



PREPA CRO Update

October 21, 2014

Preliminary
Subject to Substantial Revision

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References in this presentation to an Integrated Resource Plan (“IRP”) are to a Stage 1 IRP. The IRP required by Act 57-2014, Transformation and Energy Relief Act, will require further development.



Executive Summary

- Since executing the forbearance agreements and retaining a CRO, we have performed an initial assessment of the company's most critical issues
- We have been actively addressing fuel-related challenges through the refinement of fuel forecasting, inventory optimization and the AOGP Project
- While preparing the business plan and forecast model, we will continue to identify, prioritize and implement initiatives in areas that will have a near-term operating impact, including, but not limited to, customer billing and collections, transportation, employee overtime, facilities management and procurement
- Currently, the business plan process is predominantly focused on operational assessment and forecast modeling
- We continue to focus on day-to-day operations and the development of the business plan and will continue to share information when available and appropriate



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Business Plan Update

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