

Grantee: Puerto Rico

Grant: B-18-DE-72-0001

January 1, 2025 thru March 31, 2025 Performance

Grant Number: B-18-DE-72-0001	Obligation Date:	Award Date:
Grantee Name: Puerto Rico	Contract End Date: 08/05/2028	Review by HUD: Submitted - Await for Review
Grant Award Amount: \$1,932,347,000.00	Grant Status: Active	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$1,932,347,000.00	Estimated PI/RL Funds: \$0.00	
Total Budget: \$1,932,347,000.00		

Disasters:

Declaration Number

FEMA-4339-PR

Narratives

Disaster Damage:

More than four (4) years have passed since Hurricanes Irma and María struck Puerto Rico in September of 2017. However, the impact on the power grid remains ever present in the daily lives of Island residents. Power outages are common and unpredictable, electricity prices continue to rise, and rolling blackouts due to insufficient generation have been common. The impact of the hurricanes on the power system was devastating and led to the longest sustained blackout in modern United States (U.S.) history. Without power, residents were unable to gain access to healthcare, communication, refrigeration, water, cooling, and security. With sustained systemic insecurity, residents continue to feel many of the same impacts, economic recovery is hampered, and the cycle of recovery cannot be completed. Energy remains the single most comprehensive and critical factor to the future of the Island.

The Electrical Power System Enhancements and Improvements Action Plan is not a specialized blueprint on the components of the electrical power system in need of repairs. Several extensive studies have already been conducted by Puerto Rico and U.S. governmental agencies, including the Puerto Rico Electric Power Authority (PREPA) 10-Year Infrastructure Plan, the Grid Modernization Plan for Puerto Rico conducted by the Central Office for Recovery, Reconstruction and Resiliency (COR3), the 2021 Fiscal Plan for PREPA as Certified by the Financial Oversight and Management Board for Puerto Rico, and key studies by the U.S. Department of Energy (DOE). This Action Plan seeks to adjust critical findings from these reports and identify the remaining unmet need for communities that stand vulnerable to the impacts of power insecurity. It aims to discern resilience opportunities for long-term system enhancement for the benefit of all residents.

Electrical Power System Recovery Needs:

Hurricanes Irma and María devastated 80% of the Islands' electric power system. Therefore, the initial immediate recovery process was implemented in such a way as to provide electric service to the people of the Islands in the fastest possible way. This meant that expediency reigned instead of the deep reconstructive approach that would have taken much longer and for which funding and resources were not immediately available. Because of this, the people of Puerto Rico face a lack of continuity of electric power service in great part due to the system's weakness. The need for permanent solutions to ensure system resiliency and sustainability must be a priority moving forward.

The U.S. Department of Energy aptly points out, "[m]aintaining and enhancing the resilience of the electric grid at fair and reasonable costs can provide service and value to Puerto Rican communities. Yet, no single investment in energy infrastructure at one point in time will achieve resilience." (Emphasis added) One of the goals set by PRDOH is to maximize the appropriated use of CDBG-DR Program funds, which will result in the coordination and engagement of governmental and non-governmental stakeholders to successfully detail and identify unmet needs.

PRDOH has developed the Electrical System Enhancements and Improvement Programs founded on the allocation requirements as well as identified unmet needs. Along with incorporating input from disaster-impacted municipalities, utilities, and other stakeholders.

HUD defines an electrical power system in a broad way. Bringing together the many components that contribute to the proper operation of the grid, including physical assets for generation, transmission, and distribution, as well as technological and administrative components. Specifically, the definition is stated in 86 FR 32681, 32692:

"An electrical power system shall be defined as an interconnected or autonomous set of transmission lines, distribution lines, substations, central power generation stations, other sources of power, distributed energy resources, or enabling technologies and services, such as industry standard billing, accounting information technology, cybersecurity enhancements, microgrids and fuel transfer delivery systems, that are necessary for the provision of reliable, resilient, stable, and cost effective electrical service."

The main objective of the CDBG-DR Program is to support the economic and social development of Puerto Rico's communities, providing quality of life, safety, security, and growth opportunities for the future of all residents. The availability of CDBG-DR funds provides a unique opportunity to improve quality of life on the Island and strengthen the economy through electric power system enhancements. Lessons learned from the catastrophic events of Irma and María will



give Puerto Rico the choice to be more resilient, more robust, wiser, and to rise in a sustainable manner. The state of emergency caused by Hurricanes Irma and María is felt every day and still very present in Puerto Rico. The current condition of the electrical power system is critical. Without the implementation of transformative mitigation and resilience phases, the system will remain extremely weak and susceptible to collapse from any future major event, in which vulnerable communities will suffer the most, once again. Every community in Puerto Rico deserves to enjoy a strong, reliable, and resilient electrical power system that ensures the tranquility of the people and a better quality of life for its residents.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$1,932,347,000.00
Total Budget	\$0.00	\$1,932,347,000.00
Total Obligated	\$22,556.64	\$798,285,496.30
Total Funds Drawdown	\$1,247,018.97	\$6,118,966.09
Program Funds Drawdown	\$1,247,018.97	\$6,118,966.09
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$1,247,018.97	\$6,118,966.09
HUD Identified Most Impacted and Distressed	\$1,081,857.52	\$5,684,055.56
Other Funds	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

Funds Expended

Overall	This Period	To Date
Puerto Rico Department of Housing	\$ 1,247,018.97	\$ 6,118,966.09

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	70.00%	70.00%	.27%
Overall Benefit Amount	\$1,271,484,326.00	\$1,271,484,326.00	\$4,993,157.21
Limit on Public Services	\$289,852,050.00	\$0.00	\$0.00
Limit on Admin/Planning	\$386,469,400.00	\$115,940,820.00	\$453,212.94
Limit on Admin	\$96,617,350.00	\$96,617,350.00	\$434,910.53
Most Impacted and Distressed	\$1,932,347,000.00	\$1,932,347,000.00	\$5,684,055.56

Overall Progress Narrative:

During the reporting period, under ER1, the Puerto Rico Department of Housing (PRDOH) continued coordination efforts with program stakeholders, including PREPA, COR3 and the newly incorporated Energy Czar Office, as created by executive order of Governor Jenniffer González Colón. Additionally, PRDOH has held timely and proactive communication with program partners in an effort to streamline program implementation and rollout decision-making. As part of these efforts, PRDOH requested the Subrecipient, PREPA to identify priority projects, ideal to receive ER1 funding. Furthermore, PRDOH has made progress in advancing program implementation initiatives that promote efficiency and reduce administrative burden(s). These include measures to: (1) adopt FEMA federal compliance validation processes, when possible, through administrative orders and waiver requests (2) updating ER1 Program Guidelines to reflect program strategy developments. Under ER2, planning and implementation are ongoing for strategic projects such as the Centro Medico Microgrid and the Department of Economic Development and Commerce's Energy Support Program. At the same time, ER2 Competitive is currently advancing through the Feasibility Review phase and collaborating with LUMA to address the interconnection of all pre-selected projects to the grid. PRDOH's oversight plan for both the ER2 and ER1 Programs involves the continued use of established oversight and monitoring tools and resources. These will be employed to track program administration activities and performance through close coordination and collaboration throughout the duration of the grant and each program's phases. With regards to Affirmatively Furthering Fair Housing (AFFH) activities, the ER2 Program has conducted multiple community outreach and participation events and program planning activities involving community representatives throughout its implementation. This has included meetings with community organizations and groups representing disadvantaged residents to receive input on program priorities and the competitive selection process. Additionally, the program's competitive project selection process included an application scoring and ranking component that gave special consideration to projects in "High-Impact Areas" impacting vulnerable populations, underserved communities, LMI areas, and R/ECAPs, and applicants who provided sufficient evidence that they had conducted community outreach or included community participation in their project were granted higher scores.



Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
Administrative B-18-DE-72-0001, Energy Program	\$179,199.47	\$96,617,350.00	\$434,910.53
Infrastructure ER1 B-18-DE-72-0001, Infrastructure Energy	\$0.00	\$500,000,000.00	\$0.00
Infrastructure ER2 B-18-DE-72-0001, Infrastructure Energy	\$1,063,555.11	\$1,316,406,180.00	\$5,665,753.15
Planning B-18-DE-72-0001, Energy Program Planning	\$4,264.39	\$19,323,470.00	\$18,302.41

Activities

Project # / Administrative B-18-DE-72-0001 / Energy Program



Grantee Activity Number: ESP-ADMDOH-NA

Activity Title: Energy Program Administration

Activity Type:

Administration

Project Number:

Administrative B-18-DE-72-0001

Projected Start Date:

08/05/2022

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Energy Program Administration

Projected End Date:

08/05/2028

Completed Activity Actual End Date:

Responsible Organization:

Puerto Rico Department of Housing

Overall	Jan 1 thru Mar 31, 2025	To Date
Total Projected Budget from All Sources	\$0.00	\$96,617,350.00
Total Budget	\$0.00	\$96,617,350.00
Total Obligated	(\$9,336.77)	\$1,067,951.98
Total Funds Drawdown	\$179,199.47	\$434,910.53
Program Funds Drawdown	\$179,199.47	\$434,910.53
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$179,199.47	\$434,910.53
Puerto Rico Department of Housing	\$179,199.47	\$434,910.53
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

PRDOH is the administrative entity responsible for administering CDBG-DR, CDBG-MIT, and CDBG-DR Energy funds as allocated by HUD.

Location Description:

The location of the personnel administrating this fund will be at the Puerto Rico Department of Housing located in San Juan, Puerto Rico.

Activity Progress Narrative:

During the reporting period, the ER2 Program Management services contract remained active with continued implementation. The Program Manager’s responsibilities under this contract included comprehensive program management and administration, covering operational support, program and project management, document control, and financial reporting. The scope also involved project selection, which required the development and refinement of criteria and methodology, application review, capacity assessment, financial evaluation, environmental review, and agreement execution. In terms of project execution, tasks included managing awards and schedules, overseeing property acquisition and procurement, monitoring design development, ensuring permitting and environmental compliance, tracking construction progress, reviewing commissioning and operations and maintenance (O&M) plans, maintaining regulatory compliance, and evaluating payment requests. Finally, the contract encompassed administrative closeout, involving both project-specific and overall program closure activities. During this reporting period, PRDOH, in collaboration with ER2 Program Management Services, has made significant progress in the implementation phase of the project. Specifically, the team has been overseeing the Feasibility Review for twenty-five (25) selected pre-eligible applications. To date, nineteen (19) feasibility



reviews have been completed, while six (6) are still in progress. Simultaneously, Environmental Onboarding Orientation has been successfully completed for all twenty-five (25) pre-eligible applications. The process of Environmental Screening has been completed for twenty-three (23) applications, with only two (2) remaining. Additionally, technical assistance has been provided throughout this process. Upon completion of the Feasibility Review and the signing of reports for nineteen (19) pre-eligible applicants, PRDOH has issued Notice of Award Letters to those applicants. The reviews for the remaining six (6) applicants are still in progress. Environmental Reviews are being conducted in parallel to Feasibility reviews. Moreover, five (5) subrecipient agreements were successfully signed between PRDOH and applicants on 4/1/2025. PRDOH is currently working on the Grant Agreement Documents to the remaining fourteen (14) applicants that have completed reviews up to date.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / Infrastructure ER1 B-18-DE-72-0001 / Infrastructure Energy



Grantee Activity Number: ESP-IER1DOH-LMI

Activity Title: Energy Grid Rehab and Recon ER1 LM

Activity Type:

Electrical power system improvements

Project Number:

Infrastructure ER1 B-18-DE-72-0001

Projected Start Date:

08/05/2022

Benefit Type:

Area (Census)

National Objective:

Low/Mod

Activity Status:

Planned

Project Title:

Infrastructure Energy Program ER1

Projected End Date:

08/05/2028

Completed Activity Actual End Date:

Responsible Organization:

Puerto Rico Department of Housing

Overall	Jan 1 thru Mar 31, 2025	To Date
Total Projected Budget from All Sources	\$0.00	\$350,000,000.00
Total Budget	\$0.00	\$350,000,000.00
Total Obligated	\$0.00	\$350,000,000.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
Puerto Rico Department of Housing	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

The purpose of this program is to maximize the benefit of federal grant programs by positioning CDBG-DR as the ideal local match program to other federal funding streams. This approach will relieve the financial burden related to the recovery efforts of Puerto Rico's Electrical Grid and Puerto Rico's long-term infrastructure resilience needs. Through the matching of funding provided by other federal agencies, critical infrastructure needs will be addressed making the Island more adaptable to changing conditions and able to withstand and recover rapidly from disruptions caused by future disasters. At this time, most long-term reconstruction projects are still in preparation. As a result, the exact amount of CDBG-DR funds necessary to meet the entire universe of non-federal match requirements is still being assessed. PRDOH will collaborate with COR3 on long-term natural hazards resilience strategies and how infrastructure investments align with other planned Puerto Rican or local capital improvements.

Location Description:

Improvement of electrical power system throughout the island.

Activity Progress Narrative:

During the reporting period, the PRDOH completed the 3rd Action Plan Amendment to document the revised strategy for PW selection and the National Objective compliance requirements, as clarified by HUD. On March 5th 2025, PRDOH sent a waiver request to HUD with a proposal to adopt the FEMA validation of Federal Compliance and Labor Standards Requirements to process cost share for the CDBG-DR Match Programs, including ER1.



On March 12th, 2025, a coordination meeting was held with the PR Energy Czar, PREPA, and COR3 to discuss the CDBG-DR Energy Compliance Requirements, the match implementation strategy, and the project selection process. Additionally, on March 17th, 2025, version 2 of the Program Guidelines was published to align with the current Action Plan.

On March 19th, 2025, Administrative Order 25-23 was approved to exempt the ER1 Program from complying with the PRDOH Procurement Manual for the CDBG-DR/MIT Program and allow the adoption of FEMA's Procurement Requirements. The Program continued the review and recommendation for match payment for the PWs' eligible costs.

In addition, the Program held multiple meetings with PREPA to discuss the ER1 compliance requirements, the requested documentation as part of the PWs review process, and upcoming priority projects with local match need.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Grantee Activity Number: ESP-IER1DOH-UN

Activity Title: Energy Grid Rehab and Recon ER1 UN

Activity Type:
Electrical power system improvements

Project Number:
Infrastructure ER1 B-18-DE-72-0001

Projected Start Date:
08/05/2022

Benefit Type:
Area (Census)

National Objective:
Urgent Need

Activity Status:
Planned

Project Title:
Infrastructure Energy Program ER1

Projected End Date:
08/05/2028

Completed Activity Actual End Date:

Responsible Organization:
Puerto Rico Department of Housing

Overall	Jan 1 thru Mar 31, 2025	To Date
Total Projected Budget from All Sources	\$0.00	\$150,000,000.00
Total Budget	\$0.00	\$150,000,000.00
Total Obligated	\$0.00	\$150,000,000.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
Puerto Rico Department of Housing	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

The purpose of this program is to maximize the benefit of federal grant programs by positioning CDBG-DR as the ideal local match program to other federal funding streams. This approach will relieve the financial burden related to the recovery efforts of Puerto Rico's Electrical Grid and Puerto Rico's long-term infrastructure resilience needs. Through the matching of funding provided by other federal agencies, critical infrastructure needs will be addressed making the Island more adaptable to changing conditions and able to withstand and recover rapidly from disruptions caused by future disasters. At this time, most long-term reconstruction projects are still in preparation. As a result, the exact amount of CDBG-DR funds necessary to meet the entire universe of non-federal match requirements is still being assessed. PRDOH will collaborate with COR3 on long-term natural hazards resilience strategies and how infrastructure investments align with other planned Puerto Rican or local capital improvements.

Location Description:

Improvement of electrical power system throughout the island.

Activity Progress Narrative:

During the reporting period, the PRDOH completed the 3rd Action Plan Amendment to document the revised strategy for PW selection and the National Objective compliance requirements, as clarified by HUD. On March 5th 2025, PRDOH sent a waiver request to HUD with a proposal to adopt the FEMA validation of Federal Compliance and Labor Standards Requirements to process cost share for the CDBG-DR Match Programs, including ER1.



On March 12th, 2025, a coordination meeting was held with the PR Energy Czar, PREPA, and COR3 to discuss the CDBG-DR Energy Compliance Requirements, the match implementation strategy, and the project selection process. Additionally, on March 17th, 2025, version 2 of the Program Guidelines was published to align with the current Action Plan. On March 19th, 2025, Administrative Order 25-23 was approved to exempt the ER1 Program from complying with the PRDOH Procurement Manual for the CDBG-DR/MIT Program and allow the adoption of FEMA's Procurement Requirements. The Program continued the review and recommendation for match payment for the PWs' eligible costs.

In addition, the Program held multiple meetings with PREPA to discuss the ER1 compliance requirements, the requested documentation as part of the PWs review process, and upcoming priority projects with local match need.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / Infrastructure ER2 B-18-DE-72-0001 / Infrastructure Energy



Grantee Activity Number: ESP-IER2DOH-LMI

Activity Title: Electric Power Resilience ER2 LM

Activity Type:

Electrical power system improvements

Project Number:

Infrastructure ER2 B-18-DE-72-0001

Projected Start Date:

08/05/2022

Benefit Type:

Area (Census)

National Objective:

Low/Mod

Activity Status:

Under Way

Project Title:

Infrastructure Energy Program ER2

Projected End Date:

08/05/2028

Completed Activity Actual End Date:

Responsible Organization:

Puerto Rico Department of Housing

Overall

Total Projected Budget from All Sources

Jan 1 thru Mar 31, 2025 To Date

\$0.00 \$921,484,326.00

Total Budget

\$0.00 \$921,484,326.00

Total Obligated

\$19,340.38 \$206,242,548.48

Total Funds Drawdown

\$961,535.79 \$4,993,157.21

Program Funds Drawdown

\$961,535.79 \$4,993,157.21

Program Income Drawdown

\$0.00 \$0.00

Program Income Received

\$0.00 \$0.00

Total Funds Expended

\$961,535.79 \$4,993,157.21

Puerto Rico Department of Housing

\$961,535.79 \$4,993,157.21

Most Impacted and Distressed Expended

\$961,535.79 \$4,993,157.21

Activity Description:

The Electrical Power Reliability and Resilience Program (ER2) provides assistance to applicants and subrecipients to create electrical system reliability and resilience. The program will serve the needs of communities by funding projects that are not currently anticipated to be funded from other federal or local sources. For construction activities, the awardee or subrecipient must agree to budget the operations and maintenance activities for the long-term sustainability of the electrical power system improvements. These multi-year budgets for operations and maintenance will apply for the useful life of the improvement or enhancement. Projects must demonstrate leverage, with the ER2 award consisting of not more than 60% of the proposed project cost, depending on the size and scale, and other factors of the project, as it will be outlined in the Program Guidelines. Publicly owned projects may receive an award up to 100% of the proposed project cost. Program funds will be provided for infrastructure and physical assets that qualify as Electrical Power System Improvements. Projects are encouraged to integrate energy assets and contribute to the diversification of energy resources. Projects pursued as Microgrids shall conform to the Microgrid Regulations, as approved by the Puerto Rico Energy Bureau (PREB).198 Projects will be evaluated to identify opportunities for alignment with efforts to increase energy efficiency. PRDOH anticipates that approximately 80% of projects funded under ER2 will qualify as Other sources of power, distributed energy, microgrids components. PRDOH understands the importance of proper land-use, so projects proposed as solar farms may only be allowed in accordance with permissible land-use, permits and applicable zoning regulations. PRDOH will seek opportunities to utilize brownfields and the built environment as per EPA guidance and recommendations. PRDOH may use procurement methods in accordance with PRDOH policies and procedures. Additionally, PRDOH may utilize direct and subrecipient selection methods in accordance with its policies and procedures and Program Guidelines. Eligible activities to be outlined in the Program Guidelines may include, but are not limited to, the range of eligible activities allowable under PREB microgrid and renewable energy regulations such as



renewable, hybrid, and combined heat and power (CHP) microgrids or mini-grids, and electric power based on solar energy to foster distributed power generation (DGs). Potential models may include business structures such as Community Solar, Energy Wheeling, Power Purchase and Operating Agreements (PPOA), Private Utility, or other business models approved by PREB. To strengthen coordination with other relevant governmental agencies of Puerto Rico, PRDOH may work closely with those relevant governmental agencies in the review of potential activities.

The ER2 Program allocation will be used for the following:

*The strategic selection of eligible projects of public benefit selected by PRDOH and other critical stakeholders; and/or

*The competitive selection of eligible projects proposed by eligible entities through an application process.

Location Description:

Improvement of electrical power system throughout the island.

Activity Progress Narrative:

During the reporting period, the Puerto Rico Department of Housing (PRDOH) and the Program Management team have made significant progress for both strategic and competitive projects under ER2, designed to achieve a range of measurable outcomes, including reducing the frequency and duration of power outages for low- and moderate-income (LMI) residents and critical facilities/services, lowering utility costs related to generation, transmission, distribution, operations, maintenance, and administration, decreasing reliance on fossil fuels while increasing renewable energy generation, and ultimately lowering energy costs and consumption by improving electric service reliability and resilience.

A key challenge in developing these performance measures is the difficulty in obtaining critical data. However, LUMA's ongoing efforts focus on projects related to grid interconnection, which are essential for establishing baselines and reporting outcomes. Another challenge is accurately assessing the impact of specific projects funded by the grant, especially since other non-CDBG-funded energy-sector improvement initiatives are being implemented concurrently, also influencing grid performance. In response, PRDOH has identified additional accomplishments, performance measures, and measurement tools that align better with available resources for both measurement and reporting. To streamline this process, PRDOH has classified projects into three categories: LMA (Island-wide Area of Benefit for utility-scale projects benefiting the grid), LMA (microgrids AOB for projects with defined boundaries serving LMI populations), and UN (critical service facilities not directly serving LMI populations).

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Grantee Activity Number: ESP-IER2DOH-UN

Activity Title: Electric Power Resilience ER2 UN

Activity Type:

Electrical power system improvements

Project Number:

Infrastructure ER2 B-18-DE-72-0001

Projected Start Date:

08/05/2022

Benefit Type:

Area (Census)

National Objective:

Urgent Need

Activity Status:

Under Way

Project Title:

Infrastructure Energy Program ER2

Projected End Date:

08/05/2028

Completed Activity Actual End Date:

Responsible Organization:

Puerto Rico Department of Housing

Overall	Jan 1 thru Mar 31, 2025	To Date
Total Projected Budget from All Sources	\$0.00	\$394,921,854.00
Total Budget	\$0.00	\$394,921,854.00
Total Obligated	\$8,288.64	\$90,920,693.43
Total Funds Drawdown	\$102,019.32	\$672,595.94
Program Funds Drawdown	\$102,019.32	\$672,595.94
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$102,019.32	\$672,595.94
Puerto Rico Department of Housing	\$102,019.32	\$672,595.94
Most Impacted and Distressed Expended	\$102,019.32	\$672,595.94

Activity Description:

The Electrical Power Reliability and Resilience Program (ER2) provides assistance to applicants and subrecipients to create electrical system reliability and resilience. The program will serve the needs of communities by funding projects that are not currently anticipated to be funded from other federal or local sources. For construction activities, the awardee or subrecipient must agree to budget the operations and maintenance activities for the long-term sustainability of the electrical power system improvements. These multi-year budgets for operations and maintenance will apply for the useful life of the improvement or enhancement. Projects must demonstrate leverage, with the ER2 award consisting of not more than 60% of the proposed project cost, depending on the size and scale, and other factors of the project, as it will be outlined in the Program Guidelines. Publicly owned projects may receive an award up to 100% of the proposed project cost. Program funds will be provided for infrastructure and physical assets that qualify as Electrical Power System Improvements. Projects are encouraged to integrate energy assets and contribute to the diversification of energy resources. Projects pursued as Microgrids shall conform to the Microgrid Regulations, as approved by the Puerto Rico Energy Bureau (PREB).198 Projects will be evaluated to identify opportunities for alignment with efforts to increase energy efficiency. PRDOH anticipates that approximately 80% of projects funded under ER2 will qualify as Other sources of power, distributed energy, microgrids components. PRDOH understands the importance of proper land-use, so projects proposed as solar farms may only be allowed in accordance with permissible land-use, permits and applicable zoning regulations. PRDOH will seek opportunities to utilize brownfields and the built environment as per EPA guidance and recommendations. PRDOH may use procurement methods in accordance with PRDOH policies and procedures. Additionally, PRDOH may utilize direct and subrecipient selection methods in accordance with its policies and procedures and Program Guidelines. Eligible activities to be outlined in the Program Guidelines may include, but are not limited to, the range of eligible activities allowable under PREB microgrid and renewable energy regulations such as



renewable, hybrid, and combined heat and power (CHP) microgrids or mini-grids, and electric power based on solar energy to foster distributed power generation (DGs). Potential models may include business structures such as Community Solar, Energy Wheeling, Power Purchase and Operating Agreements (PPOA), Private Utility, or other business models approved by PREB. To strengthen coordination with other relevant governmental agencies of Puerto Rico, PRDOH may work closely with those relevant governmental agencies in the review of potential activities.

The ER2 Program allocation will be used for the following:

*The strategic selection of eligible projects of public benefit selected by PRDOH and other critical stakeholders; and/or

*The competitive selection of eligible projects proposed by eligible entities through an application process.

Location Description:

Improvement of electrical power system throughout the island.

Activity Progress Narrative:

During the reporting period, the Puerto Rico Department of Housing (PRDOH) and the Program Management team have made significant progress for both strategic and competitive projects under ER2, designed to achieve a range of measurable outcomes, including reducing the frequency and duration of power outages for low- and moderate-income (LMI) residents and critical facilities/services, lowering utility costs related to generation, transmission, distribution, operations, maintenance, and administration, decreasing reliance on fossil fuels while increasing renewable energy generation, and ultimately lowering energy costs and consumption by improving electric service reliability and resilience.

A key challenge in developing these performance measures is the difficulty in obtaining critical data. However, LUMA's ongoing efforts focus on projects related to grid interconnection, which are essential for establishing baselines and reporting outcomes. Another challenge is accurately assessing the impact of specific projects funded by the grant, especially since other non-CDBG-funded energy-sector improvement initiatives are being implemented concurrently, also influencing grid performance. In response, PRDOH has identified additional accomplishments, performance measures, and measurement tools that align better with available resources for both measurement and reporting. To streamline this process, PRDOH has classified projects into three categories: LMA (Island-wide Area of Benefit for utility-scale projects benefiting the grid), LMA (microgrids AOB for projects with defined boundaries serving LMI populations), and UN (critical service facilities not directly serving LMI populations).

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / Planning B-18-DE-72-0001 / Energy Program Planning



Grantee Activity Number: ESP-PLNDOH-NA

Activity Title: Energy Program Planning

Activity Type:

Planning

Activity Status:

Under Way

Project Number:

Planning B-18-DE-72-0001

Project Title:

Energy Program Planning

Projected Start Date:

08/05/2022

Projected End Date:

08/05/2028

Benefit Type:

N/A

Completed Activity Actual End Date:**National Objective:**

N/A

Responsible Organization:

Puerto Rico Department of Housing

Overall	Jan 1 thru Mar 31, 2025	To Date
Total Projected Budget from All Sources	\$0.00	\$19,323,470.00
Total Budget	\$0.00	\$19,323,470.00
Total Obligated	\$4,264.39	\$54,302.41
Total Funds Drawdown	\$4,264.39	\$18,302.41
Program Funds Drawdown	\$4,264.39	\$18,302.41
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$4,264.39	\$18,302.41
Puerto Rico Department of Housing	\$4,264.39	\$18,302.41
Most Impacted and Distressed Expended	\$18,302.41	\$18,302.41

Activity Description:

On the Planning side, electric vehicles will quickly become an important consideration for the Island energy improvements. DDEC outlined an initiative for a three-phase approach to planning for EV integration, including research and planning, an infrastructure deployment program, and community engagement and education. PRDOH will fund these activities under the planning funds, starting with Phase one (1) for Research and Strategic Planning, and funding Phases two (2) to three (3) upon successful completion of Phase one (1), while also allowing DDEC to explore funding options through DOE or other sources.

Location Description:

The planning activities for this fund will be carried at the Puerto Rico Department of Housing located in San Juan, Puerto Rico.

Activity Progress Narrative:

During the reporting period, the Puerto Rico Department of Housing (PRDOH) and the Program Management team have made significant progress in the ER2 Competitive Projects Feasibility Review phase. While the Environmental Screening Review process is ongoing, the team is also maintaining consultations with LUMA and PREPA. Weekly meetings are being held to identify opportunities for process improvement and tackle specific project and review-related concerns. Regarding the ER2 strategic projects, specifically the Centro Médico Microgrid (CMM) and the Department of Economic Development and Commerce's Energy Support Program, several activities have been conducted for the CMM. MSJ signed a Subrecipient Agreement (SRA) with PRDOH on 11/17/2024. Additionally, SJU issued a Request for Proposal (RFP) for Architectural and Engineering (A&E) services on 1/29/2025, received proposals on 2/28/2025 and is currently in the process of reviewing them for approval and selection. A meeting has been

scheduled for 4/29/2025 with the leadership of PRDOH, ASEM, and MSJ to discuss the development and implementation of the CMM project.

For the ER2 strategic project managed by DDEC, a total of 266 applications were received. However, after accounting for duplicates (20), non-responsive applications (65), voluntary withdrawals (8), and Ineligible applications (51), there are currently 122 active applications. DDEC is progressing with the eligibility evaluation process for these applications. Upon completion of the eligibility reviews, the applications will proceed to the environmental review phase. Pre-eligibility is expected to be completed by the end of Q2-2025. In the meantime, 97 cases with completed pre-eligibility have already been referred for environmental pre-screening and review.

During the reporting period, Under ER1, the Puerto Rico Department of Housing (PRDOH) continued its coordination efforts with program stakeholders, including PREPA, COR3, and the newly established Energy Czar Office, created by an executive order from Governor Jenniffer González Colón. Additionally, PRDOH maintained timely and proactive communication with program partners to facilitate program implementation and decision-making. As part of these efforts, PRDOH requested that the Subrecipient, PREPA, identify priority projects that are well-suited to receive ER1 funding. Moreover, PRDOH has made significant progress in advancing program implementation initiatives aimed at improving efficiency and reducing administrative burdens. These initiatives include: (1) adopting FEMA federal compliance validation processes, where possible, through administrative orders and waiver requests, and (2) updating the ER1 Program Guidelines to reflect the latest program strategy developments."

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Monitoring, Audit, and Technical Assistance

Event Type	This Report Period	To Date
Monitoring, Audits, and Technical Assistance	9	21
Monitoring Visits	0	2
Audit Visits	0	0
Technical Assistance Visits	9	19
Monitoring/Technical Assistance Visits	0	0
Report/Letter Issued	0	2

