

Opening statement of the Honorable Fred Upton
Subcommittee on Energy
Hearing on “The 2017 Hurricane Season: A Review of Emergency
Response and Energy Infrastructure Recovery Efforts”
November 2, 2017

(As prepared for delivery)

This year’s Atlantic hurricane season was unprecedented – four named storms in close succession slammed into the Gulf Coast, Puerto Rico and the U.S. Virgin Islands. These hurricanes caused catastrophic damage and energy supply disruptions across the nation. While Texas and Florida are further down the road to recovery, a humanitarian crisis is unfolding in Puerto Rico and the U.S. Virgin Islands, where the majority of people still remain without power more than a month after Hurricane Maria made landfall.

Today’s hearing will review the emergency response and energy recovery efforts in the wake of these storms. It will help us begin to understand what went right and what went wrong. What lessons can be learned, and how we as policy makers can identify gaps, so that when the next hurricane hits, we are better prepared.

As a result of Hurricane Harvey, more than 275,000 customers lost power in Texas, and severe flooding also affected the supply and delivery of transportation fuels—compounding response challenges and energy impacts across the Gulf Coast. Hurricane Irma, left more than 1 million customers without power across Puerto Rico and the Virgin Islands. More than 6 million customers in Florida and another 1 million in Georgia and South Carolina also lost power. Then, just two weeks after Irma, Hurricane Maria delivered the knockout punch, wiping out the entire grid on Puerto Rico and the Virgin Islands. At peak, more than 3.5 million people were without power.

As with most disasters, energy restoration is performed by federal, state, and local authorities, who provide vital resources, infrastructure support, and logistical coordination, and by industry, which provides the expertise and manpower to restore energy supplies and services.

As we’ve witnessed nightly in the news, recovery on the islands has been painfully difficult and slow. Questions are mounting regarding the role of the Puerto Rico Electric Power Authority (PREPA) and its initial reluctance to request “mutual aid” from mainland electricity companies that were standing-by ready to assist immediately after the storm. Rather than request mutual assistance as Texas and Florida did in the preceding storms, PREPA took the unusual step to award a contract to a virtually unknown company which it then canceled. The deals that PREPA

signed immediately following the storm are now the subject of an investigation by this Committee.

Today, we will hear from two witness panels, which will provide perspective from the federal level, the state level and the industry responder level. As we've seen in recent weeks across the areas affected by the storms, each disaster creates its own set of problems. Today's witnesses can help us understand the factors that contribute to these problems and what we may do to ensure a more effective response going forward. They will also help us understand the challenges they face as they move energy and product in the aftermath of devastating storms. While we've seen alarming devastation, we have seen some aspects of the response go right. To this point, by most accounts, Department of Energy support functions have gone well. DOE's coordination of regulatory assistance (or "waivers") during the disasters has gone well. Their informational assistance has been consistent and helpful to government and industry alike.

We'll hear this morning about the Strategic Petroleum Reserve, which during Harvey served to provide emergency petroleum swaps to make up for the temporary loss of supply. We'll also receive an important update on the various restoration efforts to bring power back to the people of Puerto Rico and the Virgin Islands. It will be particularly helpful to understand what have been the barriers to a more rapid recovery. What are we learning about coordination of emergency response and restoration on these territories? What more is needed from Congress? How can we apply these lessons going forward?

This hearing should help us begin to answer these critical questions.