



**PRESENTATION OF UTIER BEFORE THE NATURAL RESOURCES COMMISSION
UNITED STATES OF AMERICA CONGRESS
March 16, 2019**

HON. RAUL M. GRIJALVA
CHAIRMAN

We extend to you and to all members of this honorable Commission our warmest greetings. My name is Angel R. Figueroa Jaramillo, President of the Electric and Irrigation Workers Industry Union, UTIER. UTIER is the labor union that represents close to 3,200 workers in the areas of production, commercialization, transmission and distribution of the Puerto Rico Electric Power Authority and is the labor union with the most time and trajectory in the Authority. The Authority is a public utility that serves electric power and irrigation services to PR and its close to 1.5 million users, what converts it in the largest of all the US in terms of users served and in the top ten in generation and revenues.

We thank you for the opportunity to address you. Today, our people are suffering the consequences of two major and devastating events: a bankruptcy declaration and a law to attend it, PROMESA, and the impact of the most devastating atmospheric phenomena in the last 100 years, hurricane Maria.

The devastation of Maria left a 100% of the people without electric power, Close to 85% of the 36,000 miles of aerial and underground cables and structures suffered damage as informed by the Authority. We have to emphasize that today we have double the infrastructure that we had 20 years ago and with less than half the human resources that there was 20 years ago.

The duties of restoration of the electric grid after Maria were one of the biggest challenges we ever faced. The lack of a coherent emergency answer plan after the emergency was what prevailed. It was the workers, along with the intermediate management that initially took the initiative willingly to reestablish service. With a material inventory almost inexistent, an ineffective vehicle fleet and an abandoned electric system despite the continuous claims by the union, we kept working.

The government administration focused on contracts such as the one awarded to Whitefish and making unrealistic targets about the recuperation process. Also, the Government of PR left control or allowed to left control of the recuperation efforts of the electric grid and leave it to the US Army Corps of Engineers. That led to retire us and give the total restoration

effort duties to private companies that the Corps of Engineers contracted at the cost of close to \$4 billions in 10 months. Also, the Corp of Engineers had the responsibility of acquire and buy all the materials needed to reconstruct the electric system.

We had months without materials, reusing and recycling what was left and watching for weeks companies brought from the mainland like Fluor, COBRA, among others, billing for work not done because they did not have materials and least of all, an effective supervision nor a certification of the billed work. It was impossible to believe and understand that the most powerful nation of the world cannot attend one of their territories with the urgency that it demanded to restore its electric system and avoid the more than 4,000 deaths associated with the lost of power on the island.

As we believe and analyze, there was not an orderly manner, nor coherent, and it was intentional so the crisis of the people went deeper and by that means, justify and announce the privatization of such an important active of the people of PR and as required by the Government of PR and as a requirement of the Financial Oversight & Management Board for PR, the PR Electric Power Authority.

The austerity policies in the company have been the order of the day for the past years. But it has been austerity policies directed to affect the services and the maintenance duties to the electric grid that serves our people. This has been this way in the materials and equipment inventories, as well in the benefits of the workers who when they see those benefits reduced by law, opt to migrate to the US, where their jobs are paid double and triple of what they earn here. By the way, the Authority workers are very well valued by the US companies whom been recruiting them for the last years. However, that same austerity policy has not been the same for the dozens of contracts given to advisors, law firms and contractors to the restructuring process under Title III of PROMESA neither to some local companies and from the US to execute our work.

We have emphasized that every process that routes in PR without the participation of the workers is destined to fail. Being the workers the ones that know form first hand the functioning and operation of the Authority, pretending to leave them out of any initiative, is a display of other intentions and misuse of public funds.

We consider that the access to electric power, as well as health, food, education and work, is a fundamental human right that ease the people and the workers the consumption of goods to sustain life.

We are convinced that the government could have used better the resources given to reestablish power on the island. **The \$4 billion paid to contractors after Maria struck us, whom did not finish the duties to which they were contracted, re more than evidence that the north and eagerness to privatize of this government, the FOMB and PROMESA, did not serve well to the best interest of the people of PR.**

Now that it is planned to use federal money for the restoration and improvement of the electric grid and generation facilities of PREPA to eventually, privatize, using the money to depend of another fossil fuel such as natural gas to satisfy the profit of some companies at the expense of the climate damage and the extraction of the low capital that our country produces, is madness. It is more than evident in various studies, which will be included with this presentation,

that privatization will increase the costs of energy and that will have a devastating effect for the economic growth needed to lift PR. This proposal of privatization, the COFINA Agreement, the elimination of labor and social protections, are contrary to the spirit of a prosperous, democratic, equitable and just country to which everyone aspires. In this XXI century, we shall aspire to move forward in all aspects for a better PR.

For us is of great importance that this honorable commission takes note of our indications and includes them as part of the record and report that produces from here, as well that the investigations continue, create opinion and public discussion to route a clearer, democratic and participative process for all. The people need it in an urgent manner.

We finalize indicating that our colonial situation does not give anyone to treat their people as merchandise and use the crisis that we are facing as a meaning of capital earnings. It is a shame and a disgrace. We reiterate the need to work in consensus that so urgently need the country and that there is an opening for debate, hear, and incorporate new ideas, regardless of where they come and that that exercise is done in every aspect that occupy the daily chores. After the tragedy that PR and it citizens have lived, is imperative that the needed alliances, consensus and dialogues be formed to route a country of opportunities, equality and justice for all. In UTIER, as always, are ready and available.

Cordially,



ANGEL R. FIGUEROA JARAMILLO

President

State Council UTIER

/bsg