

June 26, 2025

Energy Update

On June 20, 2025, the Puerto Rico Energy Bureau ("PREB") [approved](#) LUMA's Emergency Load Reduction Program ("ELRP") to compensate customers for temporarily reducing their load during emergency demand response events. This initiative would help mitigate summer blackouts with the voluntary participation of industrial and commercial customers by using backup generation during these events instead of utility provided power. LUMA is expected to target an enrollment of 50 MW of firm capacity to implement the ELRP, and enrolled customers are expected to receive a monthly capacity payment of \$6.00 per kW of load reduction commitment and a per-event participation payment of \$0.25 per kWh of load reduction during emergency demand response events. Customers enrolled in the ELRP will be paid quarterly through a credit for their electricity invoice.

LUMA expects 75 demand response events during the hurricane season ending on October 31st lasting on average 5.5 hours per event. They also estimate that every 1.5 MW of deployed backup generation can reduce the number of customer's outages due to load shedding events by 1,000.

Eligibility:

To qualify for the ELRP, industrial and commercial customers must comply with the following:

- Commit a firm amount of load reduction during each demand response event.
- Have at least 1 MW of peak demand.
- Good standing of air permits as issued by the Department of Natural and Environmental Resources and/or the U.S. Environmental Protection Agency.
- Execute a Firm Load Reduction Commitment plan with LUMA.
- Have communication methods for receiving dispatch instruction with LUMA.

Enrolled Customers:

- LUMA will notify participants of emergency demand response events.
- Customers are notified 6 hours in advance of a demand response event.
- If an enrolled customer is unable to meet their load reduction commitment, the participant must inform LUMA immediately.

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