

**(S. B. 892)**

**(No. 162)**

(Approved December 7, 2009)

**AN ACT**

To amend subsection C of Section 6 of Act No. 83 of May 2, 1941, as amended, known as the “Puerto Rico Electric Power Authority Act,” in order to empower the Electric Power Authority to impose administrative fines up to ten thousand dollars (\$10,000) to any person, whether natural or juridical, that violates or abets anyone to violate any provision of a regulation promulgated by the Authority and/or alters the electric system so as to prevent it from metering actual consumption.

**STATEMENT OF MOTIVES**

Act No. 83 of May 2, 1941, as amended, created the Puerto Rico Electric Power Authority (the PREPA), which is a public corporation and government instrumentality of the Government of Puerto Rico. Section 6 of its Organic Act grants the PREPA broad powers and financial and administrative discretion and autonomy to comply with its programs and activities. However, the PREPA is not empowered to impose administrative fines to anyone who tampers with or manipulates the equipment, enterprises, facilities, devices, instruments, wires, meters, transformers, and objects of any other analogous nature owned by the PREPA and that are used in connection with the production, transmission, distribution, and use and consumption of electric power produced by the PREPA. Even though energy theft has been criminalized as a misdemeanor, the PREPA Organic Act fails to empower the latter to impose administrative sanctions to anyone who violates any provision of the regulations promulgated by the PREPA and/or alters the electric system so as to prevent it from metering actual consumption.

Energy theft has boomed in recent years. The PREPA currently estimates the cost of improperly used or stolen energy in four hundred million dollars (\$400,000,000). The improper use or theft of energy not only harms the PREPA, but also its consumers, since the PREPA evenly distributes its production costs and operating expenses among its customers. This amendment to subsection C of Section 6 of the PREPA Organic Act is hereby introduced to empower the PREPA to impose administrative fines up to ten thousand dollars (\$10,000) to anyone who violates or abets anyone to violate any provision of a regulation promulgated by the Authority and/or alters the electric system so as to prevent it from metering actual consumption.

***BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:***

Section 1.- Subsection C of Section 6 of Act No. 83 of May 2, 1941, as amended, known as the “Puerto Rico Electric Power Authority Act,” is hereby amended to read as follows:

“Section 6.- Powers.-

(a) ...

(b) ...

(c) To prescribe, adopt, amend, and repeal bylaws and regulations governing the manner in which its general business may be conducted and the powers and duties granted to and imposed upon it by law may be exercised and performed; as well as, with the intention of guaranteeing the safety of persons or property, to regulate the use and enjoyment of its properties and of such other properties under its administration; the use and consumption of electric power; the tampering with and manipulation of equipment, enterprises, facilities, devices, instruments, wires, meters, transformers, and objects of any other analogous nature owned by the Electric Power Authority and used

in connection with the production, transmission, distribution, and use and consumption of the electric power produced by said Authority. The bylaws so adopted shall have force of law once the provisions of Act No. 170 of August 12, 1988, known as the “Uniform Administrative Procedures Act of the Government of Puerto Rico,” are complied with. Any natural or juridical person that violates or abets anyone to violate any provision of a bylaw promulgated in accordance herewith, shall incur a misdemeanor and upon conviction thereof, shall be punished by a fine of not less than twenty-five dollars (\$25) nor more than one hundred dollars (\$100) or imprisonment in jail for a term of not less than one (1) month nor more than three (3) months or both penalties at the discretion of the court. Furthermore, any natural or juridical person that violates or abets anyone to violate any provision of a regulation promulgated as provided herein, and/or alters the electric system so as to prevent it from metering actual consumption, may be subject to an administrative fine issued by the PREPA not to exceed ten thousand dollars (\$10,000).

(d) ...

Section 2.- This Act shall take effect immediately after its approval.

## CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 162 (S. B. 892)** of the **2<sup>nd</sup> Session of the 16<sup>th</sup> Legislature** of Puerto Rico:

**AN ACT** to amend subsection C of Section 6 of Act No. 83 of May 2, 1941, as amended, known as the "Puerto Rico Electric Power Authority Act," in order to empower the Electric Power Authority to impose administrative fines up to ten thousand dollars (\$10,000) to any person, whether natural or juridical, that violates or abets anyone to violate any provision of a regulation promulgated by the Authority and/or alters the electric system so as to prevent it from metering actual consumption.

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

In San Juan, Puerto Rico, on the 17<sup>th</sup> day of February, 2012.

María del Mar Ortiz Rivera