary arrangements with LUMA Energy, LLC for the installation of power lines and lighting on PR-2 Road, Km 104.2, Barrio Coto, Guajataca Sector, Municipality of Isabela, leading to the Guajataca Tunnel and in the tunnel.</p> <p>The comments on SJR55 were submitted to the Committee on March 8, 2022.</p>
<p>House Committee on Transportation, Infrastructure and Public Works House Resolution 179</p>	<p>March 11, 2022 “On-site Hearing”</p>	<p>The Committee on Transportation, Infrastructure and Public Works of the House of Representatives is conducting an ongoing investigation on any type of infrastructure of governmental agencies or public corporations, and for other related purposes.</p> <p>LUMA was invited to participate in an “on-site” hearing which took place at Barrio Bayamoncito in the Municipality of Cidra. Community stakeholders stated their issues with the lack of lighting in the Sector’s Little League baseball park.</p> <p>A letter was received from the Committee on March 25, 2022, requesting that LUMA provide a written statement indicating the status of the repairs and illumination of the baseball park.</p>	
	<p>March 16, 2022 “On-site Hearing”</p>	<p>LUMA was invited to participate in an “on-site” hearing which took place at Cercadillo in the Municipality of Cayey. Community stakeholders stated their issues with voltage fluctuation, the condition of a transformer, lighting in the sector and their concern with the vegetation management of the site.</p> <p>A letter was received from the Committee on March 25, 2022, requesting that LUMA provide a written statement indicating the status of the concerns stated in the hearing.</p>	
	<p>March 16, 2022</p>	<p>LUMA was invited to participate in an “on-site” hearing which took place at</p>	

		“On-site Hearing”	<p>Comunidad Alturas de Beatriz in the Municipality of Cayey. Community stakeholders stated their issues with voltage fluctuation, the condition of two underground transformers and the process for the installation of lighting fixtures in the sector.</p> <p>A letter was received from the Committee on March 30, 2022, requesting that LUMA provide a written statement indicating the status of the concerns stated in the hearing.</p>
		March 29, 2022	<p>On January 28, an On-site Hearing that took place at Barrio Montellanos in the Municipality of Cidra.</p> <p>A letter from the Committee was received on March 29, 2022, requesting that LUMA provide a written statement indicating the status of the concerns stated by the community in the hearing.</p>
House Committee on Small and Medium Business and Permits	House Bill 780	March 16, 2022	<p>The House Committee on Small and Medium Business and Permitting requested comments regarding HB780 that pursue add a section (g) to Section 3 of Act 454-2000, as amended, known as the "Small Business Administrative and Regulatory Flexibility Act," for the purpose of providing that the regulations for the provision of essential services that contain a payment or deposit bond shall allow the prorated payment of the required amount; provided, however, that the corresponding government entity may impose a charge equivalent to five (5%) percent of the total required bond, when the deferred payment thereof is granted.</p> <p>Comments were submitted on March 16, 2022.</p>

Table 5-2: Material Litigation Activity⁵

Case No.	Party Names	Description	Significant Updates
Adv. Proc. No. 21-00041	UTIER v. Pierluisi et al.	Plaintiffs are requesting to annul the OMA because they claim that it violates the Contracts Clause and does not comply with Act 120-2018, given that it allegedly does not recognize UTIER's	The Court has not yet ruled on the pending Motion to Dismiss.

Case No.	Party Names	Description	Significant Updates
		collective bargaining agreement.	
Adv. Proc. No. 21-00049	SREAEE v. PIERLUISI et al.	Similar claims to 21-00041. In addition, alleges that the OMA violates ERISA and would damage the SREAEE due to lack of funds.	The Court has not yet ruled on the pending Motion to Dismiss.
Case No. KLRA202100406	In re Revisión de los Términos de Servicio de LUMA	ICSE seeks order to annul and overturn PREB's approval of Modified Terms of Service and Liability Waiver. They argue the waiver is an infringement of PR's Civil Law tradition.	The case is now submitted pending adjudication by the Puerto Rico Court of Appeals. On March 10, 2022, the Puerto Rico Court of Appeals dismissed ICEPR's petition due to lack of standing to pursue the remedy claimed. A writ of certiorari before the PR Supreme Court would be due on April 11, 2022, if ICSE applies the standard term of 30 days or on May 9, 2022 if ICSE follows the term of 60 days that applies when governmental entities are parties to a case.

Footnote

5: 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.

6.0 Material OMA Items

- **PREPA Reorganization and Title III Exit:**
 - No updated status provided by PREPA and P3A after PREPA's Governing Board approved the creation of three subsidiaries (GenCo, HydroCo and NewCo) but not the form of Capital Contribution Agreements in December 2021. LUMA continues to wait for the PREPA and P3A to act. LUMA appointed an executive and team last month to focus on LUMA's role in supporting PREPA's restructuring and PREPA's exit from Title III.
 - LUMA initiated a Governance Committee comprised of P3A, PREPA and LUMA aimed at expediting PREPA Reorganization and Title III Exit related matters. A kick-off meeting was held on March 7, 2022.
 - Judge Swain preliminarily designated a mediation team appointed to facilitate mediation over a PREPA plan of adjustment.
- **GridCo-GenCo Operating Agreement:** There were no material updates in March. LUMA awaits action from PREPA and P3A on this agreement. The parties' representatives reached agreement on the terms in December 2021. PREPA's Governing Board declined to take action on the agreement at its December 2021 meeting and there have been no further discussions on the agreement.