

FAQs

What was the process to choose LUMA?

- LUMA Energy (LUMA) was selected by the Puerto Rico Public-Private Partnerships Authority (P3A) to operate and modernize Puerto Rico's electric grid. The selection of LUMA follows a substantial, competitive process involving some of North America's largest utility providers. For more information, please visit the P3A web site at <http://www.p3.pr.gov/>. You can also visit www.LUMAPR.com.

Who is LUMA?

- LUMA is a purpose-built operator that has been designed to provide the people and communities of Puerto Rico with a resilient, reliable and sustainable electric grid, while also delivering outstanding customer service. We are committed to the highest standards of transparency, integrity, safety and operational excellence.
- LUMA combines:
 - Industry-leading technical experience in building reliable, sustainable infrastructure and best-in-class craft skilled workforce training;
 - Decades of operational excellence managing several world-class utilities that deliver safe and reliable energy to millions of customers; and
 - Expert and transparent management of federal funds.

Who are the partners in LUMA?

- Headquartered in Puerto Rico, LUMA was formed by Quanta Services (Quanta) and ATCO Ltd. (ATCO):
 - Quanta is a leading infrastructure solutions provider for the electric power, pipeline, industrial and communications sectors in North America. With more than 40,000 employees, Quanta has the fourth largest private fleet of equipment in North America, behind leading companies such as Walmart and PepsiCo. Quanta is a leader in the areas of safety and training for its craft-skilled workforce – self performing more than 85% of its work to collaborate with customers to provide cost certainty and safe execution. Quanta also has extensive experience responding to natural disasters across North America. For more information, please visit www.QuantaServices.com.
 - ATCO is a diversified global holding corporation with approximately 6,000 employees. ATCO delivers customer service excellence and innovative business solutions across several platforms, including electricity, natural gas, energy storage, industrial water, modular structures, site support services, transportation (ports and logistics) and commercial real estate. ATCO has provided products and services in more than 100 countries around the globe for more than 70

years – and has an impeccable customer service rating. For more information, please visit www.ATCO.com.

- LUMA is also working with IEM to provide federal funding expertise:
 - IEM has more than 35 years of experience helping the public and private sectors enhance preparedness, mitigate risks and effectively respond to and recover from disasters. IEM excels in the effective management of recovery programs funds, which will enable LUMA to act efficiently and accurately in rebuilding and modernizing Puerto Rico’s grid. IEM will also position LUMA to provide critical emergency management and crisis response support, should a future disaster occur. For more information, please visit www.IEM.com.
- Through the Quanta and ATCO group of companies and with the support of IEM, LUMA can leverage the expertise of a combined workforce of more than 50,000 people, along with the largest specialized fleet in North America. Collectively, this group operates more than 52,000 miles of transmission and distribution lines, covering 165,000 square miles of service territory, and has overseen more than \$51 billion in disaster recovery programs and supported more than 300 state, local and territorial jurisdictions with a wide range of emergency management services.

What is the purpose of LUMA?

- LUMA will leverage our resources and experience to improve the island’s electric infrastructure, implementing industry best practices, deploying innovative technologies and increasing the grid’s resiliency to future storms and other extreme events. We will collaborate with Puerto Rico entities including businesses, community members and government agencies to execute in the most efficient manner. We are also dedicated to giving back to the communities where we live and work – to impact the overall social and economic development of the island.

What is LUMA’s commitment to employees?

- We put our employees first. LUMA will prioritize the talent of PREPA employees. Their legacy, knowledge and expertise will be paired with LUMA’s globally recognized experts in numerous fields such as customer service, high-voltage transmission engineering, distributed energy resources and mini / micro grid integration.
- LUMA will contribute best-in-class expertise in workforce training and field workforce development. A key focus will be providing training, continuous learning and career-long support of its personnel as part of our *People First, Safety Always* culture.
- LUMA plans to build a training facility with customized curriculum in Puerto Rico to raise the standard of safety and training for its employees and the people of the island.

What will happen to current PREPA employees?

- The knowledge, expertise and skills of current PREPA employees will be extremely important to us as we establish LUMA.
- We intend to employ as many existing, qualified PREPA employees as we can.
- During the transition period, we plan to engage with current PREPA employees to understand their roles, responsibilities and internal structures to inform our hiring decisions.
- Our goal is to build a new, powerful and efficient organization that benefits from having the best people for the job.

How many employees is LUMA hiring/bringing from outside of Puerto Rico?

- LUMA is headquartered in San Juan, and our employees will live and work in Puerto Rico.
- To ensure the front-end transition period can begin quickly, we are relocating several top professionals to lead LUMA and prepare for assuming responsibility for operation of the grid.
- We value the knowledge and skills of current PREPA employees and believe they will be critical to the long-term success of LUMA.

What is LUMA's disaster relief experience?

- Leveraging its collective expertise, LUMA is positioned to be a world leader in swift, effective disaster response and management.
- LUMA's leadership team has extensive disaster response experience, including the deployment of 6,000 line workers simultaneously to carry out emergency repairs in the U.S. Gulf Coast in response to Hurricanes Harvey, Irma and Maria, as well as restoration of electric service following the catastrophic 2016 Fort McMurray wildfire in northern Alberta — a disaster that affected 1,500,000 acres with more than \$5 billion in damages.
- IEM has provided program and project management support to some of the largest recovery programs in recent years in states and territories impacted by hurricanes and flooding. Following the major hurricanes in the Atlantic and the Pacific in the past two years, IEM deployed disaster response personnel to several U.S. territories to coordinate air evacuations and relief personnel and supplies. IEM currently supports the Federal Emergency Management Agency in developing plans for the federal government's activities in response to nationally significant natural, accidental and intentional disasters across the nation.

What is LUMA's commitment to the community?

- LUMA will deliver far more than operational excellence, an improved customer experience and reliable electricity service. When communities thrive, everyone benefits, which is why LUMA is committed to supporting and empowering individuals, groups and organizations in Puerto Rico.

- LUMA's employees will live and work in Puerto Rico and be actively engaged in the communities they serve. The company is committed to building an expertly managed organization that is one of the best career choices in Puerto Rico and improves the standard of living for families and businesses.

What measures will LUMA take to avoid corruption?

- LUMA firmly believes in conducting business responsibly and with the highest ethical standards. We know that how we do business is just as important as what we do.
 - Our parent companies, ATCO and Quanta, are committed to transparency and integrity, and we bring these values to all projects around the world.
 - At ATCO and Quanta, we are guided by our Codes of Ethics. Our Codes require us to be safe, honest and transparent in every business situation and act in ways that reflect our values.
 - LUMA will have a best-in-class Ethics and Compliance Program. This Program will be overseen by a Compliance Officer who will have the full support of LUMA's leadership, as well as the full support of leadership at ATCO and Quanta.
 - We will work collaboratively with Puerto Rican and U.S. federal government agencies to establish transparent procurement practices that will be strictly followed.

What can and will LUMA do during the Front-End Transition period?

LUMA is a world-class operator for the Puerto Rico T&D System. We will:

- Refine and prepare to Implement a plan to modernize the electric grid of Puerto Rico In order to Improve reliability and resiliency
- Develop new responsive customer service programs to roll out during operations
- Support federal funding Initiatives
- Establish line worker training center to make the PREPA workforce and community safer
- Develop a smooth transition for employees moving from PREPA to LUMA
- Develop Best Practices for safety and workforce productivity with training and benchmarks
- Establish performance metrics and benchmarks to ensure accountability
- Set up systems to enhance overall cost controls and Improve affordability for Puerto Rican customers

How will LUMA be a catalyst for change?

- LUMA will innovate by deploying and operating new utility technologies, including micro grids, supported by distributed renewable generation and battery storage, which will form the foundation of the evolving energy landscape.

- As the transformation of the T&D system progresses, customers will be able to better control their bills, as more frequent energy consumption and bill forecast information will be provided.
- A modern and stable electric grid will foster more economic growth for Puerto Rico, which will, in turn, attract global businesses to invest in the island.

What's next?

- Now that LUMA's selection has been approved by the appropriate regulatory and government agencies, the company will begin a detailed review and planning process, which will take approximately 10 to 12 months to complete. These plans are intended to be consistent with the proposed Grid Modernization Plans currently being pursued by the Government of Puerto Rico, PREPA and the P3A.
- During this front-end transition time, PREPA will continue as the operator of the T&D system.
- During this transition phase, LUMA will be developing detailed plans required for the reliable takeover of the T&D system, in line with the government's plans and the IRP. We will enhance and unify the various plans developed over the past few years into one roadmap that to bring the utility services up to world class standards, provide increased customer service and support a more resilient and cleaner grid with higher reliability. We will start by leveraging our expertise and management talent to create the new organization – and will be held accountable for implementation by the independent regulator and our stakeholders.
- After completion of the initial transition period, LUMA will enter the commencement period where we will then assume operation and maintenance of PREPA's T&D system for a 15-year term.
- Living and working alongside the people of Puerto Rico, LUMA will create a resilient, reliable and sustainable grid—one that supports long-term benefits for the people and communities we are privileged to serve.

How do you expect the people of Puerto Rico to respond to this announcement?

- LUMA will deliver far more than reliable electric service—we will create opportunities for long-term social and economic development for the people and communities of Puerto Rico for generations to come.
- Having a resilient, reliable and sustainable energy system will benefit all Puerto Ricans.
- We can't do this alone. This will be a journey together to develop a made-in-Puerto Rico solution, and we will need the help of every Puerto Rican to achieve our goals.

