COMUNICADO

ZAR DE ENERGÍA

ZAR DE ENERGÍA, ING. JOSUÉ COLÓN ORTIZ, REACCIONA A DESPIDOS LUMA

(17 de octubre de 2025- San Juan, Puerto Rico)-El Zar de Energía y director ejecutivo de la Autoridad para la Alianza Público-Privadas (AAPP), el ingeniero Josué Colón Ortiz, reiteró que las expresiones del operador privado de la red de transmisión y distribución eléctrica, Luma Energy, LLC. para justificar el despido de 160 de sus empleados, son "*falsas y temerarias*".

El director ejecutivo de la AAPP también reclamó a Luma la "*revisión inmediata de todos los salarios y paquetes de beneficios otorgados a ejecutivos de dicha empresa*".

"En el día de hoy Luma Energy informó que ha cesanteado alrededor de 160 empleados. Aunque dicha acción es parte de la prerrogativa de cualquier empresa privada, el utilizar argumentos falsos y temerarios para intentar justificar la misma, amerita nuestro más enérgico rechazo. La gerencia de Luma conoce muy bien que todos los recursos que la corporación utiliza para pagar sus obligaciones provienen exclusivamente de la venta de energía, proceso bajo la responsabilidad de LUMA. De hecho, LUMA consistentemente incumple con su responsabilidad contractual de depositar en la cuenta matriz de la Autoridad de Energía Eléctrica, los fondos correspondientes al presupuesto y cuya única fuente es la facturación, cobro y depósito de estos fondos como resultado de la electricidad que se produce y se vende. Por lo tanto, es inconcebible e inaceptable que LUMA conociendo de todas las deficiencias que tienen en estos procesos, utilice expresiones de que la AEE le debe dinero, lo cual no se ajusta a la realidad".

"La Autoridad de Energía Eléctrica deposita fondos en las cuentas de servicio de Luma de conformidad a los depósitos que realiza Luma en la cuenta principal de AEE. Desde hace tiempo hemos demostrado a Luma y al pueblo de Puerto Rico, con datos verificables, que la aseveración de que la AEE le debe es incorrecta y dicta mucho de la realidad. Más aún, tanto la Junta de Supervisión Fiscal, como sus consultores, conocen de primera mano que los problemas de liquidez existentes son el resultado de la incapacidad gerencial y administrativa de Luma en realizar los depósitos requeridos en la cuenta principal de la AEE".

"El problema fiscal de Luma es uno autoinfligido, y lo hemos demostrado con material gráfico desde el mes de enero en múltiples ocasiones. Esta empresa tiene un déficit estructural de alrededor de $431 millones, cifra que representa una crasa falta de control

fiscal y administrativo sobre los recursos económicos disponibles. No sólo eso, además han tramitado incorrectamente sobre $745 millones en reembolsos de fondos federales a través de la Agencia Federal para el Manejo de Energía (FEMA, por sus siglas en inglés) por los huracanes María y Fiona, razón por la cual no han obtenido dichos reembolsos. Si la gerencia de esta empresa privada hubiese realizado los procesos como corresponden y conforme a las guías federales, hubiesen tenido ya esos fondos y no habría un asunto de liquidez, esa es la realidad. Esta es la misma empresa que prefirió gastar de manera ineficiente alrededor de $500 millones en contrataciones de empleados de sus empresas matrices (seconded employees)", en vez de utilizar esos fondos en contrataciones de personal o recursos más costo efectivos," agregó Colón Ortiz.

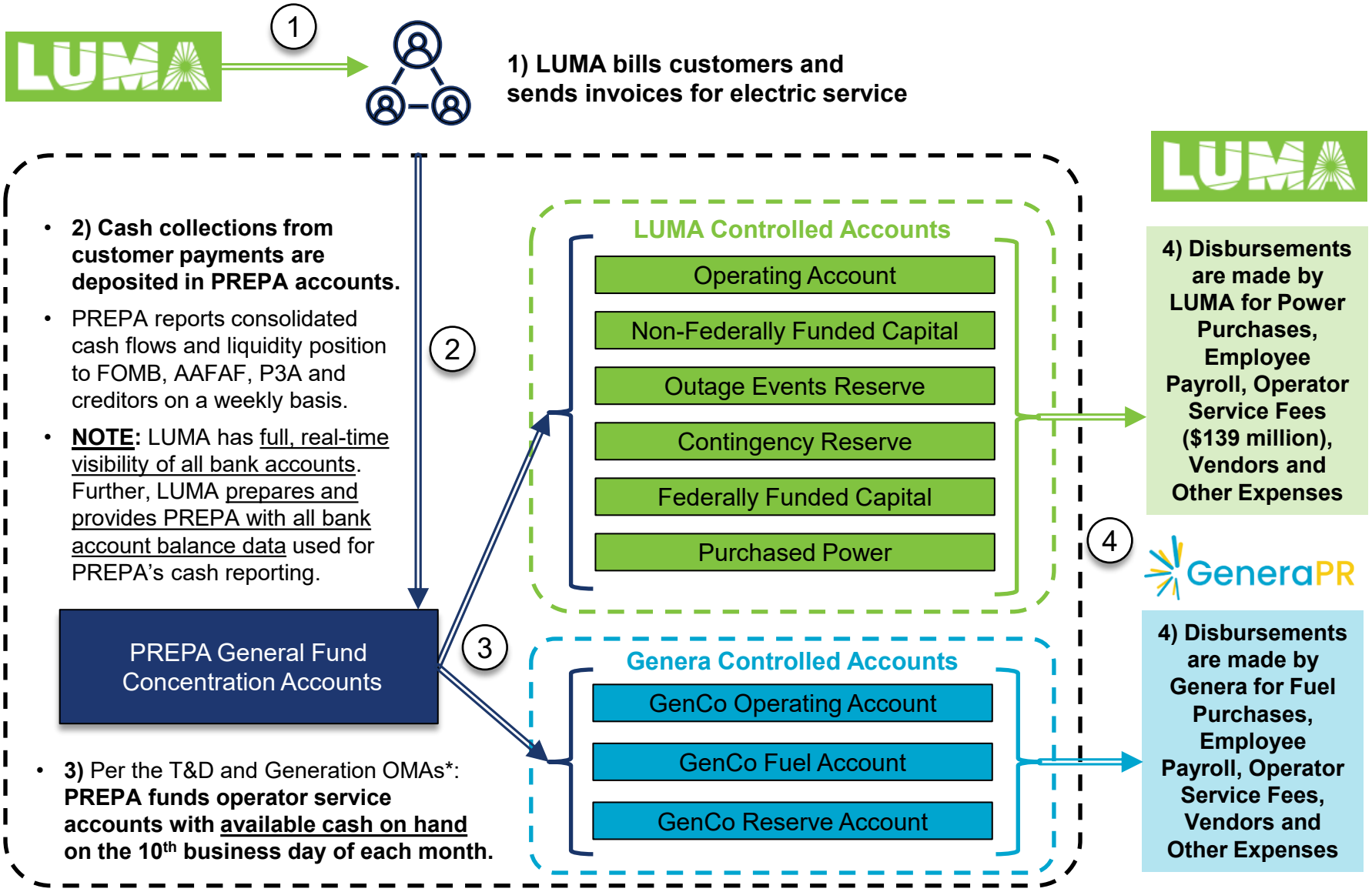
En la mañana de hoy, viernes, la gerencia de Luma Energy envió un escueto comunicado de prensa informando el despido de 160 trabajadores, "*una vez más manipulando y tergiversando los datos para decir que la AEE le debe dinero algo que ha sido desmentido, con evidencia. Nuevamente, incluimos información oficial con los presupuestos de años fiscales, depósitos realizados a las cuentas de LUMA al cierre de cada año fiscal, así como la evidencia del deficiente e inaceptable desempeño en los proyectos de reconstrucción con fondos federales y los proyectos de desganche y limpieza de servidumbres en las líneas eléctricas de este operador privado, así como información de los gastos imprudentes en el pago de empleados de sus matrices conocidos como seconded employees*".

En una vista pública de la Comisión de Gobierno de la Cámara de Representantes el pasado 22 de septiembre, el director ejecutivo de la Oficina Central de Recuperación, Reconstrucción y Resiliencia de Puerto Rico (COR3), Eduardo Soria, indicó que en tres ocasiones diferentes ha tenido que intervenir para asistir a Luma Energy en el trámite de reembolso ante FEMA debido a problemas con documentación presentada en sus solicitudes.

"*Estamos exigiendo que el operador privado comience, inmediatamente, una revisión completa y detallada de todos los salarios y beneficios marginales que se le brindan a sus gerenciales, así como los gastos en seconded employees, entre otros, los cuales son exorbitantemente altos, así como sus gastos en publicidad que sin duda afectan el flujo de capital de esa empresa*," sentenció el funcionario.

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Illustrative Flow of Funds Diagram – Account Transfers & Disbursements



*PREPA's service account funding requirements are set forth in Section 6.1(a) and Section 7.5 of the Puerto Rico Transmission and Distribution System Operating and Maintenance Agreement ("T&D OMA")1 and in Section 7.6 (d) of the Puerto Rico Thermal Generation Facilities (Genera OMA),

Amounts Funded to LUMA and Genera PR Bank Accounts

- **Government Loan (Taxpayer Funds)**: $750 million (June 2021)
- **Cash Collections from Ratepayer Revenues**: $6.892 billion (June 2021 thru Sep 2025)
- **LUMA Fixed Fee (Profit to LUMA):** $555 million (June 2021 thru Sep 2025)
- LUMA is responsible for ~$650 million (~66%) of annual base rate O&M budget

AMOUNT FUNDED ($-thousands)						
Operating Account	Capital - Federally Funded	Capital – Non-Federally Funded	Outage Event Reserve Account	Purchased Power Account	Contingency Reserve	**Total**
$3,919,761	$489,459	$306,447	$86,520	$2,476,643	$76,705	**$6,605,535**

- **Government Loan (Taxpayer Funds)**: $434 million (June 2023)
- **Cash Collections from Ratepayer Revenues**: $4.533 billion (July 2023 thru Sep 2025)
- **Genera Fixed Fee (Profit to Genera):** $51 million (July 2023 thru Sep 2025)
- Genera is responsible for ~$300 million (~30%) of annual base rate O&M budget

AMOUNT FUNDED ($-thousands)				
Genera PR - Mobilization Account	GenCo Operating Account	GenCo Fuel Account	GenCo Reserve Account	**Total**
$15,000	$616,489	$4,339,625	$30,000	**$5,001,113**

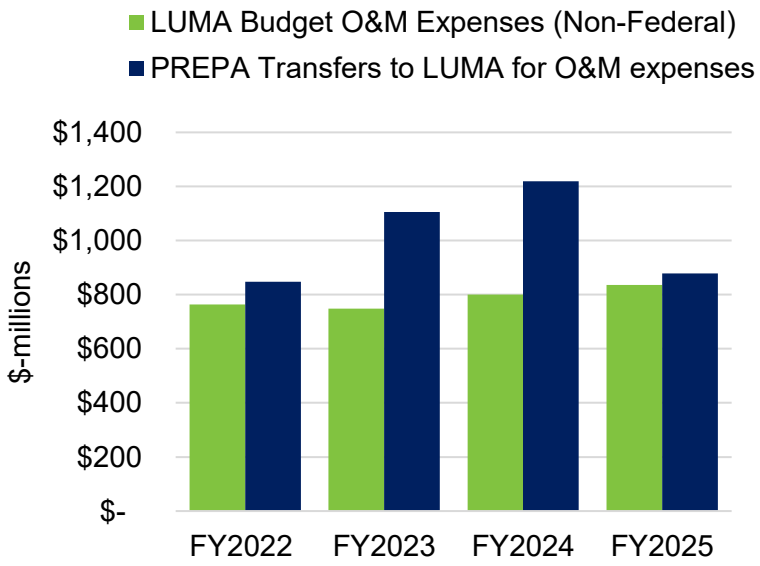
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PREPA Transfers to LUMA Accounts for O&M Budget

PREPA has funded amounts to the LUMA operating and non-federally funded capital account in excess of LUMA's annual budgets in each of the four (4) fiscal years since LUMA service commencement.

LUMA O&M Budgets ($-thousands)	FY2022	FY2023	FY2024	FY2025
T&D Operator Front-End Transition & Service Fee	$ 115,131	$ 121,785	$ 129,162	$ 134,736
LUMA Title III - Interim Costs	-	-	8,750	8,750
T&D / LUMA O&M Budget (excluding Fixed Fee)	648,892	626,903	662,958	692,663
Total GridCo / LUMA Budget Expenses	**$ 764,023**	**$ 748,688**	**$ 800,870**	**$ 836,149**

PREPA Transfers to LUMA O&M Expense Accounts	FY2022	FY2023	FY2024	FY2025
Operating Account	770,517	1,064,333	1,134,418	796,513
Capital Account - Non-Federally Funded	76,878	40,925	84,471	81,654
Total Operating & Non-Federally Funded	**$ 847,395**	**$ 1,105,258**	**$ 1,218,889**	**$ 878,167**
Difference	$ 83,372	$ 356,570	$ 418,019	$ 42,018



The reason that PREPA's transfers to the LUMA O&M expense accounts exceed the LUMA annual operating budget is principally due to:

a) LUMA's cash disbursements from the Operating Account related to capital projects that LUMA considers federally reimbursable (approximately $1.2 billion out of $1.6 billion remains outstanding – as reported by LUMA to PREB); and

b) Outage Event expenses by LUMA that lacked a funding source (note: LUMA did not budget or report these expenditures, which exceed $300 million, to any regulatory authority, including PREB, P3A or FOMB).

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LUMA's O&M Budget for Vegetation Management

- Under PREB's July 31, 2025 Order establishing Provisional Rates for FY 2026, PREB approved an additional $24.0 million related to LUMA's Vegetation Management Program in FY 2026, which is incremental to the $46.7 million approved under the Temporary Default budget.
- The $24.0 million is related to LUMA's Priority Stabilization Plan, addressing systematic clearance of overgrown vegetation along the 115 kV and 230 kV transmission corridors and on distribution "hot-spot" feeders that have been repeatedly linked to service interruptions.
- The incremental $24 million is subject to the usual prudence review in the permanent rate phase, and LUMA must apply to funds exclusively to the Vegetation Management scope set forth in the Priority Stabilization Plan.
- Below is a summary of LUMA's budget-to-actual spend related to Vegetation Management (O&M only) from FY 2022 to FY 2025

O&M Vegetation Management - B2A
($ in millions)

	Budget	Actuals	Var ($)	Var (%)
FY2022	$ 49.4	$ 50.9	$ (1.5)	-3.0%
FY2023	52.5	62.7	(10.2)	-19.4%
FY2024	56.0	55.7	0.3	0.5%
FY2025	50.0	46.6	3.4	6.8%
Total	**$ 207.9**	**$ 215.9**	**$ (8.0)**	**-3.8%**

**After Q1, FY2025 Vegetation Mgmt Budget changed from $61.6M to $50M.*

	FY2026
Temp. Budget	$ 46.7
Provisional	24.0
Total Budget	**$ 70.7**

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FY2020 to FY2026 Certified PREPA Budgets ($-thousands)

	Description	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	LUMA 7/3 Rate Filing to PREB Constrain	LUMA 7/3 Rate Filing to PREB Optimal
1	T&D Operator Front-End Transition & Service Fee	$ -	$ 180,000	$ 115,131	$ 121,785	$ 129,162	$ 134,736	$ 139,368	$ 139,367	$ 139,367
2	LUMA Title III - Interim Costs	-	-	-	-	8,750	8,750	8,750	8,750	8,750
3	T&D / LUMA O&M Budget (excluding Fixed Fee)	$ 625,841	$ 637,716	$ 648,892	$ 626,903	$ 662,958	$ 692,663	$ 646,696	$ 1,350,765	$ 1,767,549
4	**Total GridCo / LUMA Budget Expenses**	**$ 625,841**	**$ 817,716**	**$ 764,023**	**$ 748,688**	**$ 800,870**	**$ 836,149**	**$ 794,814**	**$ 1,498,883**	**$ 1,915,667**
5	Generation Operator Mobilization & Service Fee	-	-	-	15,000	22,500	24,325	25,161	26,585	26,585
6	Generation O&M Budget (excluding Operator Fees)	$ 288,409	$ 293,881	278,723	293,125	319,244	300,322	280,393	455,502	626,559
7	**Total GenCo / Genera Budget Expenses**	**$ 288,409**	**$ 293,881**	**$ 278,723**	**$ 308,125**	**$ 341,744**	**$ 324,647**	**$ 305,554**	**$ 482,087**	**$ 653,144**
8	**HydroCo Budget Expenses**	**$ 12,476**	**$ 12,712**	**$ 12,690**	**$ 12,500**	**$ 13,645**	**$ 13,639**	**$ 12,734**	**$ 14,132**	**$ 14,132**
9	**Total HoldCo Budget Expenses**	**$ 30,799**	**$ 31,384**	**$ 35,869**	**$ 28,979**	**$ 30,308**	**$ 34,220**	**$ 31,949**	**$ 64,338**	**$ 73,629**
10	Bad Debt Expense	61,700	68,407	63,405	74,466	59,450	59,529	55,579	129,957	158,981
11	PREPA Restructuring and Title III	74,530	77,443	38,722	25,100	21,400	18,700	25,628	18,700	18,700
12	FOMB Advisor Costs allocated to PREPA	31,800	31,800	24,400	24,400	32,821	28,968	27,045	32,964	32,964
13	P3A Transaction Costs	9,500	9,500	4,750	-					
14	Federal Funding Cost Share	27,352								
15	Offset from Other Income / Cash on Hand	(10,106)	(154,628)	(30,914)	(52,358)	(189,072)	(164,396)	(93,154)	(56,501)	(56,501)
16	**Total Other Expenses (Income)**	**$ 194,775**	**$ 32,522**	**$ 100,363**	**$ 71,608**	**$ (75,401)**	**$ (57,199)**	**$ 15,098**	**$ 125,121**	**$ 154,144**
17	**Total Budget Expenses Covered by Base Rate**	**$ 1,152,300**	**$ 1,188,215**	**$ 1,191,668**	**$ 1,169,900**	**$ 1,111,166**	**$ 1,151,456**	**$ 1,160,149**	**$ 2,184,561**	**$ 2,810,716**

Notes:

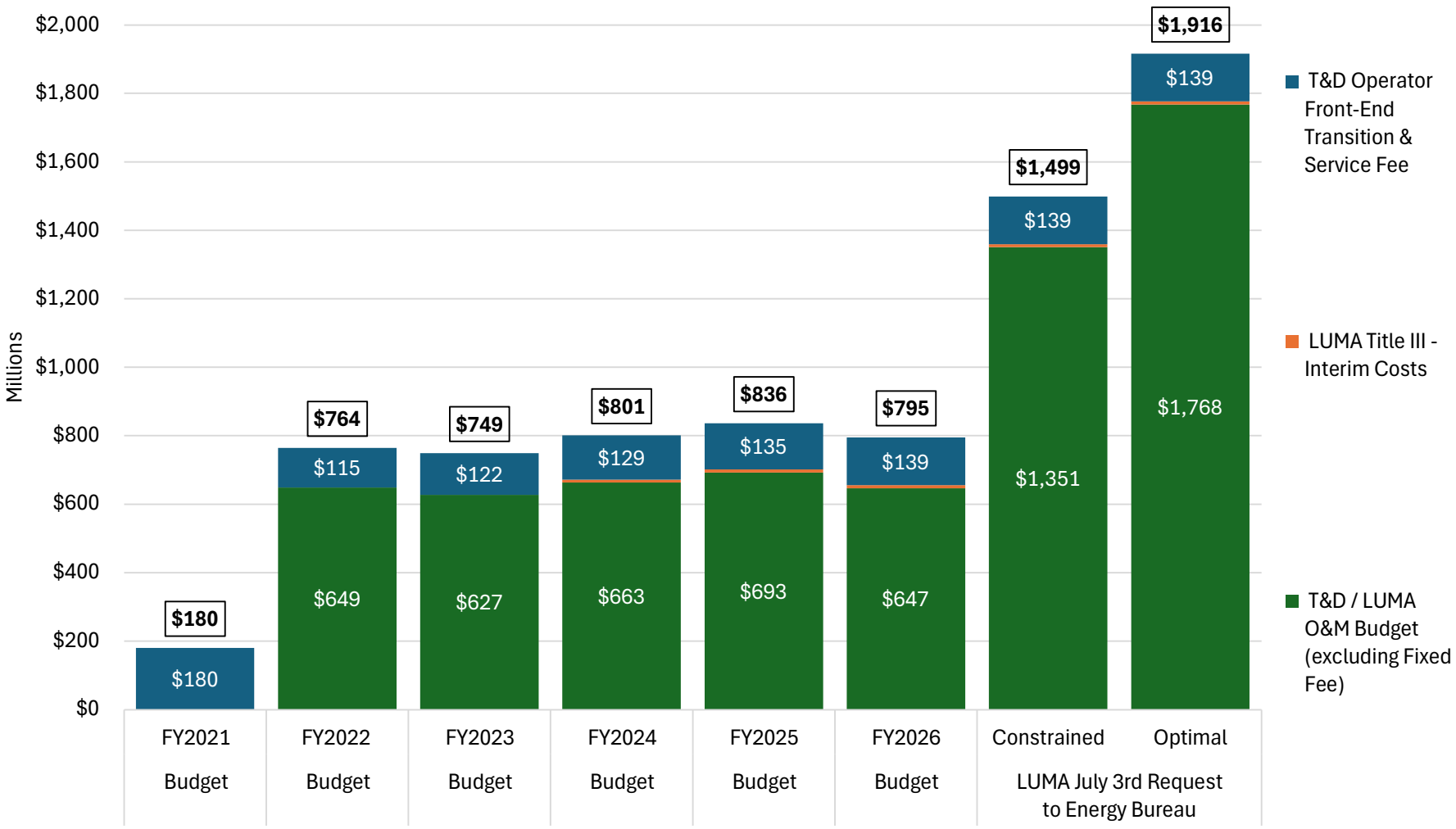
[1] Yellow Highlighted amounts for FY20 and FY21 are calculated averages based on FY22 - FY25. Prior to FY22, PREPA budgets were prepared on a consolidated basis and were not divided into the post-transformation entities (GenCo, HydroCo, HoldCo and GridCo).

[2] The HydroCo allocation from GenCo was first calculated for the FY2024 budget and therefore FY20 to FY23 is estimated based on FY2024 budget allocation of 1.3% of total.

[3] FY24 excludes Temporary Generation Acquisition Cost-Share ($30.660M).

[4] EE Program costs for FY24 were added directly into GridCo's budget for FY24 to align with PREB's Order dated September 22, 2023. These costs are treated as System-wide Costs since they were covered by base rate revenues. In FY25, the cost of this program was recovered through the EE rider.

LUMA Budget Expenses from FY21 to FY26 and July 3rd Petition to PREB



LUMA Seconded Employee Expenses FY23 to FY25

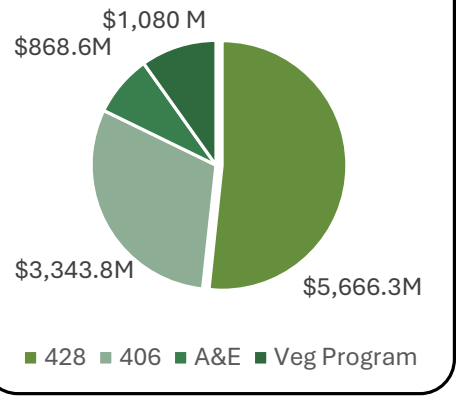


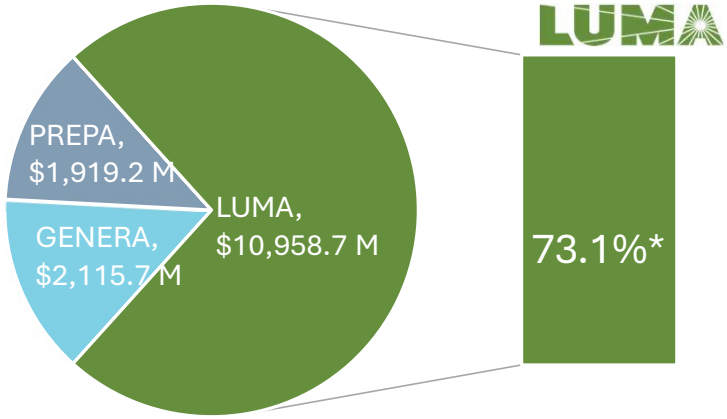
9/29/2025

LUMA

Transmission*	Distribution*	Telecomm & IT*	Substations*	Buildings*
$3,297.7 M	$3,890.7 M	$1,394.6 M	$1,476.3 M	$30.7 M
PWs: 82	PWs: 319	PWs: 26	PWs: 64	PWs: 4
PWs Cost increase: 26.3M	NEW PWs: 26 @ 74.6M PWs Cost increase: 144.5M		PWs Cost increase: 79.3M	

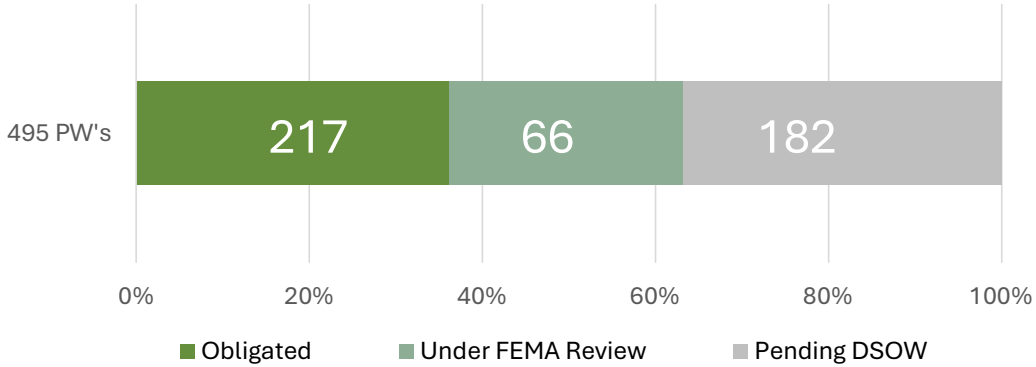
Projected Obligated PW
$10,958.7 M





LUMA PW's 217	FAAST DISTRIBUTION	OBLIGATIONS	%	REIMBURSEMENT	%
9/2025	$ 10,958,700,000.00	$2,878,697,246.69	26.3	$426,930,948.00	3.6
LUMA PW's 174	FAAST DISTRIBUTION	OBLIGATIONS	%	REIMBURSEMENT	%
2021-2024	$ 10,958,700,000.00	$2,343,113,298.15	21.4	$249,364,255.29	2.3
Increase LUMA PW's 43 ⇧	$0.00 ⇧	$535,583,948.54 ⇧	4.9 ⇧	$177,566,692.71 ⇧	1.3 ⇧

LUMA'S TIMELINE



- EXCLUDES A/E. VEGETATION CLEARANCE BUDGET INCLUDED UNDER DISTRIBUTION. IWBCA 406 EXCLUDES SUBSTATIONS ELEVATIONS.

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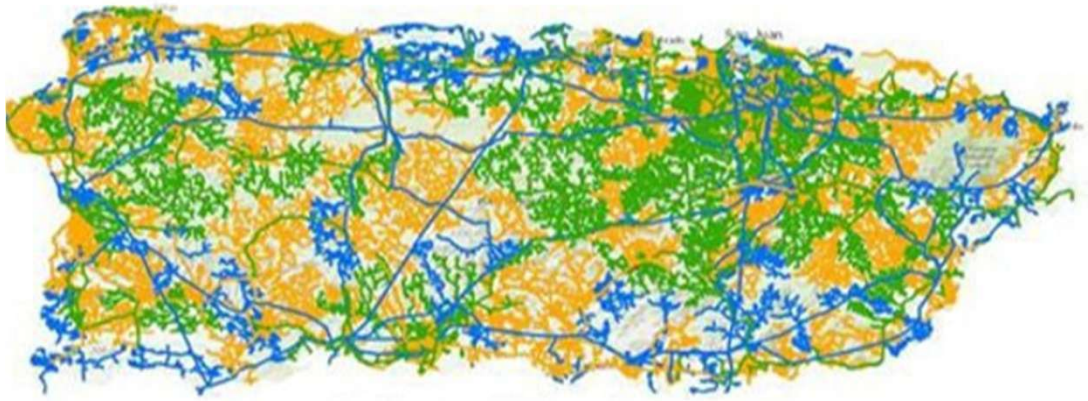
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FEMA 428 FAASt VEGETATION PROJECTS BY REGION FUNDING

PW	Project Name	Vegetation Miles Aproved	Vegetation Miles Executed	%	428	406	Total Child	WCA	Reimbursement	%
11696	FAASt [Region 1 -San Juan Group A] (Vegetation)	684.15	74.14	10.8	$ -	$18,151,116.72	$18,151,116.72	$4,084,001.26	$ 617,298.41	3.4
11714	FAASt [Region 2 -Arecibo Group A] High Density (Vegetation)	139.99	32.2	23	$4,807,675.47	$13,386,633.34	$18,194,308.81	$4,093,719.48	0	0
11715	FAASt [Region 6 -Ponce Group A] High Density (Vegetation)	199.37	19.9	10	$6,849,050.26	$19,064,883.85	$25,913,934.11	$5,830,635.18	0	0
11718	FAASt [Region 5 -Mayaguez Group A] High Density (Vegetation)	109.73	38.4	38.4	$3,767,690.42	$10,493,001.48	$14,260,691.90	$3,208,655.68	0	0
11724	FAASt [Region 4 -Caguas Group A] High Density (Vegetation)	215.82	30.2	14	$7,414,164.75	$20,637,925.62	$28,052,090.37	$6,311,720.34	0	0

Project #	Category	Title	Process Step	Best Available Cost
727572	F - Utilities	FAASt [Region 3 -Bayamon Group A] High Density (Vegetation)	Pending Applicant Project Review	$ 48,974,857.77



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A total of $104.5 M in obligated Funds

Capital Advance
$23.5 M

74.14 miles has been cleared

Bayamon Region 3 next project to be obligated

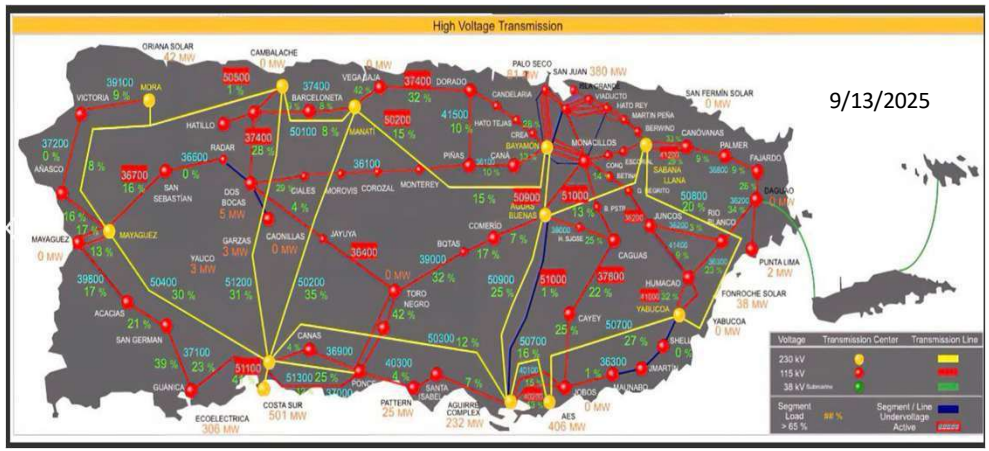
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FEMA 428 FAAST VEGETATION PROJECTS TRANSMISSION LINES

Project #	Category	Title	Process Step	Best Available Cost	%
750063	F - Utilities	FAASt [Region 6 -Ponce Group A] Low Density (Vegetation)	Pending EHP Review	$ 69,051,763.33	0
956342	F - Utilities	FAASt [Arecibo Region 2 Line 36400 (115Kv) – Ponce TC to Dos Bocas HP] (Vegetation)	Pending EHP Review	$ 4,093,248.38	0
956349	F - Utilities	FAASt [San Juan Region 1 Line 36800 (115kV) – Canovanas TC to Palmer TC] (Vegetation)	Obligated	$ 1,364,416.12	0
956353	F - Utilities	FAASt [Arecibo Region 2 Line 36100 (115kV) – Dos Bocas HP to Barrio Pina] (Vegetation)	Obligated	$ 3,756,065.08	0
956356	F - Utilities	FAASt [Ponce Region 6 Line 39000 (115kV) – Aguas Buenas Substation to Hacienda San Jose] (Vegetation)	Obligated	$ 325,421.09	0

A total of $73.1 M pending Obligations
A total of $5.4 M Obligated



LUMA has submitted 29 projects for FEMA's consideration that are still in the stages of submitting costs, documentation and evaluation of mitigation repairs for a total of $585,588,322.59.

The operator has submitted one project that groups the vegetation work for all of the 230KV lines, while the remaining 28 projects focus on the 115KV and 38KV lines.

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