

**Limited Progress Toward Stability and Opportunities Exist to Improve Federal Assistance**

GAO-26-107772

June 2026

A report to the Ranking Member, Committee on Natural Resources, House of Representatives

For more information, contact: Janet McKelvey at [mckelveyj@gao.gov](mailto:mckelveyj@gao.gov)

**What GAO Found**

The Department of Homeland Security’s (DHS) Federal Emergency Management Agency (FEMA), the Department of Housing and Urban Development (HUD), and the Department of Energy (DOE) have obligated about \$14 billion for Puerto Rico’s grid recovery and modernization since 2017, but limited funding has been disbursed. About \$2.7 billion of about \$11.1 billion obligated by FEMA has been disbursed since 2017, largely for equipment and materials and architecture and engineering. In addition to FEMA, HUD and DOE obligated about \$2.3 billion and \$937 million respectively. However, most of these funds have not been disbursed. Moreover, DOE has reallocated or canceled about \$715 million originally for community and low-income households’ solar projects to address grid stability and other needs yet to be determined.

Limited progress has been made toward grid stability in key areas using federal assistance, with nine large FEMA projects complete. Key areas include repairing select transmission lines; modernizing operations; and clearing vegetation from transmission and distribution lines. Stakeholders cited clearing vegetation as an urgent priority; however, as of February 2026, about 400 miles had been cleared using federal funds out of 16,000 miles planned for vegetation clearing.

**Examples of Overgrown Vegetation Near Power Lines in Puerto Rico**



Source: GAO. | GAO-26-107772

According to stakeholders GAO interviewed, several factors are hindering progress, including project review processes, staff turnover, the complexity of project funding, the Puerto Rico Electric Power Authority’s (PREPA) financial condition, and uncertainty around entities involved in recovery. Subsequent disasters and compounding events have also complicated the recovery. However, opportunities exist to improve federal assistance. For example, FEMA’s review process involves conducting required environmental and historic preservation reviews that some stakeholders said can extend the review process by months or years. FEMA has taken steps to streamline the process, such as by adopting categorical exclusions, but it has not updated guidance to reflect these flexibilities. Also, objectives, and roles and responsibilities of key entities are not fully documented, and a formal coordination mechanism that includes all relevant Puerto Rico and federal entities does not exist. Given the complexity of funding and the numerous stakeholders involved, documenting roles and responsibilities, and establishing a coordination mechanism could help enhance efficiency.

**Why GAO Did This Study**

In 2017, hurricanes knocked out Puerto Rico’s electricity grid, causing an 11-month blackout. Since 2017, a series of disasters—including earthquakes in 2019 and 2020 and Hurricane Fiona in 2022—have disrupted the recovery of Puerto Rico’s electricity grid. In recent years, power outages have become more frequent, including a total blackout in April 2025, that lasted almost 2 days.

The federal government has appropriated billions of dollars to support Puerto Rico’s grid recovery and modernization. FEMA, HUD, and DOE support Puerto Rico’s grid recovery by providing financial assistance. GAO was asked to examine federal efforts to support Puerto Rico’s grid recovery and modernization. This report examines (1) the financial assistance that FEMA, HUD, and DOE have provided to support Puerto Rico’s grid recovery since 2017; and (2) how FEMA, HUD, and DOE financial assistance has supported Puerto Rico’s grid recovery and modernization, and any factors hindering progress.

GAO analyzed relevant documents and data; conducted a site visit; and interviewed federal and Puerto Rico officials as well as representatives from contractors operating and maintaining PREPA facilities and assets, including LUMA Energy and Genera PR.

**What GAO Recommends**

GAO is making five recommendations—three to FEMA, and two to DOE—including that FEMA update guidance to reflect any flexibilities, such as categorical exclusions. GAO is also recommending that DOE, in coordination with other entities, clarify objectives, roles, and responsibilities; and establish a mechanism for collaboration. DHS and DOE agreed with GAO’s recommendations.