

LUMA Selected to Transform and Operate Puerto Rico's Electricity System

San Juan, Puerto Rico – LUMA Energy, LLC (LUMA) announced today that it has been selected by the Puerto Rico Public-Private Partnership Authority (P3 Authority) to transform and operate Puerto Rico's electricity transmission and distribution (T&D) system. Following an initial transition period, LUMA will work with the Puerto Rico Electric Power Authority (PREPA) under the terms of a 15-year agreement to transform the island's electricity delivery system and support its overall economic and social development.

"The P3 Authority is very pleased with the selection of LUMA Energy as the partner that will lead the historic transformation of the electric system in Puerto Rico," said Fermín Fontanés, Executive Director at the P3 Authority. "Personally, I can truly say that the process and subsequent determination was one characterized by thoroughness, careful and methodic analysis and, of outmost importance, guided by the core values, accountability and transparency that govern the P3 process.

"With this partnership, Puerto Rico is finally on a strong course towards achieving a reliable and sustainable infrastructure that will guarantee the peace of mind that the citizens of Puerto Rico deserve."

LUMA, headquartered in San Juan, was formed by Canadian Utilities Limited, an ATCO company, and Quanta Services, Inc. (Quanta) to serve the people of Puerto Rico. Each company owns a 50% interest in LUMA. LUMA has also engaged Innovative Emergency Management, Inc. (IEM) to assist with the acquisition and administration of US Federal Emergency Management Administration (FEMA) funding. LUMA was selected following an extensive and competitive process, run by the P3 Authority, involving some of the largest utilities in North America and around the globe.

According to the P3 Authority's Partnership Committee Report, "The Partnership Committee believes that the Definitive Proposal submitted by LUMA: reflects the more thorough, detailed, and tailored approach to each of the technical, operational and financial, and legal components of the RFP; presents the better path forward to achieving the Government's objective of transforming Puerto Rico Electric Power Authority's (PREPA) aged and inefficient T&D System into one that is safe, customer-centric, affordable, reliable, resilient and sustainable; and is the better option for the people of Puerto Rico."¹

LUMA is in the process of mobilizing a team to oversee planning for the full transfer of PREPA's T&D operations to LUMA, which is expected to occur over the next 10 to 12 months. Throughout this initial transition period and into full assumption of T&D utility services, LUMA will collaborate closely with government officials, regulators and PREPA.

"We are honored to have been selected for this historic contract, and we are excited to begin a journey that we know will bring long-term value to the people of Puerto Rico," said Wayne Stensby, President & CEO, LUMA. "LUMA will not only provide safe, reliable and affordable

electricity service, we'll expedite this electricity transformation in a way that delivers lasting benefits to the people and communities on the island. Working together with the great employees and talent currently at PREPA, LUMA will create an organization that will deliver operational excellence and exceptional customer service."

LUMA's selection was accomplished by capitalizing on the strengths and proven expertise of two world-class organizations, which combine operational and safety excellence; T&D engineering, construction and maintenance; utility operations and management; industry-leading craft-skilled workforce development; exceptional customer service; innovative technology solutions, combined with IEM's considerable experience in the acquisition and management of federal funds.

"We will invest our time, expertise and resources to support LUMA in operating a world-class electricity grid," said Duke Austin, Quanta's President & CEO. "Quanta will bring a disciplined, committed approach, and LUMA and PREPA will have the benefit of our industry-leading craft-skilled workforce, as well as globally recognized experts in technical areas such as high-voltage transmission construction, distributed energy resources and microgrid integration."

LUMA intends to build a state-of-the-art campus in Puerto Rico to offer customized curriculum and hands-on training to LUMA utility workers and the next generation of Puerto Rico's skilled workforce. The campus will be managed by Northwest Lineman College (NLC), the largest accredited line worker college in the United States, which is owned by Quanta and currently operates four campuses.

"ATCO is fully committed to supporting LUMA with our world-class operational and customer-centric expertise in energy solutions," said Siegfried Kiefer, President & CEO, Canadian Utilities. "With values that are deeply rooted in our unwavering commitment to the people and communities we are privileged to serve, we bring all of our expertise to support LUMA in creating a modern, resilient electricity system that will support broader economic development for the island."

LUMA's selection by the P3 Authority has received final regulatory and governmental approvals. PREPA currently provides electricity to more than 1.5 million residents in Puerto Rico and operates a network of more than 18,000 miles of T&D lines. LUMA will manage and operate the Puerto Rico electric system for PREPA, which will continue to maintain capital ownership and financing responsibility for the T&D system, as well as continue to operate its power generation assets.

For more information about LUMA, please contact us at media@LUMAPR.com or 1-844-888-LUMA. More information can be found at www.LUMAPR.com.

¹ Partnership Committee Report, Puerto Rico Public-Private Partnership for the Electric Power Transmission and Distribution System, May 15, 2020