
MONTHLY REPORT
TO THE GOVERNING BOARD
JULY 2014

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PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	JULY		Increase (Decrease) %
	2014-15	2013-14	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	1,138,574	1,231,678	(7.6)
PREPA - Hydro	6,475	8,119	(20.2)
Purchased power - gas	350,269	294,404	19.0
Purchased power - coal	343,204	323,584	6.1
Renewable Energy	31,391	16,513	90.1
Total	1,869,913	1,874,298	(0.2)
Fiscal year-to-date:			
PREPA - Steam and gas			
PREPA - Hydro			
Purchased power - gas		SAME AS MONTH	
Purchased power - coal			
Renewable Energy			
Total			
Twelve months:			
PREPA - Steam and gas	13,781,125	14,547,560	(5.3)
PREPA - Hydro	68,311	95,087	(28.2)
Purchased power - gas	3,670,147	3,542,969	3.6
Purchased power - coal	3,576,660	3,530,803	1.3
Renewable Energy	262,085	158,770	65.1
Total	21,358,328	21,875,189	(2.4)
2. Maximum hourly peak load (in MW)			
Month	2,911	2,970	(2.0)
Fiscal year-to-date		SAME AS MONTH	
Twelve months	3,159	3,265	(3.2)
3. Sales (kWh in thousands)			
Month:			
Billed	1,500,444	1,530,606	(2.0)
Days billed	31.00	31.00	
Fiscal year-to-date:			
Billed		SAME AS MONTH	
Days billed			
Twelve months:			
Billed	17,452,613	18,176,290	(4.0)
Days billed	365.0	365.0	
4. System efficiency (%)			
Month	83.3	82.7	0.8
Fiscal year-to-date		SAME AS MONTH	
Twelve months	82.3	82.4	(0.2)
5. Average cost per barrel (\$)			
Month	106.81	105.67	1.1
Fiscal year-to-date		SAME AS MONTH	
Twelve months	106.81	110.65	(3.5)
6. kWh/Barrel			
Month	604.66	635.87	(4.9)
Fiscal year-to-date		SAME AS MONTH	
Twelve months	628.64	626.54	0.3
7. Heat rate (BTU/kWh)			
Month	10,958	10,446	4.9
Fiscal year-to-date		SAME AS MONTH	
Twelve months	10,616	10,665	(0.5)

8. Fuel consumption (in thousands)	2014-15		2013-14		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
Month:						
Steam	1,137	120,684	1,127	118,381	0.9	1.9
Gas	250	33,120	317	42,756	(21.1)	(22.5)
Natural Gas	496	47,366	493	43,594	0.6	8.7
Total	<u>1,883</u>	<u>201,170</u>	<u>1,937</u>	<u>204,731</u>	(2.8)	(1.7)
Fiscal year-to-date:						
Steam						
Gas						
Total						
						SAME AS MONTH
Twelve months:						
Steam	13,988	1,530,277	16,239	1,824,508	(13.9)	(16.1)
Gas	2,413	322,610	2,637	368,167	(8.5)	(12.4)
Natural Gas	5,521	488,553	4,343	376,584	27.1	29.7
Total	<u>21,922</u>	<u>2,341,440</u>	<u>23,219</u>	<u>2,569,259</u>	(5.6)	(8.9)

JULY

	2014	2013	Increase (Decrease) %
B. Client Service			
1. Service complaints per thousand clients	7.51	5.43	38.3
2. Disconnections for nonpayment per thousand clients	9.59	7.25	32.3
C. Distribution System*			
1. Interruption frequency index			
Total interruptions per thousand clients served	0.05	0.06	(20.0)
2. Interruption duration index			
Average interruption time per clients served (minutes)	9.12	8.99	1.4
3. Clients per interruption	66	49	34.7
4. Time per interruption (minutes)	260	243	6.9

D. Personnel

		JULY		
		<u>2014</u>	<u>2013</u>	<u>Increase (Decrease)</u>
Management Conf. / Carr.	Reg.	2,206	2,514	(308)
	Temp.	32	29	3
U.T.I.E.R.	Reg.	4,140	4,342	(202)
	Temp.	172	346	(174)
	Emerg.			
U.I.T.I.C.E.	Reg.	789	837	(48)
	Temp.			
U.E.P.I.	Reg.	326	358	(32)
	Temp.	1	1	
U.P.A.E.E.	Reg.	4	6	(2)
	Temp.			
Total		<u><u>7,670</u></u>	<u><u>8,433</u></u>	<u><u>(763)</u></u>

II. FINANCIAL HIGHLIGHTS

A. Revenue data

1. Sales of electric energy per classes
(including unbilled adjustment)
(in thousands)

	JULY				
	Month			Fiscal Year-to-Date	
	2014	2013	Increase (Decrease) %	2014-15	2013-14 Increase (Decrease) %
kWh sales:					
Residential	591,493	562,767	5.1		
Commercial	727,521	740,966	(1.8)		
Industrial	208,647	214,532	(2.7)		SAME AS MONTH
Others	30,682	31,094	(1.3)		
Total	<u>1,558,343</u>	<u>1,549,359</u>	0.6		
Basic revenues:					
Residential	32,203	29,888	7.7		
Commercial	45,254	53,076	(14.7)		
Industrial	10,273	9,568	7.4		SAME AS MONTH
Others	4,985	5,219	(4.5)		
Total	<u>92,715</u>	<u>97,751</u>	(5.2)		
Fuel adjustment:					
Residential	88,714	85,645	3.6		
Commercial	104,884	110,605	(5.2)		
Industrial	27,801	28,715	(3.2)		SAME AS MONTH
Others	4,532	4,806	(5.7)		
Total	<u>225,931</u>	<u>229,771</u>	(1.7)		
Purchased power:					
Residential	33,379	26,931	23.9		
Commercial	40,285	34,632	16.3		
Industrial	10,474	9,095	15.2		SAME AS MONTH
Others	1,756	1,525	15.1		
Total	<u>85,894</u>	<u>72,183</u>	19.0		
Total revenues:					
Residential	154,296	142,464	8.3		
Commercial	190,423	198,313	(4.0)		
Industrial	48,548	47,378	2.5		SAME AS MONTH
Others	11,273	11,550	(2.4)		
Total	<u>404,540</u>	<u>399,705</u>	1.2		

JULY					
Month			Fiscal Year-to-Date		
2014	2013	Increase (Decrease) %	2014-15	2013-14	Increase (Decrease) %

2. Cents per kWh

Basic revenues:

Residential	5.44	5.31	2.4	
Commercial	6.22	7.16	(13.1)	SAME AS MONTH
Industrial	4.92	4.46	10.3	
Others	16.25	16.78	(3.2)	
Total	5.95	6.31	(5.7)	

Fuel adjustment:

Residential	15.01	15.21	(1.3)	
Commercial	14.41	14.93	(3.5)	SAME AS MONTH
Industrial	13.33	13.38	(0.4)	
Others	14.77	15.47	(4.5)	
Total	14.50	14.83	(2.2)	

Purchased power:

Residential	5.64	4.79	17.7	
Commercial	5.54	4.67	18.6	SAME AS MONTH
Industrial	5.02	4.24	18.4	
Others	5.72	4.90	16.7	
Total	5.51	4.66	18.2	

Total revenues:

Residential	26.09	25.31	3.1	
Commercial	26.17	26.76	(2.2)	SAME AS MONTH
Industrial	23.27	22.08	5.4	
Others	36.74	37.15	(1.1)	
Total	25.96	25.80	0.6	

3. Clients:

Residential	1,328,249	1,336,951	(0.7)	
Commercial	124,992	126,961	(1.6)	SAME AS MONTH
Industrial	656	685	(4.2)	
Others	4,132	4,154	(0.5)	
Total	<u>1,458,029</u>	<u>1,468,751</u>	(0.7)	

4. Average kWh per client:

Residential	445	421	5.8	
Commercial	5,821	5,836	(0.3)	
Industrial	318,059	313,185	1.6	SAME AS MONTH
Others	7,425	7,485	(0.8)	
Total	1,069	1,055	1.3	

II. FINANCIAL HIGHLIGHTS

A. Revenue data

1. Sales of electric energy per government classes
(in thousands)

	JULY					
	Month		Increase (Decrease) %	Fiscal Year-to-Date		Increase (Decrease) %
	2014	2013		2014-15	2013-14	
kWh sales:						
Residential	10	12	(16.7)			
Commercial	217,442	229,862	(5.4)			
Industrial				SAME AS MONTH		
Others	26,379	28,017	(5.8)			
Total	243,831	257,891	(5.5)			
Basic revenues:						
Residential	1	1	66.7			
Commercial	19,868	18,083	9.9			
Industrial				SAME AS MONTH		
Others	4,441	4,881	(9.0)			
Total	24,310	22,965	5.9			
Fuel adjustment:						
Residential	2	2				
Commercial	33,681	33,992	(0.9)			
Industrial				SAME AS MONTH		
Others	4,334	4,426	(2.1)			
Total	38,017	38,420	(1.0)			
Purchased power:						
Residential	1	1	66.7			
Commercial	12,349	11,301	9.3			
Industrial				SAME AS MONTH		
Others	1,588	1,463	8.5			
Total	13,938	12,765	9.2			
Total revenues:						
Residential	4	3	25.0			
Commercial	65,898	63,376	4.0			
Industrial				SAME AS MONTH		
Others	10,363	10,770	(3.8)			
Total	76,265	74,149	2.9			
2. Clients:						
Residential	15	15				
Commercial	23,722	25,606	(7.4)			
Industrial				SAME AS MONTH		
Others	1,919	3,143	(38.9)			
Total	25,656	28,764	(10.8)			

Statistical and financial data from the Government sector is segregated from the original sales reports (CC&B) prepared by the Client Service Directorate.

PUERTO RICO ELECTRIC POWER AUTHORITY

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B. Result of operations-budget comparison
(in million dollars)

	JULY 2014					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	98.9	92.7	(6.3)			
Fuel adjustment	212.4	226.0	6.4			
Purchased power	88.0	85.9	(2.4)			
Revenues from sales	399.3	404.6	1.3			
Other	2.7	1.4	(48.1)			
Total revenues	<u>402.0</u>	<u>406.0</u>	1.0			
Fuel	188.5	201.2	6.7			
Purchased power	78.3	75.9	(3.1)			
Other expenses	57.0	56.2	(1.4)		SAME AS MONTH	
Total current expenses	323.8	333.3	2.9			
1974 - sinking fund appropriations	46.6	46.6				
Reserve Account	(28.7)		*			
Rate Stabilization Account	6.0	6.2	3.3			
Interest on notes	4.3	6.4	48.8			
Internal funds	22.1	1.5	(93.2)			
Contribution to municipalities	24.6	9.0	(63.4)			
Other appropriations	3.3	3.0	(9.1)			
Total	<u>402.0</u>	<u>406.0</u>	1.0			

EXPLANATION OF MAJOR VARIATIONS

1. The increase in the fuel adjustment revenue and fuel expense for the month was due to a higher price per barrel of fuel oil than budgeted.
2. Purchased power revenue and expenses increased for the month due to a higher availability from cogenerators than budgeted.
3. The other revenues for the month decreased due to a lower non operating income than budgeted.
4. PREPA did not made any cash deposits to the sinking fund during the month of July 2014. However, PREPA recognized the appropriations to the sinking fund on an accrual basis.
5. A withdraw of \$41.6 million was made from reserve account on July 1, 2014 to cover the principal and interest payments due on PREPA's power revenue bonds. This transaction was recognized on previous fiscal year on accrual basis.
6. Interest on notes for the month increased due to payment of interest on line of credit for the acquisition of fuel oil and purchased power.
7. Internal funds for the month decreased due to less available funds than budgeted.
8. Contributions to municipalities for the month decreased due to less available fund than budgeted.
9. Other appropriations for the month decreased due to less funds assigned to residential clients' subsidy than budgeted.

*100% or over

C. Result of operations-as compared to last year
(in million dollars)

	JULY					
	Month			Fiscal Year-to-Date		
	2014	2013	Increase (Decrease) %	2014-15	2013-14	Increase (Decrease) %
Basic charges	92.7	97.7	(5.1)			
Fuel adjustment	226.0	229.8	(1.7)			
Purchased power	85.9	72.2	19.0			
Revenues from sales	404.6	399.7	1.2			
Other	1.4	4.1	(65.9)			
Total revenues	<u>406.0</u>	<u>403.8</u>	0.5			
Fuel	201.2	204.7	(1.7)			
Purchased power	75.9	64.2	18.2			
Other expenses	56.2	65.1	(13.7)		SAME AS MONTH	
Total current expenses	333.3	334.0	(0.2)			
1974 - sinking fund appropriations	46.6	47.0	(0.9)			
Rate Stabilization Account	6.2					
Interest on notes	6.4					
Internal funds	1.5	1.5				
Contribution to municipalities	9.0	16.9	(46.7)			
Other appropriations	3.0	4.4	(31.8)			
Total	<u>406.0</u>	<u>403.8</u>	0.5			

EXPLANATION OF MAJOR VARIATIONS

1. Purchased power revenue and expenses increased for the month due to a higher availability from cogenerators than prior year.
2. The other revenues for the month decreased due to a lower non operating income than prior year.
3. Other expenses for the month decreased due to less salary expenses than prior year.
4. PREPA did not made any cash deposits to the sinking fund during the month of July 2014. However, PREPA recognized the appropriations to the sinking fund on an accrual basis.
5. Rate Stabilization Account for the month increased due to the creation of this fund under the Energy Reform Act (Act No. 57-2014).
6. Interest on notes for the month increased due to payment of interest on line of credit for the acquisition of fuel oil and purchased power.
7. Contributions to municipalities for the month decreased due to less available funds than prior year.
8. Other appropriations for the month decreased due to less funds assigned to residential clients' subsidy than prior year.

D. Notes Payable
(in thousand dollars)

JULY

	<u>Construction Financing</u>		<u>Operational Financing</u>	
	2014	2013	2014	2013
1. Rehabilitation Isabela Dam (GDB):				
Line of credit	25,354	25,354		
Amount received	743	743	64,208	64,208
Available balance	24,611	9,018	0	0
Debt outstanding balance	743	743	0	7,844
Maturity Date	June 30, 2018		June 30, 2014	
2. State Revolving Fund Program Aguirre and San Juan Plants (AFICA):				
Line of credit	9,463	0	550,000	450,000
Amount received	0	0	549,950	445,468
Available balance	9,463	0	50	4,532
Debt outstanding balance	0	0	549,950	445,468
Maturity Date	June 30, 2033		August 14, 2014	
1. Municipalities Settlement Agreement :				
Line of credit			64,208	64,208
Amount received			64,208	64,208
Available balance			0	0
Debt outstanding balance			0	7,844
Maturity Date			June 30, 2014	
2. Fuel Financing (Scotiabank) :				
Line of credit			550,000	450,000
Amount received			549,950	445,468
Available balance			50	4,532
Debt outstanding balance			549,950	445,468
Maturity Date			August 14, 2014	
3. Fuel Financing (Citibank) :				
Line of credit			150,000	250,000
Amount received			146,042	249,138
Available balance			3,958	862
Debt outstanding balance			146,042	249,138
Maturity Date			January 10, 2014	
4. Collateral SWAP - (GDB):				
Line of credit			100,000	100,000
Amount received			35,136	35,150
Available balance			64,864	64,850
Debt outstanding balance			35,136	35,150
Maturity Date			December 31, 2014	

E. Capital Improvements Program
(in thousand dollars)

JULY 2014						
	Month **			Fiscal Year-to-Date***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	6,720	1,537	(77.1)			
Transmission	4,307	1,187	(72.4)			
Distribution	7,114	10,090	41.8	SAME AS MONTH		
Other	2,252	0	****			
Total	20,393	12,814	(37.2)			
Internal Funds	22,103	1,500	(93.2)	SAME AS MONTH		
Percentage of Internal Funds to Investment in Capital Improvements Programs*	108%	12%	(89.2)			
Contribution AID for Construction		132		SAME AS MONTH		

	2014	2013
F. Highest debt coverage as of July 31	1.19	1.18

G. REA Projects

	Month	Fiscal Year-to-Date
Total investment	\$4,954	
Families served	1	SAME AS MONTH

*A minimum in the internal funds contribution of 25% has been recommended by the Consulting Engineers.
 **Monthly figures may vary significantly due to fluctuations in the availability of funds. For more accurate results, please refer to fiscal year-to-date figures.
 ***Includes monthly overhead allocation.
 ****100% or over.

STATISTICS OF ACCOUNTS RECEIVABLE FROM SALES OF ELECTRIC ENERGY
(in thousand dollars)

	JULY		Increase (Decrease) %
	2014	2013	
General clients	940,449	864,829	8.7
Government	681,495	612,628	11.2
Less: Accrued Contribution in Lieu of Taxes	433,643	328,899	
Total Government, Net	247,852	283,729	
Subtotal	1,188,301	1,148,558	3.5
Sales of electric energy (12 months)			
Revenues from sales	4,639,359	4,779,601	(2.9)
kWh (including subsidy)	17,569,886	18,024,303	(2.5)
Indicators:			
A. Ratio of accounts receivable to sales (%)	25.6	24.0	6.6
B. Ratio of accounts receivable to sales (%) (including subsidy)	25.5	23.9	6.7
C. Sales days in accounts receivable	93	88	6.6
D. Sales days in accounts receivable (including subsidy)	93	87	6.7
E. Ratio of collections to sales of electric energy:			
General clients:			
Sales*	3,796,559	3,880,202	(2.2)
Collections	3,742,346	3,840,348	(2.6)
Percent	98.6	99.0	(0.4)
Government:			
Sales	842,800	899,399	(6.3)
Collections	594,975	602,272	(1.2)
Percent	70.6	67.0	5.4
Percent of total sales	93.5	92.9	0.6

*Excludes residential clients' subsidy of \$19,911 and \$26,396, for the 12 months ended July 2014 and July 2013, respectively.

PUERTO RICO ELECTRIC POWER AUTHORITY

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STATEMENT OF NET POSITION
ASSETS AND DEFERRED OUTFLOWS
(in thousands)

	July 31 2014		June 30 2014
Current assets:			
Cash and cash equivalents			
General fund	\$ 14,058		\$ 136,291
Reserve for current expenses fund	50,000		-
Revenue fund	14		14
Working funds	996		996
Total cash and cash equivalents	65,068		137,301
Accounts receivable (Exhibit A)	1,592,990		1,550,973
Fuel oil inventory	210,767		194,072
Materials and supplies inventory	197,228		196,887
Prepayments and other (Exhibit B)	503		391
Total current assets	2,066,556		2,079,624
Non current receivables (Exhibit A)	103,030		103,030
Restricted Assets			
Cash held by trustees	(25,633)		321,626
Investments held by trustees			
Sinking funds - interest	86,087		148,398
Sinking funds - principal	-		-
Non current restricted deposits held by trustees	532,349		532,678
Total investment held by trustees	618,436		681,076
Construction fund and other			
Construction fund	287,736		303,793
Investment held by REA	1,105		1,104
Reserve maintenance fund	15,917		15,949
Other restricted fund	5,077		5,077
Total construction fund and other	309,835		325,923
Total restricted assets	902,638		1,328,625
Utility Plant			
Electric plant in service	12,218,660		12,202,083
Less: accumulated depreciation	6,414,235		6,385,962
Net electric plant in service	5,804,425		5,816,121
Construction work in progress, including preliminary surveys of 21,077 and 21,077	972,448		975,739
Total utility plant	6,776,873		6,791,860
Deferred debits:			
Unamortized debt expense	54,107		54,408
Other	20,074		20,193
Total deferred debits	74,181		74,601
Total assets	9,923,278		10,377,740
Deferred outflows of resources	79,057		79,057
Total Assets and Deferred Outflows	\$ 10,002,335		\$ 10,456,797

STATEMENT OF NET POSITION
 LIABILITIES AND NET POSITION
 (in thousands)

July 31
 2014

June 30
 2014

Liabilities and net position

Current Liabilities

Notes payable to banks	\$ 730,135	\$ 731,898
Accounts payable and accrued liabilities (Exhibit C)	1,375,901	1,423,352
Customer deposits, including accrued interest	13,959	17,631
Total current liabilities	<u>2,119,995</u>	<u>2,172,881</u>

Current liabilities payable from restricted assets

Current portion of long-term debt	420,936	421,100
Notes payable from restricted assets	-	-
Accrued interest payable on bonds and notes	49,019	218,467
Other current liabilities (Exhibit C)	49,828	57,611
Total current liabilities from restricted assets	<u>519,783</u>	<u>697,178</u>

Non current liabilities

Power revenue bonds, net of unamortized debt discount of	(61,381) and (61,381)	8,043,653	8,247,958
Non current portion, accounts payable and accrued sick leave		122,356	122,356
Accrued unfunded OPEB		144,539	143,886
Customer deposits - noncurrent		166,950	166,950

Total noncurrent liabilities		<u>8,477,498</u>	<u>8,681,150</u>
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Total liabilities		<u>11,117,276</u>	<u>11,551,209</u>
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Total net position (Deficit)		<u>(1,114,941)</u>	<u>(1,094,412)</u>
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Total Liabilities and Net Position		<u>\$ 10,002,335</u>	<u>\$ 10,456,797</u>
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PUERTO RICO ELECTRIC POWER AUTHORITY

STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
(in thousands)

	MONTH		
	Budget July 2014	Actual July 2014	Actual July 2013
Operating revenues:			
Sales of electric energy	\$ 399,324	\$ 404,540	\$ 399,705
Total operating revenues	<u>399,324</u>	<u>404,540</u>	<u>399,705</u>
Other income	3,014	1,739	4,094
Total revenues	<u>402,338</u>	<u>406,279</u>	<u>403,799</u>
Expenses:			
Fuel cost	188,532	201,170	204,731
Purchased power	78,325	75,924	64,167
Other production	4,735	4,936	5,834
Transmission and distribution	11,431	13,530	15,090
Maintenance	16,377	13,429	19,000
Customer accounting and collection	8,600	8,181	10,167
Administrative and general	15,859	16,154	15,046
Subtotal expenses by function	323,859	333,324	334,035
Other cost employment benefits	653	653	653
Depreciation	28,787	29,395	29,007
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	38,082	40,116	32,608
Contribution to municipalities	24,567	22,107	22,130
Other appropriations	3,334	2,982	4,400
Bond discount and defeasance amortization	137	137	300
Total expenses	<u>419,419</u>	<u>428,714</u>	<u>423,133</u>
Contributed capital	2,165	1,906	2,715
Changes in net position	<u>\$ (14,916)</u>	<u>\$ (20,529)</u>	<u>\$ (16,619)</u>

STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
(in thousands)

	FISCAL YEAR		
	Actual July 2014	Actual July 2013	Actual June 2013
Operating revenues:			
Sales of electric energy			
Total operating revenues			
Other income			
Total revenues			
Expenses:			
Fuel cost			
Purchased power			
Other production			
Transmission and distribution			
Maintenance			
Customer accounting and collection			
Administrative and general			
Subtotal expenses by function		SAME AS MONTH	
Other cost employment benefits			
Depreciation			
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction			
Contribution to municipalities			
Other appropriations			
Bond discount and defeasance amortization			
Total expenses			
Contributed capital			
Changes in net position			

PUERTO RICO ELECTRIC POWER AUTHORITY

STATEMENTS OF REVENUES AND EXPENSES FOR REVENUE FUND
PURPOSES PER TRUST AGREEMENT
(in thousands)

	MONTH		
	Budget July 2014	Actual July 2014	Actual July 2013
Revenues:			
Sales of electric energy (Exhibit D)	\$ 399,324	\$ 404,540	\$ 399,705
Total operating revenues	399,324	404,540	399,705
Other income	3,014	1,739	4,094
Total revenues	402,338	406,279	403,799
Less: 1974 construction fund investment income and gain on sale of properties	295	289	-
Revenues - net	402,043	405,990	403,799
Current expenses:			
Fuel cost	188,532	201,170	204,731
Purchased power	78,325	75,924	64,167
Other production	4,735	4,936	5,834
Transmission and distribution	11,431	13,530	15,090
Maintenance	16,377	13,429	19,000
Customer accounting and collection	8,600	8,181	10,167
Administrative and general	15,859	16,154	15,046
Total current expenses	323,859	333,324	334,035
Net revenues (as defined)	78,184	72,666	69,764
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds ⁽¹⁾	28,701	28,701	29,977
Bond redemption account ⁽²⁾	17,868	17,867	17,025
Reserve account ⁽²⁾	(28,701)	-	-
Rate Stabilization Account	6,008	6,237	-
Reserve maintenance fund	-	-	-
Self Insurance Fund	-	-	-
Interest on notes	4,304	6,346	9
Capital Improvements fund	22,103	1,500	1,500
Total contractual obligations	50,283	60,651	48,511
Balance	27,901	12,015	21,253
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	24,567	9,033	16,853
Other	3,334	2,982	4,400
Total provision for contribution and other	27,901	12,015.00	21,253
Remainder	\$ -	\$ -	\$ -

Footnotes:

- PREPA did not make any cash deposits to the sinking fund during the month of July 2014. However, PREPA recognized the appropriations to the sinking fund on an accrual basis.
- A withdraw by \$41.6 million was made from reserve account on July 1, 2014 to cover the principal and interest payments due on PREPA's power revenue bonds. This transaction was recognized on previous fiscal year on accrual basis.

STATEMENTS OF REVENUES AND EXPENSES FOR REVENUE FUND
PURPOSES PER TRUST AGREEMENT
(in thousands)

	FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
	Budget July 2014	Actual July 2014	Actual July 2013	Budget June 2015	Actual July 2014	Actual July 2013
Revenues:						
Sales of electric energy (Exhibit D)				\$ 4,598,098	\$ 4,640,978	\$ 4,779,628
Total operating revenues				4,598,098	4,640,978	4,779,628
Other income				36,166	40,918	34,224
Total revenues				4,634,264	4,681,896	4,813,852
Less: 1974 construction fund investment income and gain on sale of properties				3,536	4,324	967
Revenues - net				4,630,728	4,677,572	4,812,885
Current expenses:						
Fuel cost				2,225,325	2,341,440	2,569,259
Purchased power				871,976	819,994	759,042
Other production				60,024	63,303	70,712
Transmission and distribution				145,021	170,261	173,398
Maintenance				105,405	191,407	214,781
Customer accounting and collection				160,351	109,046	116,063
Administrative and general				213,216	202,393	193,351
Total current expenses				3,781,318	3,897,844	4,096,606
Net revenues (as defined)		SAME AS MONTH		849,410	779,728	716,279
Contractual obligations:						
Sinking fund appropriations -						
Interest on power revenue bonds ⁽¹⁾				360,153	357,909	337,769
Bond redemption account ⁽¹⁾				214,410	205,147	195,702
Reserve Account Fund ⁽¹⁾				(172,207)	(41,480)	-
Rate Stabilization Account				69,733	6,236	
Interest on notes				51,650	51,083	431
Capital Improvements fund				21,422	15,392	5,305
Total contractual obligations				545,161	594,287	539,207
Balance				304,249	185,441	177,072
Provision for Contribution in Lieu of Taxes and other appropriations						
Contribution to municipalities				264,235	153,038	133,465
Other				40,014	32,403	43,607
Total provision for contribution and other				304,249	185,441	177,072
Remainder				\$ -	\$ -	\$ -

Footnotes:

1. PREPA did not made any cash deposits to the sinking fund during the month of July 2014. However, PREPA recognized the appropriations to the sinking fund on an accrual basis.
2. A withdraw by \$41.6 million was made from reserve account on July 1, 2014 to cover the principal and interest payments due on PREPA's power revenue bonds. This transaction was recognized on previous fiscal year on accrual basis.

PUERTO RICO ELECTRIC POWER AUTHORITY

NET POSITION
(in thousands)

	July 2014	June 2014
Invested in utility plant, net related debt	\$ (498,246)	\$ (498,918)
Restricted for capital activity and debt service	219,902	280,150
Unrestricted	<u>(836,597)</u>	<u>(875,644)</u>
Total net position	<u>\$ (1,114,941)</u>	<u>\$ (1,094,412)</u>

PUERTO RICO ELECTRIC POWER AUTHORITY

ACCOUNTS RECEIVABLE
(in thousands)

Exhibit A	July 2014	June 2014
Electric and related services:		
General clients	\$ 933,482	\$ 928,277
Recoveries under fuel adjustment and purchase power clause under or (over) billed	46,775	67,766
Unbilled services	228,393	220,104
Allowance for uncollectible accounts	<u>(268,201)</u>	<u>(266,957)</u>
Total General Clients	<u>940,449</u>	<u>949,190</u>
Government, including current and non current	690,529	640,826
Claims receivable from insurance companies & other	37,814	37,814
Advances to Irrigation Systems - net	20,858	20,619
Accrued interest	4,898	4,540
Other	<u>1,472</u>	<u>1,014</u>
Total Accounts Receivable	<u>\$ 1,696,020</u>	<u>\$ 1,654,003</u>
Less: Government Account Receivable, non current portion	<u>\$ 103,030</u>	<u>\$ 103,030</u>
Total Accounts Receivable, current portion	<u>\$ 1,592,990</u>	<u>\$ 1,550,973</u>

PREPAYMENTS AND OTHER
(in thousands)

Exhibit B

	July 2014	June 2014
Claims Outstanding Related to Property Damages	\$ 352	\$ 352
Prepayments and other	151	39
Total	\$ 503	\$ 391

PUERTO RICO ELECTRIC POWER AUTHORITY

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES
(in thousands)

Exhibit C

	July 2014	June 2014
Accounts payable - fuel oil and other	794,454	\$ 840,284
Accrued annual leave	54,317	54,271
Accrued sick leave	26,838	26,777
Accrued salaries and fringe benefits	4,610	756
Accrued contribution in lieu of taxes	442,677	420,570
Reserve for injuries and damages	20,140	20,107
Accrued contributions Federal Social Security	15	1,484
Income tax withheld at source	72	1,055
Health plan	3,010	24,186
Pension & Benefits Deferred Employer Contribution	15,014	15,014
Other	14,754	18,848
	<u>1,375,901</u>	<u>1,423,352</u>
Sub total current liabilities		
Other current payables from restricted assets		
Retention on Contract Work	5,577	6,165
Vouchered A/P construction	16,456	23,759
Contribution aid to construction	27,795	27,687
	<u>49,828</u>	<u>57,611</u>
Total other current payables from restricted assets		
	<u>\$ 1,425,729</u>	<u>\$ 1,480,963</u>
Total current Liabilities		
 NON-CURRENT LIABILITIES		
Accrued sick leave	\$ 122,356	\$ 122,356
Accrued Unfunded OPEB	144,539	143,886
	<u>\$ 266,895</u>	<u>\$ 266,242</u>
Total non current liabilities		
	<u>\$ 1,692,624</u>	<u>\$ 1,747,205</u>
Total accounts payables and non current liabilities		

SALES OF ELECTRIC ENERGY

JULY 2014

Exhibit D

Class of Service	CLIENTS		KWHRS (in thousands)			
	Billed	Total	MONTHLY			Total
			Billed	Unbilled	Adjustment*	
Residential	1,328,249	1,328,249	559,450	345,313	(313,270)	591,493
Commercial	124,992	124,992	709,701	419,615	(401,795)	727,521
Industrial	656	656	202,536	123,697	(117,586)	208,647
Public lighting	2,931	2,931	23,565	8,275	(6,375)	25,465
Other public authorities	2	2	2,957	1,199	(1,209)	2,947
Agricultural	1,199	1,199	2,235	1,303	(1,268)	2,270
Subtotal	1,458,029	1,458,029	1,500,444	899,402	(841,503)	1,558,343
Fuel oil adjustment						
Purchased power						
Subtotal	1,458,029	1,458,029	1,500,444	899,402	(841,503)	1,558,343
Unrecovered fuel oil cost-net						
Unrecovered purchased power cost-net						
Total	1,458,029	1,458,029	1,500,444	899,402	(841,503)	1,558,343

FISCAL YEAR-TO-DATE

Class of Service	Average Clients	Kwhrs. (thousands)	Revenue (thousand \$)	Kwhrs. per Client	Cents per Kwhr. Sold
Residential	1,328,249	591,493	32,203	445	5.44
Commercial	124,992	727,521	45,254	5,821	6.22
Industrial	656	208,647	10,273	318,059	4.92
Public lighting	2,931	25,465	4,718	8,688	18.53
Other public authorities	2	2,947	128	1,473,500	4.34
Agricultural	1,199	2,270	139	1,893	6.12
Subtotal	1,458,029	1,558,343	92,715	1,069	5.95
Fuel oil adjustment			244,256		14.50
Purchased Power			88,559		5.51
Subtotal	1,458,029	1,558,343	425,530	1,069	27.31
Unrecovered fuel oil cost-net			(18,325)		
Unrecovered purchased Power cost-net			(2,665)		
Total	1,458,029	1,558,343	404,540	1,069	25.96

*Unbilled previous month.

SALES OF ELECTRIC ENERGY

JULY 2014

Exhibit D

Class of Service	REVENUES (in thousands \$)				Kwhrs. per Client	Cents per Kwhr. Sold
	MONTHLY			Total		
	Billed	Unbilled	Adjustment*			
Residential	30,750	14,300	(12,847)	32,203	445	5.44
Commercial	52,675	26,730	(34,151)	45,254	5,821	6.22
Industrial	9,689	5,822	(5,239)	10,272	318,059	4.92
Public lighting	4,339	1,434	(1,054)	4,719	8,688	18.53
Other public authorities	128	51	(51)	128	1,473,500	4.34
Agricultural	137	71	(69)	139	1,893	6.12
Subtotal	97,718	48,408	(53,411)	92,715	1,069	5.95
Fuel oil adjustment	233,292	130,907	(119,943)	244,256		14.50
Purchased power	85,230	49,079	(46,750)	88,560		5.51
Subtotal	417,240	228,394	(220,104)	425,531	1,069	25.96
Unrecovered fuel oil cost-net				(18,325)		
Unrecovered purchased power cost-net				(2,666)		
Total	417,240	228,394	(220,104)	404,540	1,069	25.96