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Executive Director

BY ELECTRONIC MAIL

November 12, 2025

Mr. Juan Rogers Menchaca
Chief Procurement and Supply Chain Officer
LUMA Energy ServCo, LLC

Re: Quanta Services Solutions PR, LLC (RFP No. 3PPO-1123-01-DL)

Dear Mr. Rogers Menchaca,

In accordance with the Contract Review Policy (the “Policy”) of the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), established pursuant to Section 204(b)(2) of PROMESA, we have reviewed the proposed Indefinite Delivery-Indefinite Quantity contract between LUMA Energy ServCo, LLC (“LUMA”), as agent to the Puerto Rico Electric Power Authority (“PREPA”), and Quanta Services Solutions PR, LLC (the “Proposed Contract”).

After reviewing the Proposed Contract, the Oversight Board concludes “Approved with Observations.” Observations related to the Proposed Contract are set forth in Appendix A attached hereto.

Our review is solely limited to compliance of the Proposed Contract with Section 204(b)(2) of PROMESA, which seeks to ensure proposed contracts promote market competition and are not inconsistent with approved Fiscal Plans. For the avoidance of doubt, the review performed by the Oversight Board does not constitute a legal review of the contractual documentation or the contracting process, including without limitation: (i) compliance with contracting requirements under applicable laws, rules, and regulations, both federal and local; and (ii) compliance with applicable laws, rules, and regulations governing procurement activities, both federal and local.

In addition, the Oversight Board has not engaged in any due diligence or background check with respect to the contracting parties nor whether the contracting parties comply with the requirements under the applicable contract. Any material changes to the Proposed Contract must be submitted to the Oversight Board for review and approval **prior to execution**.

Date: 11/12/2025

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Recipient: Mr. Rogers Menchaca

This letter is delivered as of the date hereof and we reserve the right to provide additional observations and modify this letter based on information the Oversight Board was not directed to when the review was conducted. In addition, during the course of our review, we may receive information that we may refer to the relevant authorities.

This letter is issued only to LUMA and solely with respect to the Proposed Contract.

Sincerely,



Jaime A. El Koury
General Counsel

APPENDIX A

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LUMA – QUANTA SERVICES SOLUTIONS PR, LLC

Fiscal Plan Alignment

This review covers the Proposed Contract between LUMA, as agent to PREPA, and Quanta Services Solutions PR, LLC (the “Contractor”) for the provision of construction, restoration, and rebuilding services in connection with Puerto Rico’s power grid distribution system.

The Contractors’ scope of work includes: (i) steel, concrete, or composite pole removal, assembly and erection; (ii) installation of aluminum or steel lattice or monopole structures; (iii) removal of existing foundation; (iv) installation of new foundation; (v) brushing; (vi) guyed wire and anchors removal; (vii) installation of new guyed wires and anchors; (viii) stringing; (ix) stringing of the overhead ground wire or optical ground wire; (x) equipment and apparatus installations; (xi) underground installations-trenching or ploughing; (xii) underground installation-directional drilling; (xiii) hotline work; and (xiv) landowner consulting.

The Proposed Contract stems from competitive procurement process no. 3PPO-1123-01-DL issued by the Third-Party Procurement Office on behalf of LUMA and awarded on September 23, 2024. It has a maximum payable amount of **\$525,000,000** and a **3-year term** from its date of execution, with two allowable one-year extensions. We remind LUMA that any extensions to the Proposed Contract must be submitted to the Oversight Board for review and approval prior to execution in accordance with the Policy.

LUMA has certified that the Proposed Contract shall be covered entirely with federal funds allocated in the following **Account Nos.:**

- | | |
|--------------------------------------|--------------------------------------|
| • 03-1071-A3101-550-340-14F003450000 | • 03-1071-A3101-550-340-14F000200000 |
| • 03-1071-A3101-550-340-14F001200000 | • 03-1071-A3101-550-340-14F001480000 |
| • 03-1071-A3101-550-340-14F000370000 | • 03-1071-A3101-550-340-14F001490000 |
| • 03-1071-A3101-550-340-14F000270000 | • 03-1071-A3101-550-340-14F001550000 |
| • 03-1071-A3101-550-340-14F000880000 | • 03-1071-A3101-550-340-14F000460000 |
| • 03-1071-A3101-550-340-14F000900000 | • 03-1071-A3101-550-340-14F001090000 |
| • 03-1071-A3101-550-340-14F001470000 | • 03-1071-A3101-550-340-14F001100000 |
| • 03-1071-A3101-550-340-14F003440000 | • 03-1071-A3101-550-340-14F001080000 |
| • 03-1071-A3101-550-340-14F000910000 | • 03-1071-A3101-550-340-14F001060000 |
| • 03-1071-A3101-550-340-14F001590000 | • 03-1071-A3101-550-340-14F000140000 |
| • 03-1071-A3101-550-340-14F000220000 | • 03-1071-A3101-550-340-14F000610000 |
| • 03-1071-A3101-550-340-14F001460000 | • 03-1071-A3101-550-340-14F000240000 |
| • 03-1071-A3101-550-340-14F001150000 | • 03-1071-A3101-550-340-14F000440000 |
| • 03-1071-A3101-550-340-14F001140000 | • 03-1071-A3101-550-340-14F001330000 |
| • 03-1071-A3101-550-340-14F001360000 | • 03-1071-A3101-550-340-14F000830000 |
| • 03-1071-A3101-550-340-14F001440000 | • 03-1071-A3101-550-340-14F000420000 |
| • 03-1071-A3101-550-340-14F000230000 | • 03-1071-A3101-550-340-14F000060000 |
| • 03-1071-A3101-550-340-14F000930000 | • 03-1071-A3101-550-340-14F000570000 |

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- 03-1071-A3101-550-340-14F000950000
- 03-1071-A3101-550-340-14F000500000
- 03-1071-A3101-550-340-14F000050000
- 03-1071-A3101-550-340-14F000150000
- 03-1071-A3101-550-340-14F000290000
- 03-1071-A3101-550-340-14F001350000
- 03-1071-A3101-550-340-14F000040000
- 03-1071-A3101-550-340-14F000120000
- 03-1071-A3101-550-340-14F001310000
- 03-1071-A3101-550-340-14F000410000
- 03-1071-A3101-550-340-14F000390000
- 03-1071-A3101-550-340-14F000430000
- 03-1071-A3101-550-340-14F000620000
- 03-1071-A3101-550-340-14F000490000
- 03-1071-A3101-550-340-14F000520000
- 03-1071-A3101-550-340-14F001500000
- 03-1071-A3101-550-340-14F000080000
- 03-1071-A3101-550-340-14F000180000
- 03-1071-A3101-550-340-14F000210000
- 03-1071-A3101-550-340-14F000260000
- 03-1071-A3101-550-340-14F000250000
- 03-1071-A3101-550-340-14F000550000
- 03-1071-A3101-550-340-14F000360000
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- 03-1071-A3101-550-340-14F000480000
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- 03-1071-A3101-550-340-14F000190000
- 03-1071-A3101-550-340-14F000580000
- 03-1071-A3101-550-340-14F000530000
- 03-1071-A3101-550-340-14F003490000
- 03-1071-A3101-550-340-14F000710000
- 03-1071-A3101-550-340-14F000600000
- 03-1071-A3101-550-340-14F000590000
- 03-1071-A3101-550-340-14F000380000
- 03-1071-A3101-550-340-14F000640000
- 03-1071-A3101-550-340-14F001520000
- 03-1071-A3101-550-340-14F001510000
- 03-1071-A3101-550-340-14F001580000
- 03-1071-A3101-550-340-14F000470000
- 03-1071-A3101-550-340-14F000690000
- 03-1071-A3101-550-340-14F000760000
- 03-1071-A3101-550-340-14F000630000
- 03-1071-A3101-550-340-14F000740000
- 03-1071-A3101-550-340-14F001450000
- 03-1071-A3101-550-340-14F000720000
- 03-1071-A3101-550-340-14F001030000
- 03-1071-A3101-550-340-14F001130000
- 03-1071-A3101-550-340-14F001070000
- 03-1071-A3101-550-340-14F001210000
- 03-1071-A3101-550-340-14F003480000
- 03-1071-A3101-550-340-14F000700000
- 03-1071-A3101-550-340-14F000680000
- 03-1071-A3101-550-340-14F000810000
- 03-1071-A3101-550-340-14F001380000

As such, the Oversight Board’s review indicates that LUMA has sufficient budgeted funds in Fiscal Year 2026 to cover the cost of the Proposed Contract as of the date of this letter.

This determination does not consider the extent to which total available funds will be subsequently encumbered by LUMA throughout the Proposed Contract’s term. Consequently, we rely on LUMA’s budget certification for purposes of this review.

LUMA is expected to inform the Oversight Board of any budgetary differences other than those specified in Appendix A to the Policy (Contract Submission Questionnaire) and to request a re-review of the Proposed Contract should any changes occur.

Finally, the following observations are based on 2 CFR 200 “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” and other relevant federal funding requirements:

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Observation	Suggested Action
1. The following documentation was received in response to a Request for Information (“RFI”) from the Oversight Board: - Clarifications regarding vendor price proposal validity, awarded contract ceilings and RFP attachment - Cost reasonableness analysis - Vendor cost analysis detail - Evaluation scorecard documentation - An active SAM.gov debarment check for subcontractor Caribe Grid Solutions, LLC	LUMA should maintain all documentation and information provided in the initial submission along with subsequent responses in the procurement file.
2. In response to several RFIs, LUMA provided a clarifying memorandum outlining its methodology for evaluating price. However, the memorandum does not clearly support how the numerical scores (1–5) assigned to pricing in the Final Report were derived based on this methodology.	LUMA should clearly document how the numerical scores assigned to pricing in the Final Report were derived based on this methodology. It should also confirm that the scores are correct prior to the execution of the Proposed Contract. Additionally, LUMA should maintain all documentation and information provided in the initial submission along with subsequent responses in the procurement file.
3. While a cost reasonableness analysis was provided in response to an RFI, we note that price proposals for the awarded vendors under the RFP were materially higher than the prices listed in the Independent Cost Estimate (“ICE”).	LUMA should document and explain the reasons for any material variances between the ICE and the bids received and how it determined the costs to be reasonable.

This review was conducted on the basis of information submitted by LUMA. The Oversight Board has not independently verified the information included in the submission. Should the Oversight Board become aware of any inaccuracies or misrepresentations – whether intentional or not – it would re-evaluate its assessment.