

Chair Raúl Grijalva's Opening Statement

Committee on Natural Resources

Oversight Hearing on

*Puerto Rico's Post-Disaster Reconstruction & Power Grid
Development*

November 17, 2022

I want to begin by thanking my colleagues for taking the time to join us for this Full Committee oversight hearing on *Puerto Rico's Post-Disaster Reconstruction and Power Grid Development*.

In the last five years, Puerto Rico has been impacted by one major natural disaster after the other, including Hurricanes Irma and Maria in 2017, the earthquakes of 2020 and Hurricane Fiona in September 2022. Just this morning, a magnitude 5 earthquake struck the island. The territory's structural issues - including fragile infrastructure and some of the nation's highest poverty rates - make Puerto Rico extremely vulnerable to the compounding effects of climate change, especially the increase in the frequency and intensity of hurricanes and storms.

The purpose of today's hearing is to receive testimony from key stakeholders regarding post-disaster reconstruction efforts in Puerto Rico. We will also discuss a legislative proposal designed to provide life-saving post-disaster *energy resources* to those least able to access them.

We will hear from local government officials, the electric utility private operator, local nonprofit and community leaders, and professional associations.

Although FEMA's Administrator was unable to join us today, I want to thank the Biden administration for its rapid and bold actions to ensure Puerto Rico has the resources it needs to recover from Hurricane Fiona and previous natural disasters.

After Hurricanes Irma and Maria impacted Puerto Rico, Congress appropriated disaster aid for the territory, but the reconstruction process has moved slowly. For almost 3 years, the Trump administration withheld billions of dollars for critical projects on the island. Further, although FEMA provided significant support to Puerto Rico, the agency's response was hindered by its adherence to protocols that failed to account for Puerto Rico's structural issues, including the territory's financial situation.

The Government of Puerto Rico has also been criticized for its inability to apply disbursed funds in a timely manner toward critical projects, community organizations, and small businesses.

In June 2021, operational control of Puerto Rico's energy grid was transferred from the Puerto Rico Electric Power Authority to private operator LUMA Energy, which was tasked with rebuilding the grid and improving service. Since then, Puerto Rico has not seen an improvement in the frequency of outages but, problematically, has seen an increase in their duration.

The local government must conduct aggressive oversight of LUMA's contract to operate, maintain, and modernize the electric grid. Additional accountability is necessary. The residents of Puerto Rico deserve reliable electric service.

To increase resilience on the island, the Government of Puerto Rico must make significant infrastructure investments. This includes prioritizing projects to modernize the electric grid towards a more reliable system for residents that is decentralized and less reliant on fossil fuels.

But Puerto Rico doesn't have the funding to go it alone. And the federal disaster funds that have been appropriated so far cannot provide the resiliency that Puerto Rico's most vulnerable populations need. I am seeking to include in a post-Hurricane Fiona emergency supplemental \$5 billion for the Department of Energy to provide rooftop solar and battery storage systems for low-income households and households with people with disabilities in Puerto Rico. I want to thank Secretary Jennifer Granholm for supporting the proposal.

Amidst the island-wide blackout caused by Hurricane Fiona, pockets of solar-powered generation were able to keep the lights on. A preliminary study from the National Lab of Renewable Energy's PR100 program found that Puerto Rico's high exposure to sunlight could produce over four times the amount of energy it needs from rooftop solar power.

Now, I want to welcome all our witnesses. Thank you for joining us. We welcome your insight and recommendations.

I now yield to the Ranking Member for [his/her] opening statement.