

(H. B. 3603)
(Conference)

(No. 189)

(Approved August 18, 2003)

AN ACT

To add a new subsection (t) to Section 6 of Act No. 83 of May 2, 1941, as amended, to empower the Puerto Rico Electric Power Authority to create, acquire, have and dispose of, in Puerto Rico or abroad, companies, entities or subsidiary corporations, for profit and nonprofit, affiliated or associated, according to the purposes established in this Act.

STATEMENT OF MOTIVES

Act No. 83 of May 2, 1941, as amended, created the Puerto Rico Electric Power Authority with the purpose of conserving, developing and utilizing Puerto Rico's water and energy sources to benefit the People of Puerto Rico in the widest economic manner and to promote the general welfare and increase commerce and prosperity for our people. To this end, the Puerto Rico Electric Power Authority needs to be acknowledged expressly in its enabling Act as having the power to establish, develop or acquire prompt and flexible administrative structures, such as subsidiary corporations, for profit or nonprofit, affiliated or associated, in Puerto Rico or abroad, which prepare it to compete in this industry.

In the near future, the Puerto Rico Electric Power Authority shall form part of a foreseeable competitive market in the production of electrical

energy. Proof of this are the debates in the Congress of the United States on the deregulation of the electrical energy industry.

Therefore, it is imperative for the Puerto Rico Electric Power Authority to expand its horizons, entering different markets related to the development of new technology, financing, establishment of projects linked to infrastructure, in Puerto Rico as well as abroad.

With the approval of this Act, the Puerto Rico Electric Power Authority shall contribute its experience and specialized knowledge to place itself at the same level as the multinational businesses that started the transformation of the electric power industry's market. Thus, the Authority shall have the alternative of offering better services which shall result in benefits for the People of Puerto Rico.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.- A new subsection (t) is hereby added to Section 6 of Act No. 83 of May 2, 1941, as amended, to read as follows:

“Section 6.- Powers of the Authority

The Authority is created for the purpose of conserving, developing, utilizing, and aiding in the conservation, development, and utilization of water and energy resources of Puerto Rico, for the purpose of making available to the inhabitants of the Commonwealth, in the widest economic manner, the benefits thereof and by this means to promote the general welfare and increase commerce and prosperity; and the Authority is granted and shall have and may exercise all rights and powers necessary or convenient for the carrying out of the aforesaid purposes, including (but without limiting the generality of the foregoing) the following:

(a) ...

(t) to create, in Puerto Rico or abroad, companies, entities, or subsidiary corporations, for profit or nonprofit, affiliated or associated, for purposes, among others, of developing, financing, building and operating industrial projects and other infrastructure directly related to the maximization of the Authority's electrical infrastructure, and acquiring, having and disposing of value and participation, contracts, bonds or other interests in other companies, entities or corporations, and exercising each and every power and right that such interest allows, provided that, in the Board's judgment, such act be necessary, appropriate or convenient to reach the Authority's purposes or to exercise its powers, and to sell, lease, grant or in any other way convey any property of such Authority or to delegate or transfer any of its rights, powers, functions or duties, to any of said companies, entities or corporations that are subject to its total or partial control, except the right to begin expropriation procedures. The above shall take place without detriment to the functions that other public corporations or government agencies of the Commonwealth of Puerto Rico currently have."

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. 189 (H.B. 3603) (Conference) of the 5th Session of the 14th Legislature of Puerto Rico:

AN ACT to add a new subsection (t) to Section 6 of Act No. 83 of May 2, 1941, as amended, to empower the Puerto Rico Electric Power Authority to create, acquire, have and dispose of, in Puerto Rico or abroad, companies, entities or subsidiary corporations, for profit and nonprofit, affiliated or associated, according to the purposes established in this Act,

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

In San Juan, Puerto Rico, today 28th of June of 2004.

Elba Rosa Rodríguez-Fuentes
Director