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Puerto Rico Signs Law to Overhaul Storm-Battered Energy Utility.

- **Governor says it makes island a ‘more competitive destination’**
- **Public power company followed government into bankruptcy**

Puerto Rico Governor Ricardo Rossello signed into law Wednesday a bill that clears the way for the partial privatization of the island’s bankrupt electric company, which has been plagued by aging infrastructure and mismanagement that left millions in the dark after Hurricane Maria.

In addition to heralding a more storm-resistant energy grid, Rossello promised that the move would also lower above-mainland electricity prices for homes and business. It allows the government to move forward with a plan that could sell off power generation assets and put the transmission and distribution business under a private concessionaire.

“Today, we begin to see Puerto Rico as a more competitive destination, where quality of life will improve because the cost of energy will drop and the environmental impact will be reduced,” Rossello said Wednesday at the signing ceremony in the northwest municipality of Isabela.

Puerto Rico has defaulted on its debt, and is drastically restructuring its government portfolio. The partial privatization of the eight-decade-old monopoly, known as Prepa, has long been advocated by the fiscal oversight board installed by federal lawmakers. But it may have a political cost on the island, where many are wary of mainland profiteers and question whether electricity prices will actually come down.

Prices on Puerto Rico bonds have rebounded this year from the record lows they hit after Maria. Prepa bonds maturing in 2042 traded Wednesday at an average price of 42.5 cents on the dollar, up from nearly 30 cents at the start of 2018, data compiled by Bloomberg show.

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— *With assistance by Michelle Kaske*