

Puerto Rico Electric Power Authority

Embedded Cost of Service Model

Scenario 1: FY2017 with Restructuring

May 27, 2016

Functionalized Revenue Requirements

Line	Description	Total	Production	Transmission	Distribution
1	Fuel and Purchased Power	\$ -	\$ -	\$ -	\$ -
2	Fuel	\$ 655,968,367	\$ 655,968,367	\$ -	\$ -
3	Purchased Power	\$ 819,906,882	\$ 819,906,882	\$ -	\$ -
4		\$ -	\$ -	\$ -	\$ -
5	Generation	\$ -	\$ -	\$ -	\$ -
6	Steam Production Expense	\$ 41,355,320	\$ 41,355,320	\$ -	\$ -
7	Steam Maintenance	\$ 61,580,550	\$ 61,580,550	\$ -	\$ -
8	Hydro Operation Expense	\$ 1,138,525	\$ 1,138,525	\$ -	\$ -
9	Hydro Maintenance	\$ 1,975,158	\$ 1,975,158	\$ -	\$ -
10	Other Operation Expense	\$ 5,739,959	\$ 5,739,959	\$ -	\$ -
11	Other Maintenance	\$ 8,487,078	\$ 8,487,078	\$ -	\$ -
12		\$ -	\$ -	\$ -	\$ -
13	Transmission	\$ -	\$ -	\$ -	\$ -
14	Operations	\$ 14,392,962	\$ -	\$ 14,392,962	\$ -
15	Maintenance	\$ 19,232,637	\$ -	\$ 19,232,637	\$ -
16		\$ -	\$ -	\$ -	\$ -
17	Distribution	\$ -	\$ -	\$ -	\$ -
18	Operations	\$ -	\$ -	\$ -	\$ -
19	Supervision and Engineering	\$ 16,532,201	\$ -	\$ -	\$ 16,532,201
20	Load Dispatching	\$ 2,285,373	\$ -	\$ -	\$ 2,285,373
21	Station Expenses	\$ 48,101	\$ -	\$ -	\$ 48,101
22	Overhead Lines	\$ 19,701,951	\$ -	\$ -	\$ 19,701,951
23	Underground Lines	\$ 2,181,579	\$ -	\$ -	\$ 2,181,579
24	Street Lighting	\$ 5,077,190	\$ -	\$ -	\$ 5,077,190
25	Meters	\$ 9,300,019	\$ -	\$ -	\$ 9,300,019
26	Customer Installations	\$ 8,290,615	\$ -	\$ -	\$ 8,290,615
27	Miscellaneous	\$ 51,344,456	\$ -	\$ -	\$ 51,344,456
28	Maintenance	\$ -	\$ -	\$ -	\$ -
29	Supervision and Engineering	\$ 8,453,750	\$ -	\$ -	\$ 8,453,750

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30	Structures	\$ 1,054,312	\$ -	\$ -	\$ 1,054,312
31	Station Expenses	\$ 2,915,121	\$ -	\$ -	\$ 2,915,121
32	Overhead Lines	\$ 29,729,400	\$ -	\$ -	\$ 29,729,400
33	Underground Lines	\$ 2,468,364	\$ -	\$ -	\$ 2,468,364
34	Line Transformers	\$ 153,385	\$ -	\$ -	\$ 153,385
35	Street Lighting	\$ 1,005,299	\$ -	\$ -	\$ 1,005,299
36	Meters	\$ 486,693	\$ -	\$ -	\$ 486,693
37	Miscellaneous	\$ 5,298,407	\$ -	\$ -	\$ 5,298,407
38		\$ -	\$ -	\$ -	\$ -
39	Customer Billing Expense	\$ 83,464,014	\$ -	\$ -	\$ 83,464,014
40		\$ -	\$ -	\$ -	\$ -
41	Administrative and General Expenses	\$ -	\$ -	\$ -	\$ -
42	Operations	\$ 151,065,571	\$ 40,573,183	\$ 13,336,523	\$ 97,155,865
43	Maintenance	\$ 4,994,085	\$ 1,341,311	\$ 440,893	\$ 3,211,881
44		\$ -	\$ -	\$ -	\$ -
45	Other Expenses	\$ -	\$ -	\$ -	\$ -
46	Bad Debt Expense	\$ -	\$ -	\$ -	\$ -
47	Energy Commission Assessment to PREPA	\$ 5,800,000	\$ -	\$ -	\$ 5,800,000
48	Provision for CILT - Payments	\$ 51,783,821	\$ -	\$ -	\$ 51,783,821
49	Provision for CILT - Subsidies	\$ 168,312,921	\$ -	\$ -	\$ 168,312,921
50		\$ -	\$ -	\$ -	\$ -
51	Adjustments	\$ -	\$ -	\$ -	\$ -
52	Less Other Income	\$ (38,924,845)	\$ -	\$ -	\$ (38,924,845)
53		\$ -	\$ -	\$ -	\$ -
54	Capital Expenditures	\$ -	\$ -	\$ -	\$ -
55	Maintenance Capex	\$ -	\$ -	\$ -	\$ -
56	Generation	\$ 68,905,000	\$ 68,905,000	\$ -	\$ -
57	Transmission	\$ 26,372,000	\$ -	\$ 26,372,000	\$ -
58	Distribution	\$ 103,035,000	\$ -	\$ -	\$ 103,035,000

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Line	Description	Total	Production	Transmission	Distribution
59	Total System	\$ 33,754,000	\$ 11,728,082	\$ 4,488,687	\$ 17,537,231
60	Investment Capex	\$ -	\$ -	\$ -	\$ -
61	Generation	\$ 56,339,808	\$ 56,339,808	\$ -	\$ -
62	Transmission	\$ 24,076,000	\$ -	\$ 24,076,000	\$ -
63	Distribution	\$ 24,076,000	\$ -	\$ -	\$ 24,076,000
64	Total System	\$ -	\$ -	\$ -	\$ -
65		\$ -	\$ -	\$ -	\$ -
66	Debt Service	\$ -	\$ -	\$ -	\$ -
67	Legacy Bond Service	\$ 314,389,739	\$ 126,289,139	\$ 61,058,176	\$ 127,042,425
68	Securitization	\$ 503,264,236	\$ 202,159,292	\$ 97,739,819	\$ 203,365,126
69		\$ -	\$ -	\$ -	\$ -
70		\$ -	\$ -	\$ -	\$ -
71		\$ -	\$ -	\$ -	\$ -
72		\$ -	\$ -	\$ -	\$ -
73		\$ -	\$ -	\$ -	\$ -
74		\$ -	\$ -	\$ -	\$ -
75		\$ -	\$ -	\$ -	\$ -
76					
77	Total Revenue Requirement	\$ 3,376,811,005	\$ 2,103,487,652	\$ 261,137,697	\$ 1,012,185,657