

PREPA Ex. 5.04

PREPA Revenue Requirements – Known and Measureable Changes

	<u>Fiscal Year 2014</u>	<u>Pro Forma Adjustments</u>	<u>Rate Effective Year 2017</u>
Fuel & Purchased Power			
Fuel	\$ 2,344,999,982	\$ (1,689,031,615)	\$ 655,968,367
Purchased Power	\$ 807,619,515	\$ 12,287,367	\$ 819,906,882
Non-fuel O&M Expense			
Generation Expenses	\$ 160,541,902	\$ (38,131,386)	\$ 122,410,515
Transmission Expenses	\$ 44,882,530	\$ (10,660,351)	\$ 34,222,179
Distribution Expenses	\$ 222,007,687	\$ (52,730,538)	\$ 169,277,149
Customer Billing Expenses	\$ 111,405,645	\$ (26,460,704)	\$ 84,944,941
Administrative and General Expenses	\$ 195,279,419	\$ (46,382,128)	\$ 148,897,292
Other Expense			
Bad Debt Expense	\$ -	\$ 85,383,767	\$ 85,383,767
Energy Administration Assessment	\$ -	\$ 5,800,000	\$ 5,800,000
CILT and Subsidies	\$ 366,004,842	\$ (145,908,100)	\$ 220,096,742
Adjustments			
Less Other Income	\$ (18,010,147)	\$ (20,914,698)	\$ (38,924,845)
Total Operating Expense	\$ 4,234,731,375	\$ (1,926,748,387)	\$ 2,307,982,988
Revenue Funded Legacy Debt Service	\$ 635,326,147	\$ (320,936,408)	\$ 314,389,739
Revenue Funded Capital Expenditure Securitization	\$ 316,002,245	\$ 20,555,563	\$ 336,557,808
			\$ 503,264,236
Revenue with Rate No Change	\$ 4,639,552,097	\$ (1,902,878,352)	\$ 2,736,673,745
PREPA Revenue Requirement	\$ 5,186,059,768	\$ (1,723,864,996)	\$ 3,462,194,772
Revenue Deficiency	\$ 546,507,671		\$ 725,521,027
% deficiency - increase required	11.8%		26.5%