

## Second Public Hearing – Puerto Rico Electrical Power System Enhancement and Improvements Action Plan

### **Foreword:**

Comments and recommendations were received from the public, in English and in Spanish, during the first public hearing on the development of the Puerto Rico Electrical Power System Enhancement and Improvements Action Plan. All comments will be available in their entirety, in the language and format in which they were submitted, at [www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov).

This document summarizes the comments submitted in English and Spanish, for the benefit of readers. Some of the cited comments may be paraphrased from the original comments as a result of the translation process or for the sake of brevity. All personally identifiable information has been removed from the comments in order to protect the privacy of commenters. Please refer to the text of the submitted comments in order to obtain additional information.

You can contact the Puerto Rico Department of Housing (PRDOH) to request a full translation of any of the comments, as well as any alternative means or formats that will allow you to access these public comments and the Department of Housing's responses to said comments. All requests must be submitted to:

- By phone, at 1-833-234-CDBG o 1-833-234-2324
- By email, at [infoCDBG@vivienda.pr.gov](mailto:infoCDBG@vivienda.pr.gov)
- Online, at <http://www.cdbg-dr.pr.gov/contact/> or at <http://www.cdbgdr.pr.gov/contacto/>
- By mail, at:
  - Puerto Rico CDBG-DR Programa
  - P.O. Box 21365
  - San Juan, PR 00928-1365

### Comment: Edmin Rodriguez

"I do not hear clearly and consistently about what help there is for us taxpayers/citizens who wish to transition to Renewable Energy. Many States are providing incentives such as credits as they relieve the burden on the electric grid. Arizona, Texas and others are examples of this. Why do we talk about PREPA and Luma when allocating funds and do not see the citizen as an important piece for the improvement of the system. See the result of resource management by these institutions which shows poor performance. FEMA will help some families that suffered great impact from hurricanes, etc. What help as incentives/credits will be given to us if we invest in Renewable Energy and how prompt and urgent is it. Funds allocated for management by the government have suffered from Diversion, Misappropriation and/or Delayed Execution. The history is there unfortunately. PR is included in the Nation's Plan for 2025 in the transformation of the Conservation and Improvement of the Energy System. We are on time to look good before this challenge. Dept of Health showed that we can and know how to do it well and as an example of it there is the COVID-19 Vaccines. What help is there and when will the citizens see a Direct aid for Renewable Energy Investment?

Haven't you wondered why there are so many Solar Panel companies out there making a party with the need we have? Turmoil river, fisherman's gains. It is time to distribute well the Federal Money allocated for the improvement of the electric system. More Renewable Energy in homes will ease the load on the Grid. Simple.

Next step: Move to the Action.

Thank you."

### PRDOH response during the public hearing:

Thank you for your comment. We agree that distributed energy and renewable resources are key to the long-term resilience of the electric grid. Regarding your recommendation on personal financial incentives for individuals and residential PV systems, we understand that this is an area that the Puerto Rico State Energy Office is exploring. We are in coordination with them and have noted and filed your comment for the record. Currently, PRDOH maintains programs to provide solar installations to disadvantaged families under the CDBG-DR and CDBG-MIT programs.

Under this award for electric system improvements, we seek to develop distributed energy projects at the community level, targeting those communities in need.

Thank you for your feedback.

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### Comment: Joe Kigin

"We have been evaluating hurricane and earthquake recovery efforts, as well as plans for rebuilding the grid. We are confident that our consumer-operated solar products could be of great value, allowing residents affected by power outages to stay connected to rescuers, healthcare providers, family members, and businesses.

*We find that HUD's waiver language allows us to use some of these funds to purchase solar energy products that could help provide immediate consumer-operated power to low-income or disadvantaged residents, especially in Puerto Rico's remote cities, during power outages."*

#### PRDOH response during the public hearing:

Thank you very much, Joe Kigin, for your participation in this second public hearing for the Puerto Rico Electrical Power System Enhancements and Improvements Action Plan. As the grantee of the CDBG-DR funds, PRDOH assumes the responsibility of monitoring the proper and efficient use of these funds, in compliance with all applicable regulations and statutes. This includes an evaluation of projects to be financed with CDBG-DR funds, to validate that these activities are within the scope allowed by HUD. Likewise, cost reasonableness will be reviewed for all activities and products to be procured.

We look forward to any additional information you may wish to provide in response to the Plan or supporting documentation you may wish to submit with your proposal. To that end, we are pleased to announce that PRDOH will be receiving and responding to public comments in response to the Plan until December 23, 2021. For more information, you may access the PRDOH CDBG-DR website, where you will find a page dedicated to this Action Plan, in addition to a form for submitting your comments. Thank you.

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#### Comment: Rafael Siberón Caraballo

Mr. Rafael Siberón Caraballo, a resident of Sabana Grande, sent us the following comment via email:

*"It must be extremely important that they consider undergrounding most of the island's electrical system. It is the best way to protect Puerto Rico's electrical system and update the plants that are obsolete."*

#### PRDOH response during the public hearing:

PRDOH will be evaluating proposals for projects to be awarded under these funds. Projects that propose an improvement to the grid infrastructure, such as an undergrounding project to provide resiliency to the system, may be eligible under these funds as long as the final plan includes the activity. In the meantime, we are very attentive to the need for communities to underground lines for better resiliency. An essential part of our agency's goals for this Action Plan is the development of a more resilient system, thus creating a power system less vulnerable to future natural disasters.

We appreciate Mr. Rafael Siberón Caraballo's recommendation in response to the Action Plan for the Puerto Rico Electrical System Enhancement.

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### Comment: Ramon Figueroa

We received a paper submitted by a resident of Naranjito, Mr. Ramon Figueroa. He submitted the following paper via email, which I will read below:

*"Greetings. We are a group of residents of the Anones neighborhood from Naranjito. We live in a sector that is served by a communal aqueduct, and within that communal aqueduct, we have a system that is already independent. As for the electric service, we manage the 'pumping' during daylight hours and we have the capacity to serve 280 families. We have thought that in the same way, we could take over several sectors within these municipal properties, which also serve their neighbors with a communal aqueduct. Being this dynamic, we dare to say that it is possible to have a system, not only of water but of energy, that supplies the periphery that serves the neighborhoods of Quebradillas, Barranquitas, Palomas, Comercio, Doña Elena, Anones, Naranjito, Selva Arriba, Naranjito and part of Corozal, in a substation of what belonged to the old Electric Energy Authority and that very easily could be annexed with the intervention of the photovoltaic systems, batteries, and generators. This opens the opportunity to create a small network, which is the maximum aspiration to be able to control the electric service and drinking water. The system is available for you to observe. Thank you, very much and good afternoon."*

### PRDOH response during the public hearing:

Thank you, Mr. Figueroa, for your comment. We admire the work and dedication of your community to bring clean water to all of its residents.

PRDOH recognizes the opportunity to align the use of these funds with community resiliency projects such as the one you mention. This could be accomplished with projects that promote the development of renewable energy systems, as well as the creation of microgrids that would address the needs of certain disadvantaged sectors. Your comment will be taken into consideration and will be filed and posted on the PRDOH CDBG-DR webpage.

I take this opportunity to mention that there is a sub-program under the CDBG-MIT funds that seeks to address energy and water resiliency needs for community facilities. Mr. Figueroa, I invite you to visit the CDBG-MIT website, which is accessible from the CDBG-DR Puerto Rico home page and read about the program entitled "COMMUNITY ENERGY AND WATER RESILIENCE INSTALLATION PROGRAM" which we call CEWRI. This program is about to begin, so it is a good opportunity for you to explore the program information we will have available and sign up for notifications.

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### Commnet: Alison Plumey Diaz

*"Greetings,*

*I would like to ask if there is any assistance for those non-profits that have adopted a school. I am involved in two non-profits that hold meetings at a rescued school, and power is limited. I have been looking for the opportunity to rescue one as well, to provide*

*safe services for communities and entities, as well as Puerto Rico search and rescue, and other first responders. That being said, I'm wondering if you have an agreement with the USDA or if there is a way to acquire subsidized power for a rescued school and the organizations involved in it."*

#### **PRDOH response during the public hearing:**

Thank you very much, Alison Plumey Diaz, for your participation in this public hearing.

Non-profit entities may be eligible as subrecipients of CDBG-DR funds for the optimization of Puerto Rico's electric grid. The Electric Power Reliability and Resiliency Program (ER2) will assist projects focused on providing reliability and resiliency of the electric power system.

We encourage you to stay tuned to the PRDOH CDBG-DR website for more information. We are currently in the Action Plan development stage. Once approved by HUD, all the processes for participation will be in the Program Guidelines. Once developed, these will be posted on the website.

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#### **Comment: Javier Rúa-Jovet**

*"How can they be budgeting \$1 billion of this budget (that must be used within 6 years), for FEMA projects that will take much longer than 6 years?"*

*SESA requests that 100% of these CDBG energy funds be directed toward their intended purpose, and not directed to matching funds.*

*Alternatively, if any portion of these funds is directed toward a match, then SESA requests and urges that \$0 be budgeted in matching funds for projects that are outside of the 6-year period for this budget."*

#### **PRDOH response during the public hearing:**

Thank you for your comment, Mr. Rúa. CDBG-DR funds for electric power system improvements may be used to cover the matching requirement if they are used to carry out an activity eligible under the CDBG-DR Program and allowable under the Federal Register Notice. This includes Public Assistance and other grants administered by FEMA. The action plan includes the Electric Grid Rehabilitation and Reconstruction Cost Sharing Program (ER1). This program promotes cost matching to maximize the utilization of funds and achieve systematic improvements in a holistic manner. The six-year period has been established by HUD through the Federal Register Notice. However, the Housing Department will be working proactively, hand-in-hand with HUD and the federal agency members of the Energy Technical Coordination Team (known as the TCT) to monitor the progress of the program and maximize the use of funds.

We appreciate the participation of the Private Sector in this action plan development process.

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### Comment: Carmen Canales

*"Being a tropical island, when will there be a renewable energy system accessible to the citizens?"*

### PRDOH response during the public hearing:

PRDOH recognizes the importance of developing activities that promote the development of renewable energy sources. Under this action plan, projects to reduce the impact of climate change, such as those using renewable energy sources, could be subsidized. Given the reality of living on a tropical island, prone to an annual hurricane season, it is imperative that projects supported with these funds enhance the system to make it resilient to future weather events.

Thank you, Ms. Carmen Canales, for your participation in this public hearing. We invite you to stay tuned to the project development process under this Plan.

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### Comment: Sheila Algarin

*"1) PREPA and LUMA have been very inefficient in handling complaints about significantly tilted power poles as a consequence of Hurricanes Irma or Maria after four years. Do they have a plan or do they plan to create and implement a strategy to straighten or replace the significantly tilted or about to fall down power poles in urban residential areas in the Action Plan on the Optimization of the Puerto Rico Electric Grid?"*

*2) The government has not told the public whether or not LUMA will be legally responsible for damages to residences or residents caused by significantly tilted power poles that may fall under a seismic effect or otherwise. Will they discuss that in the Puerto Rico Grid Optimization Action Plan?"*

### PRDOH response during the public hearing:

Thank you very much, Ms. Algarin for your question. The electrical system improvements contemplated in the Federal Register Notice for these CDBG-DR funds include repairs to transmission and distribution lines, so this is an eligible activity under the Action Plan that could be included in the project proposals to be funded with these funds. In addition, damage to power poles must have been considered by FEMA in its damage assessment to determine its funding allocation. For details on the other types of projects and activities eligible under the Energy Action Plan, please visit our website at <https://cdbg-dr.pr.gov>. Thank you for your interest in this public hearing and the CDBG-DR funds.

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### Comment: Wilmari Pizarro Oquendo

*"Help for light and water rent"*

### PRDOH response:

Vivienda is glad to receive your comments for this second public hearing on the Puerto Rico Electrical Systems Enhancement and Improvements Action Plan. By directing these funds for grid improvements, we hope to strengthen and improve the infrastructure and efficiency of these energy systems, which could result in more affordable electric service rates for the Island's citizens.

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### Comment: Elvis Pagán

*"Hello, my name, Elvis Pagán I have a small business barbershop, I solicited 1 year ago the first aid for businesses that suffered from hurricane María and still nothing. propose that those funds are to help businesses stay contributing to the country that expedite the process and give you the help to be able to continue operating here in the country."*

### PRDOH response:

Thank you, Mr. Elvis Pagán, for your participation during this second public hearing on the Electrical Systems Enhancement and Improvements Action Plan. PRDOH recognizes that the local business sector was drastically affected by Hurricanes Irma and Maria. As stated in the Action Plan, funds from this Plan are directed towards improvements to the electric grid, which could help businesses obtain more resilient electric power services. This would help reduce business vulnerability to future natural disasters, as well as the opportunity to provide their services in an area where electric service is continuous and reliable.

However, we wish to inform you that we currently have in operation the Small Business Financing (SBF) Program, which provides financial assistance to those small businesses in Puerto Rico that were affected by Hurricanes Irma and Maria. For more information on the SBF Program, please access the following link: <https://cdbg-dr.pr.gov/download/programa-de-financiamiento-para-pequenas-empresas-2/> (Spanish) and <https://cdbg-dr.pr.gov/en/download/small-business-financing-program-2/> (English).

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### Comment: Anthony Figueroa

*"Help for the home"*

### PRDOH response:

We appreciate your participation in the process of developing the Action Plan for the Electrical Systems Enhancement and Improvements. Funds from this Plan will be directed to projects that propose improvements to the infrastructure, efficiency, and service of electric energy throughout the Island.

However, Housing is currently operating the Homebuyer Direct Assistance (HBA) Program, which provides assistance to low- and moderate-income (LMI) and urgent need (UN) persons affected by Hurricanes Irma and Maria who wish to purchase a primary residence. Also in operation is the Repair, Reconstruction or Relocation Program (R3 Program), which assists those homeowners whose homes sustained damage incurred by Hurricanes Irma and/or Maria. For more information on available projects and your possibility of receiving assistance through one of these, please access the PRDOH CDBG-DR webpage. There you will have access to the guidelines and policies governing these Programs and their respective eligible activities.

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**Comment: Marilyn Vargas**

*"I only wanted help since I need to know about R-3 because I lost my home in hurricane Maria and I live with my uncle since the hurricane to see if you can build my house and help me. I went to the office in Aguadilla and they told me that there were no funds thanks"*

**PRDOH response:**

PRDOH laments your situation. Currently, the Home Repair, Reconstruction, or Relocation (R3) Program has closed application intake due to reaching its capacity for available funding. However, PRDOH has made available a form where citizens can enter their information in order to be notified of future R3 opportunities to apply if additional funding becomes available. Furthermore, the CDBG-DR program will notify of other programs that may be of benefit as future programs are launched. It is important to clarify that this subscription does not constitute a waiting list or any sort of prioritization since all individuals who submit their information will be similarly notified of future opportunities. This form is available in Spanish and English at: <https://cdbg-dr.pr.gov/iframes/notifications.html>

To obtain information about the R3 Program and its eligibility requirements, you may refer to the Program Guidelines, available in Spanish and English at: <https://cdbg-dr.pr.gov/download/programa-de-reparacion-reconstruccion-o-reubicacion/> (Spanish) and <https://cdbg-dr.pr.gov/en/download/home-repair-reconstruction-or-relocation-program/> (English).

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**Comment: Eduardo Colon**

*"Replacement of power lines"*

**PRDOH response:**

Thank you for your participation. The projects to be funded under this Plan have not yet been selected since the program design is still under development. However, projects that involve the replacement of power lines may be eligible for assistance under this Action Plan, as long as the project complies with HUD's regulations, as well as local and federal laws, including applicable renewable energy and decarbonization goals.

To stay up-to-date on any information or updates related to this Action Plan, please visit the Plan's webpage at: <https://cdbg-dr.pr.gov/en/power-grid-action-plan/> (English) or <https://cdbg-dr.pr.gov/plan-de-accion-de-red-de-energia/> (Spanish).

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**Comment: Ecotaxipr LLC**

*"Ecotaxipr Solar Transport"*

**PRDOH response:**

PRDOH thanks you for submitting your project proposal. Your proposals have been recorded and will be taken into consideration during the development of the programs under this Action Plan.

More specific details of the process to apply for funding and project selections will be outlined in the Program Guidelines once the Action Plan is approved and program design is completed. Projects to be awarded assistance under this Action Plan must comply with HUD's regulations, as well as local and federal laws, including applicable renewable energy and decarbonization goals.

If you wish to obtain more information about the Action Plan for Electrical Power System Enhancements or have any other inquiries related to PRDOH's management of CDBG-DR and CDBG-MIT funds, please visit the following website, available at: <https://cdbg-dr.pr.gov/en/> (English) and <https://cdbg-dr.pr.gov/> (Spanish).