(H. B. 268)

(No. 2-2025)

(Approved March 19, 2025)

AN ACT

To amend Section 6.36 of Act No. 57-2014, as amended, known as the "Energy Transformation and RELIEF Act," to increase the fines that may be imposed and facilitate the collection thereof; and for other related purposes.

STATEMENT OF MOTIVES

Based on the Government of Puerto Rico's experiences in contracting for the operation and maintenance of the power grid through public-private partnerships, the Government of Puerto Rico expresses the pressing need to provide the Energy Bureau with greater oversight authority over regulated entities. For such reasons, we hereby increase the penalties that the Energy Bureau may impose on regulated entities to deter noncompliance thereby optimizing the services rendered by regulated operators while the electric power service provided to consumers is improved.

Furthermore, the Energy Bureau is hereby authorized to seize any amount owed to the regulated private operator by any agency, body, office, public corporation, program, or entity of the Government of Puerto Rico to ensure the collection of such penalty.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1.- Section 6.36 of Act No. 57-2014, as amended, is hereby amended to read as follows:

"Section 6.36.- Penalties for Noncompliance.

The Energy Bureau, in accordance with the powers, duties, and authorities granted thereto by this or any other law of the Government of Puerto Rico, may:

(a) Impose administrative fines for violations of this Act, or the regulations and orders issued thereunder, committed by any person or electric power company subject to its jurisdiction, ranging from ten thousand dollars ($10,000) up to one hundred twenty-five thousand dollars ($125,000) per day for each violation. Notwithstanding the foregoing, said fines shall never exceed five percent (5%) of annual gross sales (including any service fee in the case of private operators), fifteen percent (15%) of annual net income, or ten percent (10%) of the net assets of the sanctioned energy person or electric power company. The greater of the aforementioned amounts corresponding to the previous or most recent taxable year shall be the amount of the fine.

(b) If the person or regulated electric power company continues in violation of this Act or the regulations or orders issued thereunder, the Energy Bureau may impose additional fines of not less than fifteen thousand dollars ($15,000) nor more than two hundred fifty thousand dollars ($250,000) per day for each violation. In such case, the Energy Bureau by unanimous determination may impose fines up to twice the limits on the basis of sales, income, or assets set forth in subsection (a) of this Section.

(c) The fines imposed by the Energy Bureau on a private operator shall be paid by the Operator out of its own funds and be considered disallowed costs for the purposes of the contractual relationship with the State; therefore, fines shall not be paid with the revenues from the consumer fee or any other source impacting it.

The fines imposed on the Electric Power Authority shall be paid with revenues received by the public corporation from sources other than consumer fee revenues. If these revenues are not sufficient to pay the fines, such fines shall be covered by the operating budget of the public corporation.

The Energy Bureau shall deposit any amount collected on account of the administrative fines it imposes in a direct and separate account to be periodically credited to electric power service customers as part of the quarterly fuel cost reconciliation process.

(d) Any person who intentionally violates any provision of this Act, or omits, disregards, or refuses to obey, observe, and comply with any rule or decision of the Energy Bureau shall commit a felony and upon conviction shall be punished by imprisonment for a term not to exceed one (1) year and six (6) months, or by a fine of not less than one thousand five hundred dollars ($1,500) nor more than twenty-five thousand dollars ($25,000), at the discretion of the Court. In the event of repeat violations, the established penalty shall increase to a fine of not less than fifty thousand dollars ($50,000) nor more than one hundred thousand dollars ($100,000), at the discretion of the Court.

(e) The Energy Bureau may resort to the pertinent forums to seek any remedy, including account garnishment, to ensure enforcement of the penalties imposed or any other power thereof in accordance with this Act.

(f) Upon imposing a sanction under this Section, the Energy Bureau may direct any agency, body, office, public corporation, program, or entity of the Government of Puerto Rico that owes a debt to the regulated operator to deposit the amount owed with the Energy Bureau, up to the amount of the sanction, to ensure that it is fully paid. Once the imposed sanction becomes final and binding, the Energy Bureau may collect the penalty from any funds under its custody corresponding to the sanctioned regulated operator."

Section 2.- Severability.

Should any clause, paragraph, sentence, word, article, provision, section, title, chapter, subchapter, heading, or part of this Act be declared void or unconstitutional, such ruling, holding, or judgment shall not affect, impair, or invalidate the remainder of this Act. The effect of said holding shall be limited to the clause, paragraph, sentence, word, article, provision, section, title, chapter, subchapter, heading, or part of this Act thus held to be void or unconstitutional. Should the application of any clause, paragraph, subparagraph, sentence, word, article, provision, section, title, chapter, heading, or part of this Act to any person or circumstance be declared void or unconstitutional, such ruling, holding, or judgment shall not affect or invalidate the application of the remainder of this Act to such persons or circumstances where it may be validly applied. It is the express and unequivocal will of this Legislative Assembly that the courts enforce the provisions and application of this Act to the greatest extent possible, even if it renders ineffective, voids, invalidates, impairs, or declares unconstitutional any part thereof, or even if it renders ineffective, invalidates, or declares unconstitutional the application thereof to any person or circumstance.

Section 3.-Effectiveness.

This Act shall take effect upon its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 2-2025 (H.B. 268)** of the **1st Regular Session** of the **20th Legislative Assembly of Puerto Rico:**

AN ACT to amend Section 6.36 of Act No. 57-2014, as amended, known as the "Energy Transformation and RELIEF Act," to increase the fines that may be imposed and facilitate the collection thereof; 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