2024 Resource Adequacy Report

An Update on Puerto Rico's Generation Reliability

Generation Overview

While **LUMA does not own, manage, or control any generation facilities**, our energy experts regularly evaluate generation capacity and have confirmed that Puerto Rico does not have enough energy resources to meet energy demand consistently for all customers, as evidenced by recurring generation-related shortages.

LUMA's Role

LUMA is the system operator of Puerto Rico's electric transmission and distribution system – **LUMA is not responsible for generation**. GeneraPR, Independent Power Producers, and PREPA are responsible for generation for Puerto Rico.

Key Generation Facts & Challenges

Our evaluation of the island's generation capacity is presented in detail in our yearly, forward-looking Resource Adequacy Report, the key findings of which include:

- **Customer Impact:** The report shows a very high risk of service interruptions due to lack of generation and that, on average, customers may experience 36 days without enough generation through June 2025 – 362 times higher than the industry planning standard of one day in 10 years.
- **Aging Infrastructure:** Some generation units are so physically degraded that they are only able to deliver a fraction of their rated capacity.
- **Insufficient Generation Supply:** On average, only 53% of Puerto Rico's generation capacity supply is available because many power plants are out of service due to unexpected breakdowns of equipment, production limitations and scheduled maintenance.
- **Lack of Maintenance:** Most Puerto Rico generation facilities are much more unreliable than power plants elsewhere in the world due to a legacy of improper maintenance.

What LUMA is Doing to Help

Even though **LUMA is not responsible for energy generation in Puerto Rico**, we are committed to doing everything we can, to support our generation partners and customers to increase Puerto Rico's energy resources. This includes:

Supporting Renewable Energy: Connecting over 118,000 solar customers, 860+ MW added to the grid, propelling Puerto Rico to rank 5th in the U.S. for solar adoption per capita.

Advocating for Emergency Generation: Helping secure FEMA-funded generators, adding 340 MW of generation capacity to the island's grid.

Advancing Large-Scale Renewable Projects: Partnering with key stakeholders to implement large-scale solar projects to add over 800 MW of increased renewable capacity and help build a cleaner electric system.

Adding Battery Storage Systems: Enabling additional utility-scale battery storage and launching the Customer Battery Energy Sharing initiative, to avoid service interruption and reduce fuel costs for customers.