November 15, 2022

Chair Raul Grijalva Mr. Bruce Westerman, Ranking Member House Committee on Natural Resources Congress of the United States Washington, DC 20515

Mr. Brian Modeste Staff Director House Committee on Natural Resources Congress of the United States Washington, DC 20515

Mr. Ivan Robles Policy Aide Office of Insular Affairs House Committee on Natural Resources Congress of the United States Washington, DC 20515

### Written Testimony for Hearing on Puerto Rico's Post-Disaster Reconstruction & Power Grid Development

Dear Chair Grijalva and Members of the House Committee on Natural Resources,

On behalf of the dozens of groups listed in the attachment to this letter, we appreciate the opportunity to testify and submit written comments on Puerto Rico's Post-Disaster Reconstruction & Power Grid Development. As further explained below, the groups joining in this testimony advocate for a decentralized distributed solar-based electric system in Puerto Rico. We also have substantial concerns with LUMA's deficient operation of the electric system since June 2021, and the control that LUMA Energy seeks to wield over the historic amount of federal funds for electric system work in Puerto Rico.

We urge the House Committee on Natural Resources to investigate the Transmission and Distribution System Operation and Maintenance Agreement between LUMA Energy, LLC and the Puerto Rico Electric Power Authority ("PREPA") and the role of the Fiscal Oversight and Management Board ("FOMB") in the imposition of the LUMA Contract and the Puerto Rico electric crisis. We ask this Committee to require the Federal Emergency Management Agency ("FEMA") to prepare an Environmental Impact Statement in compliance with the National Environmental Policy Act ("NEPA") that considers reasonable alternatives such as distributed renewable energy and the use of the historic and once-in-a-lifetime amount of funds allocated for the Puerto Rico electric service to the residents of Puerto Rico. Attached is our October 4, 2021, testimony that we incorporate by reference to the current testimony.

#### I. Background: Hurricanes Fiona and Maria

The recent impacts of Hurricane Fiona brutally underline the lessons that were not learned from Hurricane María.<sup>1</sup> On September 20, 2022, many people in Puerto Rico experienced the fiveyear anniversary of Hurricane María without electricity and running water. While Maria was a Category 4 hurricane, Fiona was much less intense. Fiona mostly skirted Puerto Rico as a tropical storm and a Category 1 hurricane as it touched the southwest coast of the archipelago. Yet LUMA Energy's operation of Puerto Rico's centralized grid is so deficient that it caused a complete shutdown, even before Fiona made landfall. When Fiona passed just south of Puerto Rico on September 18, only households and businesses with rooftop solar or functioning generators had access to electric power.<sup>2</sup>

Just as happened after Hurricane Maria, news reports indicate that the deaths related to Hurricane Fiona have been under-reported.<sup>3</sup>

Since Hurricane María in 2017, FEMA has allocated an unprecedented \$14 billion for Puerto Rico's electric system and hazard mitigation. Yet FEMA, LUMA and local authorities have opted to rebuild the exact same centralized system that repeatedly collapses. Hurricane Maria destroyed and damaged hundreds of thousands of homes, tore up roads, bridges, and other infrastructure and downed 80% of Puerto Rico's centralized grid resulting in a complete power outage that extended for nearly a year in some communities.<sup>4</sup>

More intense hurricanes, storms, wildfires and other climatic events increasingly are disabling delivery of energy through electric transmission and distribution (T&D) systems, i.e. lines, poles, towers, transformers, substations etc. From the Caribbean to the Gulf Coast, the eastern seaboard and along the West Coast of the United States communities are increasingly contending with power outages provoked by downed T&D infrastructure. Electric power lines are sometimes igniting or aggravating wildfires in California.<sup>5</sup> Last year, Hurricane Ida tore down the T&D system in New Orleans and Hurricane Nicholas wreaked havoc on the electric grid in Texas.<sup>6</sup> Just

<sup>&</sup>lt;sup>1</sup> Ruth Santiago et al., *Another Hurricane Makes Clear the Urgent Need for Rooftop Solar in Puerto Rico*, NACLA (Sept. 21, 2020), https://nacla.org/hurricane-fiona-rooftop-solar.

<sup>&</sup>lt;sup>2</sup> Josh Dzieza, When Will Puerto Rico Have Power?, THE VERGE (Oct. 26, 2022),

https://www.theverge.com/c/features/23404252/puerto-rico-hurricane-maria-electric-grid-solar-panels-prepa-lumafema; Maria Galluci, Solar is lifeline in Puerto Rico after Hurricane Fiona knocks out power, CANARY MEDIA (Sept. 19, 2022), https://www.canarymedia.com/articles/solar/solar-offers-lifeline-in-puerto-rico-after-fiona-knocks-

out-power. <sup>3</sup> Aumentan a 38 las muertes asociadas al huracán Fiona en Puerto Rico - Primera Hora

<sup>&</sup>lt;sup>4</sup> Nicole Goodkind, *Puerto Rico's Hurricane Maria Power Outage Is Now the World's Second Largest Blackout*, NEWSWEEK (Apr. 12, 2018, 5:40 AM), https://www.newsweek.com/puerto-rico-power-hurricane-maria-blackout-882549.

<sup>&</sup>lt;sup>5</sup> Richard Gonzales, *PG&E Power Lines Blamed For Northern California Wildfires*, NPR (June 8, 2018, 9:49 PM), https://www.npr.org/2018/06/08/618444388/pg-e-power-lines-blamed-for-northern-california-wildfires.

<sup>&</sup>lt;sup>6</sup> More Than 100,000 Texas Electricity Customers Without Power After Nicholas. Restoring it to Everyone Could Take Days., THE TEXAS TRIBUNE (Sept. 14, 2021, 9:02 PM), <u>https://www.texastribune.org/2021/09/13/texas-tropical-storm-nicholas-updates/</u>.

weeks ago, Hurricane Ian knocked out power for more than 2.6 million Floridians – while Floridians with rooftop solar and microgrids were mostly unaffected.<sup>7</sup>

Civil society groups are increasingly holding rogue utilities, like Entergy in Louisiana, to account,<sup>8</sup> becoming "energy literate" and putting forth proposals for energy system transformation.<sup>9</sup> But, despite lofty renewable energy goals and zero emissions targets, government agencies that are in the grips of utility capture frequently fail to follow through on the energy transformation agenda and much less take assertive steps to facilitate community and civil society empowerment for critical, potentially life-saving measures for essential electric service. Puerto Rico is the poster case of energy injustice.

Puerto Rico's existing electric transmission and distribution lines run primarily from the south, where most of the power plants are located including the two most polluting fossil-fired power stations and transmit electricity to the north especially the to the San Juan metropolitan area. The power plants in the south are sited in low-income, low-wealth neighborhoods, home to many Afro descendant Puerto Rican families already dealing with environmental racism. Most people in southeastern Puerto Rico and in many other marginalized areas cannot afford the upfront costs to access resilient, clean sources of energy such as rooftop solar and battery energy storage systems.<sup>10</sup>

Electric service was still not fully restored nearly a month after Hurricane Fiona.<sup>11</sup> A cursory view of the electric system in Puerto Rico after the hurricanes casts a disappointing and potentially lethal tally. After Hurricane Maria, the centralized T&D system was stood up amid scandals of US-based companies like Whitefish and Cobra profiting handsomely from dubious work. A New York-based company called New Fortress Energy built an illegal, unaffordable, and unreliable liquefied "natural" methane gas terminal to import highly volatile methane gas; the Punta Lima Wind Farm was blown away by the hurricane as was a utility-scale, land-based solar array near where the storm made landfall; and the Virginia-based AES coal-fired power plant in Guayama, PR continues to spew toxins and contaminate the South Coast Aquifer.<sup>12</sup> The lessons

<sup>&</sup>lt;sup>7</sup> This 100% solar community endured Hurricane Ian with no loss of power and minimal damage, CNN, Rachel Ramirez (October 2, 2022, 11:53AM), https://amp-cnn-

com.cdn.ampproject.org/c/s/amp.cnn.com/cnn/2022/10/02/us/solar-babcock-ranch-florida-hurricane-ian-climate/index.html

<sup>&</sup>lt;sup>8</sup> Energy & Justice in New Orleans: Power to People!, DEEP SOUTH CENTER FOR ENVIRONMENTAL JUSTICE (Sept. 14, 2021), <u>https://www.dscej.org/the-latest/energy-justice-in-new-orleans-power-to-people</u>.

<sup>&</sup>lt;sup>9</sup> *Queremos Sol: Sostenible. Local. Limpio.*, QUEREMOS SOL (Feb., 2020), https://www.queremossolpr.com. <sup>10</sup> *Id.* 

<sup>&</sup>lt;sup>11</sup> Thousands still without power weeks after Hurricane Fiona hit Puerto Rico, THE GUARDIAN (Oct. 12, 2022), https://www.theguardian.com/world/2022/oct/12/power-outages-puerto-rico-hurricane-fiona.

<sup>&</sup>lt;sup>12</sup> EPA Administrator Regan Announces Initial Actions to Protect Communities Following Puerto Rico Journey to Justice Tour, November 4, 2022: "In response to community concerns about groundwater contamination stemming from coal combustion residuals (CCRs) from AES-PR, EPA will sample groundwater used as drinking water in areas in southern Puerto Rico where CCRs were historically placed. ...EPA is also reviewing the company's plan to address elevated levels of metals found in groundwater. ...In addition, EPA has issued notices of violation to AES-PR identifying potential violations under air and CCR laws or regulations, including the notice the Administrator announced during his July visit. ... Enforcement actions will be taken, as appropriate, based on EPA's assessment to ensure the safety of the community and compliance with the law." https://www.epa.gov/newsreleases/epaadministrator-regan-announces-initial-actions-protect-communities-following-puerto

from Hurricane Maria for the need to decentralize the grid and move quickly to distributed renewable energy were not learned. As a result, Puerto Rico experienced a complete power outage two months ago, after Hurricane Fiona. LUMA Energy, a joint venture created by Quanta Services and ATCO Canadian Utilities is performing even worse than Puerto Rico Electric Power Authority ("PREPA") while lobbying to rebuild the existing centralized, fossil-enabling T&D system with a historic amount of federal disaster recovery funds.

## II. The Disastrous Performance of LUMA Energy

The Fiscal Oversight Management Board touts the LUMA Contract as one of its foremost accomplishments. (PREPA Fiscal Plan 2021). However, for residents, businesses, and institutions in Puerto Rico, the LUMA Contract has been nothing less than a disaster.

Electric service under LUMA has worsened – since LUMA took over operation of most aspects of the electric system in June 2021, there are more power outages and voltage fluctuations, which damage appliances, medical equipment and other machinery and put life and property at risk.<sup>13</sup> LUMA's deficient operation of the grid has had adverse effects on public health, as hospitals, health care centers, and homes were left without service. The damage has spread to small and large businesses and essential institutions such as schools and food inventories, causing economic losses and dislocation in services to the population.<sup>14</sup>

A study by the Institute for Energy Economics and Financial Analysis carried out in August 2021, concluded that voltage fluctuations had increased within LUMA's first two months.<sup>15</sup> Measured by a rolling annual System Average Interruption Duration Index, the minutes per year of outages has increased since LUMA's June 2021 takeover, from 1,340 minutes to 1,649 minutes.<sup>16</sup> The System Average Interruption Frequency Index has steadily risen from 0.5 in January 2022 to 0.7 in May 2022.

As a result of the April 6, 2022, general power outage related to LUMA's T&D operation, a group of restaurant chains filed a class action complaint against LUMA. In the lawsuit, plaintiffs request that the court order LUMA and other co-defendants, "to pay for the economic damages

<sup>&</sup>lt;sup>13</sup> Reuters, *Explainer: What Has Happened to Puerto Rico's Power Grid Since Hurricane Maria?*, VOA NEWS (Sept. 20, 2022, 1:22 AM), <u>https://www.voanews.com/a/explainer-what-has-happened-to-puerto-rico-s-power-grid-since-hurricane-maria-/6754784.html</u>.

<sup>&</sup>lt;sup>14</sup> Patricia Mazzei, 'Why Don't We Have Electricity?' Outages Plague Puerto Rico, NY TIMES (Nov. 10, 2021), https://www.nytimes.com/2021/10/19/us/puerto-rico-electricity-protest.html.

<sup>&</sup>lt;sup>15</sup> Cathy Kunkel & Tom Sanzillo, *Puerto Rico Grid Privatization Flaws Highlighted in First Two Months of Operation: LUMA Contract Has Led to Delays, Damages, and Poor Services for Puerto Rico Customers*, IEEFA 1, 3 (Aug., 2021), <u>https://ieefa.org/wp-content/uploads/2021/08/Puerto-Rico-Grid-Privatization-Flaws-Highlighted-in-First-Two-Months-of-Operation August-2021.pdf</u>.

<sup>&</sup>lt;sup>16</sup> In Re: The Performance of The Puerto Rico Electric Power Authority, Resolution and Order, at 12- Month Metrics Summary 1, App. 5, NEPR-MI-2019-0007, (Mar. 14, 2022), <u>https://energia.pr.gov/wp-content/uploads/sites/7/2022/08/20220818-MI20190007-Resolution-and-Order.pdf</u>

caused to the businesses as Class A members, and to the residential clients as Class B members, which is estimated jointly in an amount of not less than \$310,000,000.00.<sup>17</sup>

The increase in voltage fluctuations is so palpable that it prompted the Puerto Rico legislature to seek amendments to Act 57-2014 in order to allow the Independent Consumer Protection Office (ICPO), to file claims against LUMA on behalf of its clients, for damages to domestic appliances caused by voltage fluctuations.<sup>18</sup> The Puerto Rico House of Representatives also filed a measure requesting that LUMA follow up on complaints filed by citizens who have lost electrical appliances due to the blackout on April 6th, 2022.<sup>19</sup>

Prior to Hurricane Fiona, two major hospitals lost power for several hours, forcing doctors to cancel surgeries, routine medical treatment, and reschedule appointments. Carlos Díaz Vélez, president of the Puerto Rico College of Physicians, highlighted the dangers lurking behind the outages, saying, "all of these cases (outages) put the health, and in some cases, the lives of patients at risk. If the power goes out, the patient will either die or deteriorate."<sup>20</sup> Fernando Cabanillas, a leading hematologist in Puerto Rico, wrote a column about an outage that lasted over 20 hours at a major Puerto Rico hospital, specifically he mentioned that "the institution did not have access to electronic files or telephones for 20 hours. [...] Deaths that are indisputably due to a blackout are those that occur immediately and are therefore indisputable, such as when a respirator fails due to lack of electricity, but in other cases the death may take days or weeks to manifest and may not be so obvious."<sup>21</sup>

LUMA will seek to place blame elsewhere and point to the age and condition of the transmission system – but the facts above demonstrate that LUMA's skeleton workforce is doing a <u>worse</u> job operating this system than PREPA's veteran, union workforce had been doing prior to June 2021.<sup>22</sup> LUMA has not provided basic maintenance to the electric system, such as pruning

<sup>&</sup>lt;sup>17</sup> Wendico et al. v. LUMA Energy, LLC et al., Civil Nnm. SJ2022CV02868 (TPI, San Juan, May 13, 2022). This case has since been consolidated with a similar claim against LUMA, Herrero Domenech et al. v. LUMA Energy, April al., Num.SJ2022CV02868 LLC Civil (TPI, San Juan, 13. 2022). et https://document.epiq11.com/document/getdocumentsbydocket/?docketId=961746&projectCode=PR1&docketNum ber=2913&source=DM. The consolidated case is now before the United States District Court for the District of Puerto Rico, Herrero Domenech et al v. LUMA Energy LLC et al, 22-00050-LTS, (U.S.D.P.R. 2022), https://www.pacermonitor.com/public/case/45457686/Herrero\_Domenech\_et\_al\_v\_LUMA\_Energy\_LLC\_et\_al. <sup>18</sup> P. del S. 0845 of April 18, 2022, 3rd Ord. Sess., 19th Leg. Assem.

<sup>&</sup>lt;sup>19</sup> Presentan Resolución para Seguir Reclamos por Enseres Dañados por el Apagón, PRIMERA HORA (Apr. 9, 2022, 3:47 PM), <u>https://www.primerahora.com/noticias/gobierno-politica/notas/presentan-resolucion-para-seguir-reclamos-por-enseres-danados-por-el-apagon/;</u>

Legisladora Invita a Reclamar a LUMA por los Enseres Dañados por el Apagón y se Compromete a Dar Seguimiento, UNIVISION PUERTO RICO (Apr. 10, 2022, 10:34 AM), <u>https://www.univision.com/local/puerto-rico-wlii/como-reclamar-a-luma-por-enseres-danados-apagon</u>.

<sup>&</sup>lt;sup>20</sup> Colegio de Médicos Dice Que Luma Fallo y Recuerda Qu Sin Luz la Vida de Pacientes Peligra, NOTICEL (Aug. 25, 2022, 1:29 PM), <u>https://www.noticel.com/ahora/20220825/colegio-de-medicos-dice-que-luma-fallo-y-recuerda-que-sin-luz-la-vida-de-pacientes-peligra/</u>.

<sup>&</sup>lt;sup>21</sup> Fernando Cabanillas, *LUMA: Una Amenaza a la Salud Pública*, EL NUEVO DÍA (Aug. 28, 2022), https://www.elnuevodia.com/opinion/consejos-de-cabecera/luma-una-amenaza-a-la-salud-publica/.

<sup>&</sup>lt;sup>22</sup> In October 2022, UTIER filed a lawsuit against LUMA and others for defamation and cyber harassment, alleging that LUMA orchestrated a slanderous media campaign to discredit and blame the unions for PREPA's management failures. https://www.sanjuandailystar.com/post/utier-sues-luma-quanta-services-others-for-defamation-cyber-harassment

vegetation to avoid affecting the power lines (transmission and distribution system).<sup>23</sup> Vegetation impacts are a major cause of power outages and contributed to the Hurricane Fiona outage.<sup>24</sup>

LUMA has failed to provide information on the work to restore power to the millions of residents of Puerto Rico.<sup>25</sup> LUMA's Contract provides a cloak of secrecy and lack of transparency to LUMA who, in effect, has not responded to claims for access to information. This lack of transparency has been facilitated by the Public Private Partnership Authority ("P3A") and the Puerto Rico Energy Bureau ("PREB"). The lack of access to information and contractual provisions allows LUMA to create, as it has done in practice, an environment for corporate profiteering, subcontracting to its own affiliated companies, as well as their executives, who also receive excessive salaries. As a for-profit business, LUMA has shown that it only seeks to enrich itself and impose conditions to increase its profits, such as not hiring the workforce necessary to operate and maintain the system. LUMA's Contract has harmed the rights of the workforce and pensioners while hiring substitutes at well above the AEEPR's compensation rates, thus creating a system of labor inequality and injustice for Puerto Rican workers.

LUMA has exceeded the budget for the operation and maintenance of the electrical system functions under its charge. LUMA has not invested a single penny of its money in the electrical system. As laid out in our October 2021 testimony, the LUMA Contract grants inordinate control over disaster recovery funds to LUMA Energy.

The LUMA Contract provisions and operation negatively affect the legally mandated renewable energy goals.<sup>26</sup>

<sup>&</sup>lt;sup>23</sup> Felipe Gómez Martínez, *LUMA No Usa Fondos para Poda de Árboles y Vegetación en las Líneas Eléctricas*, WAPA TV, NOTICENTRO (Sept. 12, 2022), <u>https://www.wapa.tv/noticias/locales/luma-no-usa-fondos-para-poda-de-arboles-y-vegetacion-en-las-lineas-electricas</u> 20131122537926.html.

<sup>&</sup>lt;sup>24</sup> Joshua Paltrow and Arelis R. Hernández, *Even Before Fiona, Puerto Rico's Power Grid Was Poised for Failure*, THE WASHINGTON POST, (Sept. 19, 2022), <u>https://www.washingtonpost.com/nation/2022/09/19/puerto-rico-blackout-hurricane-fiona/</u>. See also August 1, 2022 letter from PREPA Executive Director Josúe Colón Ortiz to LUMA President Wayne Stensby, stating PREPA's concern with "the condition of several of the transmission lines of our electrical system, particularly the condition of the vegetation in the easements and their proximity to the lines, a situation that can be detected at first sight."

https://twitter.com/jaramilloutier/status/1559953502310465536/photo/1

<sup>&</sup>lt;sup>25</sup> Cynthia López Cabán, *LUMA no sabe cuántos clientes tienen luz porque hace el cálculo de forma manual*, JAY FONSECA (Sept. 22, 2022), <u>https://jayfonseca.com/luma-no-sabe-cuantos-clientes-tienen-luz-porque-hace-el-calculo-de-forma-manual/</u>.

LUMA also lied about flying helicopters to inspect the damage caused by Fiona. El Nuevo Día, on the other hand, obtained information that directly contradicted this. LUMA's chief pilot had resigned prior to the hurricane, so despite having four PREPA helicopters, LUMA was unable to fly them at the time of their statement.

Manuel Guillermo Capella, *Lento el avance en la restauración del servicio eléctrico y de agua potable*, ENDI, (Sept. 22, 2022), <u>https://www.elnuevodia.com/noticias/locales/notas/lento-el-avance-en-la-restauracion-del-servicio-electrico-y-de-agua-potable/</u>

<sup>&</sup>lt;sup>26</sup> LUMA filed a motion with the PREB challenging the use of funds for interconnection of renewable energy projects. Urgent Motion Requesting Reconsideration of Energy Bureau's Resolution and Order of June 13, 2022, and Stay of All Directives Therein, Implementation of the Puerto Rico Electric Power Authority Integrated Resource Plan and Modified Action Plan, NEPR-MI-2020-00012, June 22, 2022, <u>https://energia.pr.gov/wp-</u>

#### III. A Resilient, Reliable and Accessible Electric System in Puerto Rico is Possible

FEMA should prepare an Environmental Impact Statement (EIS) that includes consideration of distributed renewable energy such as rooftop solar and battery energy storage systems for the investment of the historic amount of disaster recovery funds. The Federal government should require that the historic amount of disaster recovery funds be used to equip each residence, business, and institution with distributed solar energy systems, mainly on rooftops, parking lots or other suitable places together with energy storage systems (batteries). These funds should not be used to rebuild the same vulnerable, centralized power grid. Scarce land should not be impacted or sacrificed, especially agricultural and ecological land, to build industrial scale renewable energy projects that depend on vulnerable transmission lines. Utility scale renewable energy projects took 15 months to reconnect to the grid after Hurricane Maria.<sup>27</sup>

The transformation of the electric system towards a system based on distributed renewable energy mainly through rooftop solar energy systems will provide environmental justice to the communities most impacted by fossil fuel plants that pollute the air, land and water, and damage to public health.

Puerto Ricans with the means to do so are rapidly installing rooftop solar and storage systems for their own homes - Puerto Rico is projected to have 500 MW of rooftop solar and more than 1,100 MWh of rooftop storage by the end of next year.<sup>28</sup> If the historic amount of federal funds are not made available to provide rooftop solar and storage systems for low- and moderate-income Puerto Ricans, these folks will be left behind with an expensive, dirty, and unreliable grid and vulnerable to tropical storms and low grade hurricanes like Fiona.

FEMA, LUMA Energy, the government of Puerto Rico and PREB, continue to push the reconstruction of the 20<sup>th</sup> century centralized electric system that has failed after each hurricane and sometimes during lesser storms too and power purchase agreements for utility scale renewable energy projects that depend on centralized T&D.

Governor Pedro Pierluisi who took power with barely 32% of the vote is asking FEMA, with the blessing of political cronies at the PREB to hand over about \$14 billion dollars to rebuild the centralized T&D system and add new methane gas-fired plants. One notable exception to this scheme is a recent request by PREPA to PREB to use a relatively small amount (\$34M out of \$14B) for rooftop solar in remote mountainous communities.<sup>29</sup>

content/uploads/sites/7/2022/06/Urgent-Motion-Requesting-Reconsideration-of-Energy-Bureaus-Resolution-and-Order-of-June-13-2022-and-Stay-of-all-Directives-Therein-NEPR-MI-2020-0012.pdf.

<sup>&</sup>lt;sup>27</sup> Ruth Santiago et al., *The Devastating Costs of Puerto Rico's "Solar Farms"*, NACLA (Feb. 17, 2022), <u>https://nacla.org/puerto-rico-solar-farms</u>.

<sup>&</sup>lt;sup>28</sup> Frances Rosario, *Nuevo "Boom" en Venta de Placas Solares*, PRIMERA HORA (June 13, 2021, 11:45 PM), <u>https://www.primerahora.com/noticias/puerto-rico/notas/nuevo-boom-en-venta-de-placas-solares/</u>. Projection based on numbers found in the 2021-2022 metrics released by PREB. PUERTO RICO ENERGY BUREAU, *supra* note 16, at app. 5.

<sup>&</sup>lt;sup>29</sup> Motion to Inform Reallocation of FEMA 404 HMGP Funds and Requests for Approval of Generation Projects, In RE: Review of the Puerto Rico Electric Power Authority's 10- Year Infrastructure Plan- December 2020, NEPR-MI-

In contrast, and as set out in the We Want Sun/Queremos Sol proposal<sup>30</sup>, civil society groups are calling on PREPA to not renew the LUMA contract and instead invest the historic amount of FEMA funds allocated for the electric system to provide life-saving distributed renewable energy, primarily rooftop solar and battery energy storage systems to enable universal access to resilient power to Puerto Rico residents, businesses and institutions. Queremos Sol also proposes a new governance model, that is public, depoliticized, inclusive and transparent.<sup>31</sup>

While various community groups and philanthropic organizations have built a few rooftop solar and battery energy storage projects throughout Puerto Rico, the pace and scale of these alternatives is dwarfed by the proposed rebuild of the centralized grid and the rollout of new methane gas plants. Higher income individuals are installing rooftop solar and storage systems but with close to a 44% poverty rate, most people in Puerto Rico cannot access the life-saving resiliency that these systems can provide. In Puerto Rico and we might add, the Gulf Coast and beyond, the investment of FEMA funds is a matter of equity and environmental, climate and energy justice. These funds should not be used to rebuild the same vulnerable, centralized electric system, powered by imported fossil fuels. Refusing this hazardous dependency and opting for a distributed alternative would also spare scarce land that should not be sacrificed to build industrial-scale renewable energy projects. Agricultural and ecological land must be reserved for other purposes, including for cultivating food sovereignty and reclamation efforts.

Puerto Rico need not be a place of unmitigated disaster. The people of the archipelago already have mapped out—and in some places built—solutions to these challenges, that refuse the centralized, fossil-fired system. Fourteen-billion dollars are already earmarked to save residents' lives. How many more people need to die for FEMA and the Government of Puerto Rico to invest in rooftop solar alternatives?

The Biden-Harris administration must make good on its commitment to tackle the climate crisis and center environmental, climate, and energy justice by positioning Puerto Rico as an example of what recovery funds can do to transform the electric system. It is past time for the reimaginings provided by our communities to be taken seriously to create new systems that transform power and advance justice. Puerto Rico needs energy justice now!

#### IV. Conclusion

For the reasons summarized in this written testimony, we urge the House Committee on Natural Resources to investigate the LUMA Transmission and Distribution System Operation and Maintenance Agreement and the role of the Federal Oversight and Management Board in the imposition of the LUMA Contract and the Puerto Rico electric crisis. We ask this Committee to require FEMA to prepare an Environmental Impact Statement in compliance with NEPA and

<sup>2021-0002,</sup> Aug. 2, 2022, <u>https://energia.pr.gov/wp-content/uploads/sites/7/2022/08/Motion-to-Inform-Reallocation-of-FEMA-404-HMPG-Funds-and-Request-for-Approval-of-Generation-Projects-NEPR-MI-2021-0002-1.pdf</u> <sup>30</sup> We want sun | Queremossol (queremossolpr.com).

<sup>&</sup>lt;sup>31</sup> Section V of the Queremos Sol Proposal, https://www.queremossolpr.com/project-4

consider reasonable alternatives such as rooftop solar and battery energy storage systems. That analysis will show that the best use of the historic amount of FEMA funds allocated for the electric system would be rooftop solar and storage systems, which are already providing life-saving electric service to the residents of Puerto Rico. We also ask for an inquiry on the proposed use of FEMA funds for electric system work to ensure that they are invested in a cost-effective manner to provide accessible, affordable, renewable, reliable and resilient electric energy. The use of the historic amount of FEMA funds allocated for the electric system will determine the viability of Puerto Rico for generations to come. Using FEMA funds to rebuild the centralized Puerto Rico grid is a terrible waste of taxpayer money.

In Salinas, Puerto Rico,

*s/ Ruth Santiago* Ruth Santiago RUA No. 8589 P.O. Box 518 Salinas, Puerto Rico 00751 T: (787) 312-2223 E: <u>rstgo@gmail.com</u>

# Attachments:

- List of Puerto Rico and Stateside organizations joining in testimony presented by Ruth Santiago, Esq.
- October 4, 2021, Written Testimony for Hearing on the PREPA Post Implementation of the LUMA Transmission and Distribution Contract

#### Organization Name Nombre de organizaciÃ<sup>3</sup>n

Cleveland Owns Fairbanks Climate Action Coalition Coalition to Protect New York People Power Solar Cooperative Tallahassee Food Network Public Laboratory for Open Technology and Science **Kinetic Communities Consulting** Institute for Local Self-Reliance Sane Energy Project **Coalition of Community Organizations** Network for a Sustainable Tomorrow LULAC Council 7259 Long Island Progressive Coalition Solstice Initiative SolidarityINFOService The 11th Hour Project Western New York Region Chapter, The Climate Reality Project Catalyst Miami People for a Healthy Environment Public Laboratory for Open Technology and Science **Kinetic Communities Consulting** Unitarian Universalist Association Greenbank Associates Institute for Local Self-Reliance Southeast Climate & Energy Network Rachel's Network Greater Hartford Environmental Coalition Race Forward Solar Design Associates HealthLink **Our Climate Education Fund** Jewish Climate Action Network-MA Food & Water Watch NEWHAB's Stewardship Council (Network for Energy, Water, and Health in Affordable Buildings) Minority Veterans of America Church Women United in New York State Network for a Sustainable Tomorrow (NEST) **Cooperative Energy Futures** Kinetic Communities Church Women United in New York State

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g Your Name a Su Nombre ł Jonathan Welle ł Kenzley Defler <sup>†</sup> Maura Stephens ł Hannah Bouscher-Gage Dr. P. Qasimah Boston ł Jordan Macha Provide the second seco ł John Farrell ł Kim Fraczek ł Reverend James L Caldwell ł Adam Flint David Sinclair Lisa Tyson Yesenia Rivera Michael Eisenscher Shanti Kleiman

Lynn Saxton Natalia Brown Doug Couchon Jordan Macha Daphany R Sanchez **Rachel Myslivy** Alice Sung John Farrell Alexander Easdale Fern Shepard Xander Bayanilla Leah Obias Haskell Werlin Lvnn Nadeau Jasmine Davenport RLynn Nadeau Mary Grant

Lamisa Chowdhury Lindsay Church Mary Smith Adam Flint Timothy DenHerder-Thomas Daphany R Sanchez Mary Smith

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