

# Puerto Rico Electric Power Authority's continued woes

## PREPA's situation after Hurricane Maria



Donald J. Trump  
@realDonaldTrump



Texas & Florida are doing great but Puerto Rico, which was already suffering from broken infrastructure & massive debt, is in deep trouble..

8:45 PM - Sep 25, 2017

...It's old electrical grid, which was in terrible shape, was devastated. Much of the Island was destroyed, with billions of dollars...

8:50 PM - Sep 25, 2017



Although Congress was quick to respond to Hurricane Harvey, Sarah Huckabee Sanders has said it is too early to request a disaster relief spending amount from Congress for Puerto Rico. PREPA's financial issues over the past few years are likely to further complicate matters as some members of Congress will be less willing to invest in and rebuild power plants for a company that effectively filed bankruptcy earlier this year. Two senior House GOP officials told CNN they expect the Trump administration will submit a official request in mid-October.



Unlike Florida after Hurricane Irma, Puerto Rico is unlikely to restore electricity across the island quickly. As President Trump noted in his Tweets, PREPA's aged infrastructure will prove to be a challenge in getting power plants back online.

## PREPA timeline

1941

1992

2001

2014

2017

Puerto Rico Electric Power Authority is established (then called the Puerto Rico Water Resources Authority)

Energy policy act allows private companies to build power plants and sell directly to residential/business customers

Due to its reliance on oil-burning power plants, PREPA occupies the top four spots on the EPA's 2001 list of polluters

Citigroup restricts PREPA's line of credit. PREPA operates on a deficit of \$354 million against revenue of \$4.8 billion

\$9 billion in debt, PREPA files for bankruptcy under the 2016 Puerto Rico rescue law known as PROMESA

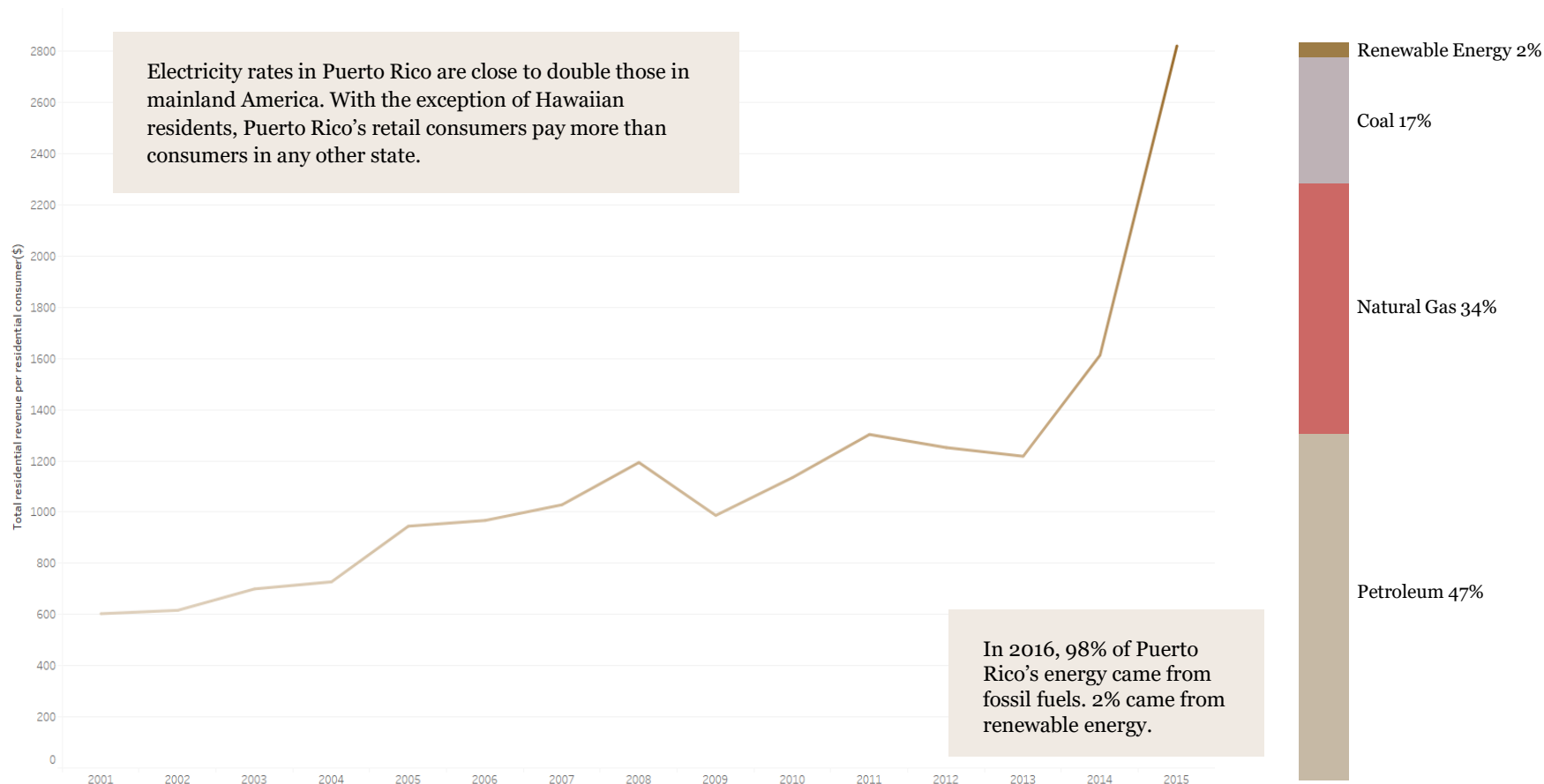
Sources: Mary Williams Walsh, "Puerto Rico's Power Authority effectively files for bankruptcy," The New York Times, July 2, 2017.

Chase Purdy, "Solar, wind, and water account for 2% of Puerto Rico's energy – and now it's 100% in the dark, Quartz, September 21, 2017.

US Energy Information Administration.

# Where PREPA's energy comes from and PREPA's revenue per residential customer

## Total PREPA revenue per residential consumer, 2001-2015



Source: US Energy Information Administration.