



CONGRESSWOMAN JENNIFFER GONZÁLEZ-COLÓN

PUERTO RICO - AT LARGE

*Hearing Remarks
Full Committee on Natural Resources Oversight Hearing on
“PREPA Post Implementation of the LUMA Transmission and
Distribution Contract”
6 October 2021*

I want to thank you, Chairman Grijalva (and Ranking Member Westerman), for the opportunity to have this very timely hearing. I also want to recognize the witnesses who have responsibly come before us.

The hearing is timely because over the summer Puerto Rico has faced extreme instability of the power supply, with widespread prolonged power interruptions, due to a near collapse of the generation fleet in hands of PREPA, the state-owned utility. As of last Sunday morning, only 38% of its nominally operational base load and 42% of its peaker and backup capacities were available for dispatch.

That means, all together running even the backups, it is still nearly 1,000 megawatts short of estimated daily load. That is also almost the full capacity of the two base load private generators. So, the whole system would barely meet demand, and any spike could bring it down. Plus, that is being done by keeping units on-line that are known to require repair or are way past overdue for maintenance, creating a time bomb. Because THAT is why much of the old installed capacity is now unavailable.

This also creates the paradox that, since it increases costs on both PREPA and distribution operator LUMA, it means consumers see the bills go UP, when they're NOT getting electricity. Four years after Hurricane Maria, one year since the obligation of over 10 billion dollars in different funds to build a better grid, three months after a much-proclaimed contract for Transmission and Distribution, this has ended the people's patience.

How long is this going to go on? LUMA and PREPA must answer that; explain what is happening; what is going to be done short term and long term; how are they preparing to build back better.

The people of Puerto Rico want their power to be on, today, the cost to stop rising, and accountability for what happens. Not just great plans, we want to see service improve. If anyone is objectively failing, then take the needed steps provided under the law and contracts to rectify that.

It worries me if this hearing, instead, revolves around an ideological position of blaming privatization itself. That it will be based on a demand that contracts must be reverted just because they should be, and that we should take the FEMA rebuilding funds and forbid them from being used for anything other than our favored alternative.

We support having community renewables and distributed generation microgrids in Puerto Rico's recovery: these are tools for resiliency and self-reliance. Puerto Rico's renewable energy plan is already ambitious with goals of 50% by 2030 and 100% by 2050. If that is achievable under current parameters, great; if not, we must discuss what are the necessary steps to get there.

However, we must first and foremost provide the people of Puerto Rico NOW an energy supply that is affordable to the consumer, reliable for both base loads and peak loads, resilient in case of natural disasters or infrastructure mishap, and compliant with all environmental and public health requirements. We cannot do that if we exclude up front resources like LNG or if we rush plant closings that are already programmed to happen before the new grid is really ready.

I hope this hearing provides better guidance to all of us in addressing these issues. Thank You, I yield Back.