

(H. B. 267)

(No. 1-2025)

(Approved March 3, 2025)

To amend Section 1.6 of Act No. 17-2019, known as the “Puerto Rico Energy Public Policy Act” and Sections 2.3 and 2.13 of Act No. 82-2010, as amended, known as the “Public Policy on Energy Diversification by Means of Sustainable and Alternative Renewable Energy in Puerto Rico Act,” to conform the energy public policy objectives to the urgent and precarious reality of Puerto Rico’s energy emergency; ensure the attainment of the goals established for the year 2050, particularly, the urgent need to address the reliability and resilience of the electric power service; provide for compliance with this Act; and for other related purposes.

STATEMENT OF MOTIVES

There is no greater priority for a government than to ensure energy security and stability through a modern, reliable, resilient, and cost-effective electric power system and infrastructure. Achieving energy security is the only way to ensure the effective rendering of other essential services to the People, including public safety, health care, telecommunications, and transportation services, as well as economic development and growth, and job creation, all of which are essential to Puerto Rico. This clear priority should be the basis for Puerto Rico's energy public policy until we achieve the established goals.

The Government of Puerto Rico’s public policy for the last ten years has been to diversify the renewable energy portfolio of our electrical system in order to reduce our reliance on fossil fuels which are very harmful to our health and environment.

Even though great advances have been made in renewable energy and Puerto Rico has made attempts to expedite their integration into its renewable energy portfolio, in truth, energy insecurity still persists despite the existence of private

operators and the availability of federal funds. The challenges are further exacerbated by Puerto Rico's fiscal problems, its inability to tap into the financial market, and the delays in the reconstruction of the electrical power system thus preventing the attainment of the medium-term goals established in Act No. 17-2019, known as the Puerto Rico Energy Public Policy Act and in Act No. 82-2010, as amended, known as the Public Policy on Energy Diversification by Means of Sustainable and Alternative Renewable Energy in Puerto Rico Act. Furthermore, the integration of these renewable energy sources at this time would entail an excessive increase in energy costs for consumers due to their intermittent and variable nature. The high demand for renewable energy sources worldwide in conjunction with the limitations imposed by the medium-term goals currently established by Act No. 17-2019 have kept the price of renewable energy sources too high. We need clean energy that our People can also afford.

Although commendable, we must revise the measures imposed by law to conform them to the reality of our People and the times in order to address this emergency. Nevertheless, we shall maintain the goal of having Puerto Rico's electrical system generate 100% of its energy from renewable sources by the year 2050.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1.- Section 1.6 of Act No. 17-2019, as amended, is hereby amended to read as follows:

“Section 1.6.- Initial Objectives

The goal of the energy public policy is to achieve, among others, the following initial objectives:

- 1) ...
- 2) ...

3) To eliminate the use of coal as an energy source on or before December 31, 2032.

4) ...

5) ...

6) ...

7) Insofar as technology allows without compromising the reliability, stability, and continuity of the electric power system, to reduce and eventually eliminate electric power generation from fossil fuels through the gradual and orderly integration of alternative renewable energy while safeguarding the stability of the Electrical System at a reasonable cost and maximizing renewable energy resources in the short-, medium-, and long-term. For such purpose, a Renewable Portfolio Standard is established in order to achieve one hundred percent (100%) generation and meet demand by 2050.

8) ...

9) ...

10) ...

11) To make the equipment...

12) To strengthen the...

13) To require every...

14) To establish the elements necessary for the People of Puerto Rico to attain their goal of having a modern, reliable, resilient, and stable Electrical System with rates below twenty cents per kilowatt-hour (\$0.20/ kWh) and clean, modern, and reliable energy which shall serve as the basis for Puerto Rico's sustainable economic development.

Section 2.- Section 2.3 of Act No. 82-2010, as amended, is hereby amended to read as follows:

“Section 2.3.- Renewable Portfolio Standard

(a) ...

(b) For the year 2050, the Renewable Portfolio Standard applicable to each retail electricity supplier shall be one hundred percent (100%).

(c) For each calendar year...

(d)

(e)

(f) All that pertains to...”

Section 3.- Section 2.13 of Act No. 82-2010, as amended, is hereby amended to read as follows:

“Section 2.13.- Prohibition Against the Use of Coal

As part of the public policy of the Government of Puerto Rico to responsibly reduce our reliance on fossil fuels, the award of new contracts and/or the granting of permits to establish power plants that generate energy from coal and its derivatives is hereby prohibited. Likewise, no permits or amendments to contracts existing as of the approval of the Puerto Rico Energy Public Policy Act may authorize or consider coal burning as a power generation source after the date provided herein.

For purposes of eliminating the use of coal, the existing maximum coal-fired power generation capacity may be replaced by a new equivalent and non-intermittent (base load) power generation capacity from other sources that are compliant with Puerto Rico Energy Public Policy Act by extending contracts and/or renewing existing permits based on the new generation source. The replacement of the coal-fired power generation capacity with other energy sources shall be authorized by the Bureau in accordance with the applicable legal requirements and result in the total elimination of the use of coal as an energy source in Puerto Rico. Should the renewal

of existing permits or the granting of new permits be necessary to replace the existing generation capacity, all permits, consultations, variances, endorsements, certifications, concessions, and authorizations necessary including, but not limited to, all the procedures necessary to comply with Act No. 416-2004, as amended, known as the ‘Environmental Public Policy Act,’ shall be processed by the Permit Management Office and all other agencies concerned following the streamlined procedures established for states of emergency.”

Section 4.- Transition Clause

Any natural or juridical person or public or private entity required to comply with the purposes of Act No. 17-2019, as amended, whether now or in the future, shall amend its rules, regulations, standards, and procedures to comply with the provisions of this Act to ensure strict compliance with Puerto Rico’s Energy Public Policy.

Section 5.- Effectiveness

This Act shall take effect upon its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 1-2025 (H.B. 267)** of the **1st Regular Session** of the **20th Legislative Assembly of Puerto Rico**:

AN ACT to amend Section 1.6 of Act No. 17-2019, known as the “Puerto Rico Energy Public Policy Act” and Sections 2.3 and 2.13 of Act No. 82-2010, as amended, known as the “Public Policy on Energy Diversification by Means of Sustainable and Alternative Renewable Energy in Puerto Rico Act,” to conform the energy public policy objectives to the urgent and precarious reality of Puerto Rico’s energy emergency; ensure the attainment of the goals established for the year 2050, particularly, the urgent need to address the reliability and resilience of the electric power service; provide for compliance with this Act; and for other related purposes.

has been translated from Spanish to English and the English version is correct.

In San Juan, Puerto Rico, on this 9th day of April, 2025.

Olga E. López Iglesias, Esq.
Director