

Puerto Rico Electric Power Authority
Embedded Cost of Service Model
Scenario 1: FY2017 with Restructuring
May 27, 2016
Functionalization Cross Plant Ratio

Line	Account Number	Description	Plant in Service Per Books	Pro Forma Adjustments	Plant in Service	Functionalization Factor	Production	Transmission	Distribution
1		Production							
2		Steam							
3	31001 & 32001	Land and Land Rights	\$ 2,752,093	\$ -	\$ 2,752,093	Production	100.0%	0.0%	0.0%
4	31101-103	Structures and Improvements	\$ 403,416,910	\$ -	\$ 403,416,910	Production	100.0%	0.0%	0.0%
5	31104	Traveling Cranes	\$ 9,989,053	\$ -	\$ 9,989,053	Production	100.0%	0.0%	0.0%
6	31201	Boiler Plant Equipment	\$ 1,004,507,660	\$ -	\$ 1,004,507,660	Production	100.0%	0.0%	0.0%
7	31301	Engine Driven Generator	\$ 1	\$ -	\$ 1	Production	100.0%	0.0%	0.0%
8	31401 & 32301	Turbo Generator Units	\$ 1,003,420,848	\$ -	\$ 1,003,420,848	Production	100.0%	0.0%	0.0%
9	31501	Accessory Electric Equipment	\$ 190,748,327	\$ -	\$ 190,748,327	Production	100.0%	0.0%	0.0%
10	31504	Natural Disasters	\$ 7,409,209	\$ -	\$ 7,409,209	Production	100.0%	0.0%	0.0%
11	31505	Overhead	\$ 79,701,869	\$ -	\$ 79,701,869	Production	100.0%	0.0%	0.0%
12	31601	Miscellaneous Equipment	\$ 129,034,400	\$ -	\$ 129,034,400	Production	100.0%	0.0%	0.0%
13	Unclassified	Unclassified - Other Construction	\$ 8,000,000	\$ -	\$ 8,000,000	Production	100.0%	0.0%	0.0%
14									
15		Total	\$ 2,838,980,370	\$ -	\$ 2,838,980,370				
16									
17									
18		Hydro							
19	33001	Land and Land Rights	\$ 1,374,389	\$ -	\$ 1,374,389	Production	100.0%	0.0%	0.0%
20	33101-103	Structures and Improvements	\$ 35,103,984	\$ -	\$ 35,103,984	Production	100.0%	0.0%	0.0%
21	33104	Traveling Cranes	\$ 907,007	\$ -	\$ 907,007	Production	100.0%	0.0%	0.0%
22	33201-203	Reservoirs, Dams, and Waterways	\$ 31,704,156	\$ -	\$ 31,704,156	Production	100.0%	0.0%	0.0%
23	33205	Tunnels	\$ 13,180,708	\$ -	\$ 13,180,708	Production	100.0%	0.0%	0.0%
24	33206	Conc. Conduit and Waterways	\$ 6,911,945	\$ -	\$ 6,911,945	Production	100.0%	0.0%	0.0%
25	33207	Steel Penstocks	\$ 3,917,494	\$ -	\$ 3,917,494	Production	100.0%	0.0%	0.0%
26	33208	Operating Dwellings	\$ 3,040	\$ -	\$ 3,040	Production	100.0%	0.0%	0.0%
27	33301	Waterwheels, Turbines, and Generators	\$ 35,866,943	\$ -	\$ 35,866,943	Production	100.0%	0.0%	0.0%
28	33401	Accessory Electric Equipment	\$ 4,639,358	\$ -	\$ 4,639,358	Production	100.0%	0.0%	0.0%
29	33501	Miscellaneous Equipment	\$ 1,422,866	\$ -	\$ 1,422,866	Production	100.0%	0.0%	0.0%
30	33601	Roads, Railroads, and Bridges	\$ 4,221,834	\$ -	\$ 4,221,834	Production	100.0%	0.0%	0.0%
31	33602	Hoist House and Dwellings	\$ 12,686	\$ -	\$ 12,686	Production	100.0%	0.0%	0.0%
32									
33		Total	\$ 139,266,411	\$ -	\$ 139,266,411				
34									
35									
36		Other Production							
37	34001	Land and Land Rights	\$ 2,121,869	\$ -	\$ 2,121,869	Production	100.0%	0.0%	0.0%
38	34101-103	Structures and Improvements	\$ 59,516,703	\$ -	\$ 59,516,703	Production	100.0%	0.0%	0.0%
39	34104	Traveling Cranes	\$ 864,773	\$ -	\$ 864,773	Production	100.0%	0.0%	0.0%
40	34201	Fuel Holders	\$ 85,009,701	\$ -	\$ 85,009,701	Production	100.0%	0.0%	0.0%
41	34301	Prime Movers	\$ 925,219,601	\$ -	\$ 925,219,601	Production	100.0%	0.0%	0.0%
42	34401	Generators	\$ 257,654,435	\$ -	\$ 257,654,435	Production	100.0%	0.0%	0.0%
43	34501	Accessory Electric Equipment	\$ 106,841,301	\$ -	\$ 106,841,301	Production	100.0%	0.0%	0.0%
44	34601	Miscellaneous Equipment	\$ 97,714,702	\$ -	\$ 97,714,702	Production	100.0%	0.0%	0.0%
45		Unclassified - Other Construction	\$ -	\$ -	\$ -	Production	100.0%	0.0%	0.0%
46									
47		Total	\$ 1,534,943,084	\$ -	\$ 1,534,943,084				
48									
49									
50		Transmission							
51	35001	Land and Land Rights	\$ 39,511,638	\$ -	\$ 39,511,638	Transmission	0.0%	100.0%	0.0%
52	35101	Clearing and Right of Way	\$ 33,363	\$ -	\$ 33,363	Transmission	0.0%	100.0%	0.0%
53	35201-203, 35301-302	Structures and Improvements	\$ 160,184,419	\$ -	\$ 160,184,419	Transmission	0.0%	100.0%	0.0%
54	35303-304	Station Equipment	\$ 684,308,332	\$ -	\$ 684,308,332	Transmission	0.0%	100.0%	0.0%
55	35401-501-503	Poles, Towers, and Fixtures	\$ 619,361,137	\$ -	\$ 619,361,137	Transmission	0.0%	100.0%	0.0%
56	35504	Transmission - Natural Disasters	\$ 34,137,389	\$ -	\$ 34,137,389	Transmission	0.0%	100.0%	0.0%
57	35505	Transmission - Overhead	\$ 40,455,977	\$ -	\$ 40,455,977	Transmission	0.0%	100.0%	0.0%
58	35601	Overhead Conductors and Devices	\$ 328,034,734	\$ -	\$ 328,034,734	Transmission	0.0%	100.0%	0.0%
59	35701	Underground Conduit	\$ 83,403,810	\$ -	\$ 83,403,810	Transmission	0.0%	100.0%	0.0%
60	35801	Underground Conductors and Devices	\$ 253,045,037	\$ -	\$ 253,045,037	Transmission	0.0%	100.0%	0.0%
61	35901	Roads and Trails	\$ 160,897	\$ -	\$ 160,897	Transmission	0.0%	100.0%	0.0%
62		Total	\$ 2,242,636,732	\$ -	\$ 2,242,636,732				

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			Per Books	Pro Forma Adjustments	Plant in Service				
63		Distribution							
64	36001-36060	Land and Land Rights	\$ 1,307,214	\$ -	\$ 1,307,214	Distribution	0.0%	0.0%	100.0%
65	36101-103, 36201-202	Structures and Improvements	\$ 40,374,942	\$ -	\$ 40,374,942	Distribution	0.0%	0.0%	100.0%
66	36203-204	Station Equipment	\$ 282,600,120	\$ -	\$ 282,600,120	Distribution	0.0%	0.0%	100.0%
67	36301	Storage Battery Equipment	\$ 12,767,803	\$ -	\$ 12,767,803	Distribution	0.0%	0.0%	100.0%
68	36401-404-420-460	Poles, Towers, and Fixtures	\$ 766,916,427	\$ -	\$ 766,916,427	Distribution	0.0%	0.0%	100.0%
69	36501-560	Overhead Conductors and Devices	\$ 967,624,250	\$ -	\$ 967,624,250	Distribution	0.0%	0.0%	100.0%
70	36601	Underground Conduit	\$ 207,286,363	\$ -	\$ 207,286,363	Distribution	0.0%	0.0%	100.0%
71	36701	Underground Conductors and Devices	\$ 324,750,559	\$ -	\$ 324,750,559	Distribution	0.0%	0.0%	100.0%
72	36801-820	Line Transformers	\$ 386,831,146	\$ -	\$ 386,831,146	Distribution	0.0%	0.0%	100.0%
73	36901-960	Services	\$ 120,616,095	\$ -	\$ 120,616,095	Distribution	0.0%	0.0%	100.0%
74	37001	Meters	\$ 417,031,891	\$ -	\$ 417,031,891	Distribution	0.0%	0.0%	100.0%
75	37101	Installation on Customer Premises	\$ 11,807	\$ -	\$ 11,807	Distribution	0.0%	0.0%	100.0%
76	37201	Leased Property on Customer Premises	\$ -	\$ -	\$ -	Distribution	0.0%	0.0%	100.0%
77	37301	Street Lighting and Signal Systems	\$ 468,273,279	\$ -	\$ 468,273,279	Distribution	0.0%	0.0%	100.0%
78	01-1021-10200	Cayey Electric Plant	\$ -	\$ -	\$ -	Distribution	0.0%	0.0%	100.0%
79	A-13 final	Unclassified - Other Construction	\$ -	\$ -	\$ -	Distribution	0.0%	0.0%	100.0%
80									
81		Total	\$ 3,996,391,896	\$ -	\$ 3,996,391,896				
82									
83									
84		General Plant (including International Airport and Other Utility and Retirement WIP)							
85	38901	Land and Land Rights	\$ 49,144,877	\$ -	\$ 49,144,877	Labor Ratio	26.9%	8.8%	64.3%
86	39001-05	Structures and Improvements	\$ 362,957,978	\$ -	\$ 362,957,978	Labor Ratio	26.9%	8.8%	64.3%
87	39101-02	Office Furniture and Equipment - Microcomp	\$ 261,162,422	\$ -	\$ 261,162,422	Labor Ratio	26.9%	8.8%	64.3%
88	39201-08, 52-54, 61-65	Transportation Equipment	\$ 301,366,255	\$ -	\$ 301,366,255	Labor Ratio	26.9%	8.8%	64.3%
89	39301	Stores Equipment	\$ 3,531,936	\$ -	\$ 3,531,936	Labor Ratio	26.9%	8.8%	64.3%
90	39401	Tools, Shop, and Garage Equipment	\$ 30,027,251	\$ -	\$ 30,027,251	Labor Ratio	26.9%	8.8%	64.3%
91	39501	Laboratory Equipment	\$ 55,625,990	\$ -	\$ 55,625,990	Labor Ratio	26.9%	8.8%	64.3%
92	39504	Natural Disasters	\$ 45,929,216	\$ -	\$ 45,929,216	Labor Ratio	26.9%	8.8%	64.3%
93	39505	Overhead	\$ 6,423,263	\$ -	\$ 6,423,263	Labor Ratio	26.9%	8.8%	64.3%
94	39601	Power Operated Equipment	\$ 25,242,864	\$ -	\$ 25,242,864	Labor Ratio	26.9%	8.8%	64.3%
95	39701	Communication Equipment	\$ 145,194,055	\$ -	\$ 145,194,055	Labor Ratio	26.9%	8.8%	64.3%
96	39801	Miscellaneous Equipment	\$ 17,803,969	\$ -	\$ 17,803,969	Labor Ratio	26.9%	8.8%	64.3%
97	39802	Miscellaneous	\$ 10,837,501	\$ -	\$ 10,837,501	Labor Ratio	26.9%	8.8%	64.3%
98	39901	Other Tangible Property	\$ 37,865,584	\$ -	\$ 37,865,584	Labor Ratio	26.9%	8.8%	64.3%
99		Total	\$ 1,353,113,161	\$ -	\$ 1,353,113,161				
100									
101		Intangible	\$ 880,190	\$ -	\$ 880,190	Labor Ratio	26.9%	8.8%	64.3%
102		(Production)	\$ -	\$ -	\$ -	Labor Ratio	26.9%	8.8%	64.3%
103		Unclassified - Other Construction	\$ 103,871,536	\$ -	\$ 103,871,536	Labor Ratio	26.9%	8.8%	64.3%
104									
105									
106	Gross Plant Ratio								
107	Production	\$ 4,904,743,136	40.2%						
108	Transmission	\$ 2,371,341,433	19.4%						
109	Distribution	\$ 4,933,998,811	40.4%						
110	Total System	\$ 12,210,083,380	100.0%						