

January 12, 2024

To: Puerto Rico Electric Power Authority

Attention: Josué Colón

Executive Director

PO BOX 364267

San Juan, Puerto Rico 00936-4267

RE: Request for PREPA Active Joint Use Agreements for the Billing & Collection of Pole Attachment Fees.

Dear Mr. Colón:

On September 22, 2023, the Puerto Rico Energy Bureau ("PREB") issued a [Resolution and Order \("R&O"\)](#) instructing LUMA to report on the status of collection from pole (third-party) attachments, including amounts collected and how collected funds are accounted for in the budget.

Per Section 5.3 and Annex I Section II (A) of the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement ("T&D OMA")¹, LUMA is responsible for performing all billing and collection services for the T&D System beginning on the Service Commencement Date of June 1, 2021, which includes the billing and collection of pole attachment fees.

Accordingly, LUMA assumed the responsibility for collecting all pole (third-party) attachment fees owed by telecommunications and cable companies since June 1, 2021. However, it is LUMA's understanding that PREPA has not collected pole attachment fees from telecommunications and cable companies since Fiscal Year 2017. This has resulted in a significant backlog of uncollected revenue predating LUMA's Service Commencement. Please refer to the enclosed Attachment A for an estimate of past due billing which is based on the information provided by PREPA Networks LLC (PREPA Net).

LUMA proposes that third party attachment fees owed from Fiscal Year 2017 to present be split between pre-commencement ("Legacy Debt") and post-commencement amounts. Similar to the approach used for collecting past due amounts owed by Government agencies and instrumentalities, LUMA will be responsible for collecting any past-due pole (third-party) attachment fees accumulated on or after the Service Commencement Date of June 1, 2021, while PREPA retains responsibility for collecting amounts accrued prior to the Service Commencement Date. Again, please refer to the enclosed Attachment A for the amounts.

¹ The Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement ("T&D OMA") executed on June 22, 2020, amongst 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")



In order to comply with this obligation and with the above-mentioned R&O, and to appropriately determine the outstanding billings and collections, LUMA must first review all Joint Pole (third party) Attachment Agreements ("TPA Agreements") executed by PREPA with telecommunications and cable companies. LUMA is requesting PREPA provide copies of all TPA Agreements that have been in effect since Fiscal Year 2017, including those that remained in effect at any moment after the Service Commencement Date.²

Given the urgency required to comply with the PREB's R&O, we request that PREPA provide copies of all TPA Agreements within ten (10) business days of receipt of this request.

Should PREPA have any questions, please do not hesitate to reach out.

Sincerely,



Juan Saca
President & Chief Executive Officer

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² Although they should have been provided to LUMA pursuant to Section 4.3 of the T&D OMA, such TPA Agreements have not been shared with LUMA. The only documentation that LUMA received was from PREPA Networks LLC (PREPA Net) who provided a past due billing breakdown for Fiscal Year 2017 (enclosed as Attachment A).