

TESTIMONY OF NELSON I. COLÓN TARRATS
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COMMITTEE ON NATURAL RESOURCES
U.S. HOUSE OF REPRESENTATIVES

April 9, 2019

*“The Status of the ‘Rebuilding and Privatization of the
Puerto Rico Electric Power Authority’, (PREPA)”*

Chairman Grijalva, ranking member Bishop, Resident Commissioner Gonzalez, members of the Committee on Natural Resources. My name is Nelson I. Colón-Tarrats. I am honored to appear before you as president and CEO of Fundación Comunitaria de Puerto Rico (or Puerto Rico Community Foundation). We are the sole community foundation in Puerto Rico. For 34 years, Fundación has promoted equitable and sustainable access to affordable housing, community economic development, clean water, renewable energy, and education.

Our overall goal is to build equity by promoting the growth of human, financial, social, environmental and hard assets. In essence, this is a grass-up strategy to narrow the inequity gaps existing in our communities. Because of their geographic location and their social and economic context, rural areas tend to be excluded from the most basic resources to improve their quality of life. This situation has been prevalent for years, highlighted during the past decade due to the fiscal crisis of the local government, and austerity measures against the most vulnerable sectors of our society.

Hurricane María changed the role of Fundación Comunitaria. In the aftermath of the storm, our work grew exponentially as we became a reliable and trusted partner for local communities and donors in the United States, both interested in the rebuilding of our island.

After the hurricanes, Puerto Rico suffered from the longest blackout in American history. Lack of access to electricity was a contributing factor to the 3,000 deaths that occurred after hurricane María, in addition to the obvious inconveniences

to our daily lives. Let's not forget that a year prior to the hurricane, Puerto Rico suffered a week-long blackout, evidencing the fragility of our energy system.

Fundación Comunitaria rose up to the challenge and implemented a strategic framework that included housing, community aqueducts, food and environment, students' readiness for school return, and a three-pronged energy agenda: 1) community health centers, 2) solar communities and; 3) empowering Culebra. The bottom line is to promote equitable access to energy as a path for social justice.

*SOLAR RESILIENCY FOR MORE THAN 50% OF PUERTO RICO'S
COMMUNITY HEALTH CLINICS (330 CENTERS)*

The first prong focuses on sustainable energy for community clinics. The federally-qualified 330 community health clinics became lifesavers to hundreds of Puerto Ricans. These clinics, with limited resources and mostly located in rural communities, were the only hope for people suffering from life threatening illness. Fundación Comunitaria established a partnership with the Puerto Rico Primary Care Association Network that groups 68 community health clinics. To this date, Fundación has supported the installation of solar panels and batteries for the emergency rooms of 37 community health clinics - more than 50% of all 330 clinics in Puerto Rico. Our target is to reach 100% of all community clinics by 2020.

Several days ago, one of our partners from the Silicon Valley Community Foundation visited a 330 clinic in Mayagüez. He was welcomed with a hug from one of the employees of the clinic. Thanks to the installation of the solar back-up system granted by Fundación Comunitaria, this clinic remained operational through a recent energy blackout allowing them to preserve their medicines and continue providing health services to their patients.

*COMUNIDAD SOLAR TORO NEGRO –
Puerto Rico's first Community Solar project*

The second prong highlights the solar community strategy. For eight months the residents of the Toro Negro community, in Ciales, Puerto Rico, lacked access to

electricity. In the summer of 2018, Fundación Comunitaria, in partnership with SOMOS Solar, began a community participatory process to design and install their energy independent microgrid. Today, 28 homes are connected to a series of microgrids that form the Toro Negro solar community.

On March 16, 2019, Chairman Grijalva, ranking member Bishop, Congressmen Gallegos and Soto, and Resident Commissioner Gonzalez, visited Comunidad Solar Toro Negro. The community sends its greetings and warmly thanks you for the visit. The residents of Comunidad Toro Negro have not experienced a single blackout since the solar microgrid systems were installed in the summer of 2018. One of my team leaders makes a point of calling Tito Figueroa – the community leader of Toro Negro - whenever the power goes out in his suburban home to know if he has power. We take pride in saying that Tito’s answer has always been a “YES”.

Toro Negro’s grassroots empowerment continues growing. With the assistance of Fundación Comunitaria de Puerto Rico, SOMOS Solar and students from Duke University’s Nicholas School of the Environment, the residents of Toro Negro will soon design their own energy rate: a revolutionary concept for most Puerto Ricans.

Comunidad Solar Toro Negro is the first community solar project in the history of Puerto Rico. As chairman Grijalva remarked during the visit, “this is the model on how to bring access to clean and sustainable energy to communities”.

EMPOWERING CULEBRA: A 100% RENEWABLE ENERGY FUTURE

The third prong elevates the equitable access to energy strategy to an island level. Culebra is a small Island-municipality of Puerto Rico. Along with the neighboring island-municipality of Vieques, it depends on a 38-kV underwater interconnection between the Main Island of Puerto Rico and Vieques. In 2017, Hurricanes Irma and María caused damages to this underwater interconnection. Both Island-municipalities were left dependent on diesel generators until March 2019, when power was fully restored. That is one full year and six months without utility power.

Fundación Comunitaria is currently pending final approval by the U. S. Economic Development Administration (EDA) of a proposal to provide solar power and storage to Culebra's critical facilities, businesses, and non-profit organizations. The *Empowering Culebra* initiative, as the plan is called, will help Culebra transition towards a 100% renewable energy future. We look forward to achieving this goal of social justice for the people of Culebra.

A GREEN ENERGY BARGAIN FOR PUERTO RICO

As a philanthropic institution, Fundación Comunitaria does not have an official position regarding the privatization of the Puerto Rico Electric Power Authority (PREPA). However, in the polarized debate between privatization and a public centralized system, we all agree on the need to diversify. I respectfully submit to this committee the inclusion of a middle of the road option: solar community cooperatives – owned and managed by residents. Energy coops will provide sustainable access to energy for low income communities; will help control the price of energy through low-cost non-profit vehicles, and will bring a renewed sense of empowerment and pride to communities in Puerto Rico. These are key elements for self-development. Energy coops are a win-win for all.

Fundación Comunitaria is engaging labor unions, non-profit organizations, and the cooperative movement to help shape an ambitious goal of social justice: a green corridor, powered by renewables for the benefit of approximately 250 low-income communities in the central mountain range of Puerto Rico. This green corridor could become an example for other communities in the island, in the Caribbean and the rest of the Americas.

Hurricane María left a massive trail of devastation. The storm also saw the emergence of hundreds of unsung heroes who saved countless lives. This generation of heroes is rising in Toro Negro, Humacao, Utuado, Villalba, Caguas, Adjuntas, and many other towns in Puerto Rico. Their goal is to forge stronger and more resilient communities through renewable energy. This goal can be achieved by sustained support for infrastructure and leadership development in low-income communities.

I encourage you to envision the possibility of a Puerto Rico Green Energy Bargain, modeled after Detroit's Grand Bargain. A key player in Detroit was the local community foundation that acted as a convener and vehicle for pooling philanthropic funds – Community Foundation for Southeast Michigan. The Puerto Rico Green Energy Bargain will be an opportunity for the federal government, the private sector, non-profits, foundations, cooperatives and the local government, to partner up in advance of a common purpose: building a corridor of solar community cooperatives, owned and managed by its residents.

Detroit did it a few years ago, in different, but equally challenging, circumstances. In 2013, twelve major foundations in the US, broke the logjam over Detroit's retiree pension-payment obligations during the city's bankruptcy process. A philanthropic consortium collectively pledged hundreds of millions of dollars toward the city's pension liability, so that their philanthropic investment would leverage contributions from private corporations, state government, and public-employee unions.

Mr. Chairman, members of the Committee, the Puerto Rico Green Energy Bargain is not only possible but urgently needed. Key game changers – labor unions, foundations, non-profit organizations and cooperatives - are aligning behind the vision of renewable energy for low-income communities in Puerto Rico. With proper support we are ready to move forward.

On February 28, 2019, the Department of Housing and Urban Development (HUD) approved a Substantial Amendment to the Action Plan for the Community Development Block Grant – Disaster Recovery (CDBG – DR). The action plan proposes the disbursement of up to \$436 million from CDBG-DR funds for Community Energy and Water Resilience Installations.

We call on this Committee to recommend HUD and the government of Puerto Rico to redirect a substantial amount of the CDBG-DR \$436 million allocated for community energy projects, to support a Puerto Rico Green Energy Bargain.

Access to clean and reliable energy could mean the difference between life and death: both for the people of Puerto Rico, and for our economic development. During

PREPA's transformation, we need to make sure that low- and middle-income communities all over Puerto Rico have equal access to clean and reliable energy.

On behalf of Fundación Comunitaria de Puerto Rico, we thank you for the opportunity to address this distinguished Committee.

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