

PREPA Ex. 5.06

Modified Cash Basis Debt Service Coverage Ratio Adder

	<u>100% Revenue Funded Capex</u>	<u>80% Revenue Funded Capex</u>	<u>60% Revenue Funded Capex</u>	<u>40% Revenue Funded Capex</u>	<u>20% Revenue Funded Capex</u>
Revenue Funded Debt Service					
PREPA Debt Service	\$ 600,000,000	\$ 600,000,000	\$ 600,000,000	\$ 600,000,000	\$ 600,000,000
DSCR Adder for Shortfall	\$ -	\$ -	\$ -	\$ -	\$ 70,000,000
Total Rev Req for Debt Service	\$ 600,000,000	\$ 600,000,000	\$ 600,000,000	\$ 600,000,000	\$ 670,000,000
DSCR for Bond Service	1.50x	1.40x	1.30x	1.20x	1.08x
Minimum DSCR	1.20x	1.20x	1.20x	1.20x	1.20x
Capital Expenditure Funding					
Maintenance Capex	\$ 200,000,000	\$ 200,000,000	\$ 180,000,000	\$ 120,000,000	\$ 50,000,000
Investment Capex	\$ 100,000,000	\$ 40,000,000	\$ -	\$ -	\$ -
Total Requirement	\$ 300,000,000	\$ 240,000,000	\$ 180,000,000	\$ 120,000,000	\$ 50,000,000
Rev Req for Debt and Capex	\$ 900,000,000	\$ 840,000,000	\$ 780,000,000	\$ 720,000,000	\$ 720,000,000