

Environmental Law, Energy & Land Use Practice Group

August 28, 2023

NOTICE TO CLIENTS AND FRIENDS

CDBG-DR Electric Power Reliability and Resilience Program.

During August 2023, the Puerto Rico Department of Housing (“PRDH”) announced the launch of the Electric Power Reliability and Resilience Program (ER2) for the use of CDBG-DR fund assigned by the Department of Housing and Urban Development (“HUD”). This program seeks to decentralize the generation capacity and energy storage with the goal of reducing the number of blackouts as well as supporting the push to renewable energy as established in Act 17-2019¹. Below the most significant details about the program:

- *Application* - The parties interested in applying for the use of such funds must submit their applications between **August 15, 2023**, and **November 13, 2023**.
- *Project Selection* – The project proposal submitted will be selected under one of these subgroups: **Strategic Projects** or **Competitive Proposal**.
- *Program Eligibility* – It has been determined that for the proposals to be financed by the ER2 they shall meet the following requirements:
 - Comply with one of the HUD National Objectives.
 - Be an “electrical grid improvement” activity under the CDBG-DR Program.
 - Address an eligible and unmet need after ensuring there is no duplicity of efforts.
 - Be feasible and sustainable with all the other allocated funds, *if applicable*.
- *Eligible Entities* – To be eligible to receive funds from the ER2, the applicant must be one of the following:
 - Departments, Authorities, Trusts, and Board of the Government of Puerto Rico
 - Public-Private Partnerships, as established in Act 29-2009, as amended.
 - Municipalities of the Government of Puerto Rico.
 - For-Profit Businesses.
 - Public hospitals or health system entities.
 - Non-Governmental Organizations (NGOs).

To further discuss or obtain additional information on how to take advantage of this opportunity, please feel free to contact us at your convenience.

¹ Act 17-2019 sets as a goal that Puerto Rico will have 40% and 100% of renewable energy by 2025 and 2050, respectively.