
MONTHLY REPORT
TO THE GOVERNING BOARD
AUGUST 2011

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PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	AUGUST		Increase (Decrease) %
	2011-12	2010-11	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	1,390,170	1,407,004	(1.2)
PREPA - Hydro	15,282	14,798	3.3
Purchased power - gas	310,042	356,431	(13.0)
Purchased power - coal	241,040	329,165	(26.8)
Total	1,956,534	2,107,398	(7.2)
Fiscal year-to-date:			
PREPA - Steam and gas	2,704,008	2,769,554	(2.4)
PREPA - Hydro	25,421	28,081	(9.5)
Purchased power - gas	582,986	695,839	(16.2)
Purchased power - coal	574,410	646,184	(11.1)
Total	3,886,825	4,139,658	(6.1)
Twelve months:			
PREPA - Steam and gas	15,319,343	16,459,557	(6.9)
PREPA - Hydro	147,134	148,952	(1.2)
Purchased power - gas	3,473,675	3,651,869	(4.9)
Purchased power - coal	3,437,912	3,285,782	4.6
Total	22,378,064	23,546,160	(5.0)
2. Maximum hourly peak load (in MW)			
Month	3,303	3,406	(3.0)
Fiscal year-to-date	3,303	3,406	(3.0)
Twelve months	3,303	3,406	(3.0)
3. Sales (kWh in thousands)			
Month:			
Billed	1,586,730	1,653,456	(4.0)
Days billed	30.70	30.35	1.2
Fiscal year-to-date:			
Billed	3,148,764	3,262,880	(3.5)
Days billed	60.45	60.55	(0.2)
Twelve months:			
Billed	18,437,679	19,185,348	(3.9)
Days billed	365.0	365.0	
4. System efficiency (%)			
Month	80.9	80.3	0.7
Fiscal year-to-date	83.3	80.2	3.8
Twelve months	82.3	81.3	1.2
5. Average cost per barrel (\$)			
Month	116.33	80.23	45.0
Fiscal year-to-date	117.28	79.01	48.4
Twelve months	102.92	78.65	30.9
6. kWh/Barrel			
Month	625.64	638.10	(2.0)
Fiscal year-to-date	617.78	633.04	(2.4)
Twelve months	641.19	630.32	1.7
7. Heat rate (BTU/kWh) *			
Month	10,671	10,470	1.9
Fiscal year-to-date	10,595	10,584	0.1
Twelve months	10,346	10,605	(2.4)

*Revised prior year.

PUERTO RICO ELECTRIC POWER AUTHORITY

8. Fuel consumption (in thousands)	2011-12		2010-11		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
Month:						
Steam	1,964	226,374	1,983	155,423		
Gas	258	32,084	222	21,445	(1.0)	-45.7
Natural Gas					16.2	-49.6
Total	<u>2,222</u>	<u>258,458</u>	<u>2,205</u>	<u>176,868</u>	0.8	46.1
Fiscal year-to-date:						
Steam	3,847	450,279	4,000	309,478		
Gas	436	55,942	375	36,228	(3.8)	-45.5
Natural Gas	94	7,053			16.3	-54.4
Total	<u>4,377</u>	<u>513,274</u>	<u>4,375</u>	<u>345,706</u>		48.5
Twelve months:						
Steam	21,227	2,154,245	23,277	1,786,342		
Gas	2,571	297,655	2,836	267,546	(8.8)	-20.6
Natural Gas	94	7,054			(9.3)	-11.3
Total	<u>23,892</u>	<u>2,458,954</u>	<u>26,113</u>	<u>2,053,888</u>	(8.5)	-19.7

AUGUST

	2011	2010	Increase (Decrease) %
B. Client Service			
1. Service complaints per thousand clients	10.73	8.17	31.3
2. Disconnections for nonpayment per thousand clients	7.01	7.52	(6.8)
C. Distribution System			
1. Interruption frequency index			
Total interruptions per thousand clients served	0.049	0.046	7.0
2. Interruption duration index			
Average interruption time per clients served (minutes)	6.05	8.28	(26.9)
3. Clients per interruption	54	54	
4. Time per interruption (minutes)	250	251	(0.5)

PUERTO RICO ELECTRIC POWER AUTHORITY

D. Personnel

		AUGUST		Increase (Decrease)
		2011	2010	
Management Conf. / Carr.	Reg.	2,632	2,654	(22)
	Temp.	4	1	3
U.T.I.E.R.	Reg.	4,640	4,812	(172)
	Temp.	73	1	72
	Emerg.	11	4	7
U.I.T.I.C.E.	Reg.	902	918	(16)
	Temp.			
U.E.P.I.	Reg.	367	377	(10)
	Temp.			
U.P.A.E.E.	Reg.	6	6	
	Temp.			
Total		8,635	8,773	(138)

H. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	AUGUST					
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2011-12	2010-11	Increase (Decrease) %
kWh sales:						
Residential	603,421	642,025	(6.0)	1,225,079	1,254,703	(2.4)
Commercial	717,626	752,313	(4.6)	1,475,868	1,503,858	(1.9)
Industrial	225,105	266,667	(15.6)	470,163	500,989	(6.2)
Others	35,884	31,176	15.1	66,621	62,330	6.9
Total	<u>1,582,036</u>	<u>1,692,181</u>	(6.5)	<u>3,237,731</u>	<u>3,321,880</u>	(2.5)
Basic revenues:						
Residential	30,547	32,026	(4.6)	62,311	62,609	(0.5)
Commercial	47,467	49,869	(4.8)	98,009	98,821	(0.8)
Industrial	9,321	11,792	(21.0)	19,937	21,814	(8.6)
Others	5,042	4,684	7.6	9,850	9,477	3.9
Total	<u>92,377</u>	<u>98,371</u>	(6.1)	<u>190,107</u>	<u>192,721</u>	(1.4)
Fuel adjustment:						
Residential	114,765	78,390	46.4	224,884	152,058	47.9
Commercial	131,357	88,151	49.0	263,193	176,344	49.2
Industrial	38,191	28,544	33.8	77,270	53,454	44.6
Others	6,462	3,726	73.4	12,055	7,637	57.8
Total	<u>290,775</u>	<u>198,811</u>	46.3	<u>577,402</u>	<u>389,493</u>	48.2
Purchased power:						
Residential	24,334	25,743	(5.5)	48,914	50,554	(3.2)
Commercial	28,313	28,889	(2.0)	57,835	58,694	(1.5)
Industrial	8,062	9,377	(14.0)	16,796	17,718	(5.2)
Others	1,511	1,257	20.2	2,761	2,531	9.1
Total	<u>62,220</u>	<u>65,266</u>	(4.7)	<u>126,306</u>	<u>129,497</u>	(2.5)
Total revenues:						
Residential	169,646	136,159	24.6	336,109	265,221	26.7
Commercial	207,137	166,909	24.1	419,037	333,859	25.5
Industrial	55,574	49,713	11.8	114,003	92,986	22.6
Others	13,015	9,667	34.6	24,666	19,645	25.6
Total	<u>445,372</u>	<u>362,448</u>	22.9	<u>893,815</u>	<u>711,711</u>	25.6

AUGUST						
Month				Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2011-12	2010-11	Increase (Decrease) %
2. Cents per kWh						
Basic revenues:						
Residential	5.06	4.99	1.4	5.09	4.99	2.0
Commercial	6.61	6.63	(0.3)	6.64	6.57	1.1
Industrial	4.14	4.42	(6.3)	4.24	4.35	(2.5)
Others	14.05	15.02	(6.5)	14.79	15.20	(2.7)
Total	5.84	5.81	0.5	5.87	5.80	1.2
Fuel adjustment:						
Residential	19.02	12.21	55.8	18.36	12.12	51.5
Commercial	18.30	11.72	56.1	17.83	11.73	52.0
Industrial	16.97	10.70	58.6	16.44	10.67	54.1
Others	18.01	11.96	50.6	18.09	12.26	47.6
Total	18.38	11.75	56.4	17.84	11.72	52.2
Purchased power:						
Residential	4.03	4.01	0.5	3.99	4.03	(1.0)
Commercial	3.95	3.84	2.9	3.92	3.90	0.5
Industrial	3.58	3.52	1.7	3.57	3.54	0.8
Others	4.21	4.03	4.5	4.14	4.06	2.0
Total	3.93	3.86	1.8	3.90	3.90	
Total revenues:						
Residential	28.11	21.21	32.5	27.44	21.14	29.8
Commercial	28.86	22.19	30.1	28.39	22.20	27.9
Industrial	24.69	18.64	32.5	24.25	18.56	30.7
Others	36.27	31.01	17.0	37.02	31.52	17.4
Total	28.15	21.42	31.4	27.61	21.42	28.9
3. Clients:						
Residential	1,341,565	1,339,894	0.1	1,342,685	1,339,844	0.2
Commercial	129,126	129,521	(0.3)	129,264	129,547	(0.2)
Industrial	745	788	(5.5)	748	791	(5.4)
Others	3,503	3,539	(1.0)	3,510	3,538	(0.8)
Total	<u>1,474,939</u>	<u>1,473,742</u>	0.1	<u>1,476,207</u>	<u>1,473,720</u>	0.2
4. Average kWh per client:						
Residential	450	479	(6.1)	912	936	(2.6)
Commercial	5,558	5,808	(4.3)	11,417	11,609	(1.6)
Industrial	302,154	338,410	(10.7)	628,560	633,362	(0.8)
Others	10,244	8,809	16.3	18,980	17,617	7.7
Total	1,073	1,148	(6.6)	2,193	2,254	(2.7)

PUERTO RICO ELECTRIC POWER AUTHORITY

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	AUGUST	
	Month	Fiscal Year-to-Date
	2011	2011-12
kWh sales:		
Residential	58	107
Commercial	223,232	438,711
Industrial	176	766
Others	31,408	58,420
Total	<u>254,874</u>	<u>498,004</u>
Basic revenues:		
Residential	3	5
Commercial	14,421	28,498
Industrial	34	79
Others	4,778	9,207
Total	<u>19,236</u>	<u>37,789</u>
Fuel adjustment:		
Residential	12	20
Commercial	43,097	78,178
Industrial	49	141
Others	6,366	10,985
Total	<u>49,524</u>	<u>89,324</u>
Purchased power:		
Residential	2	4
Commercial	7,833	15,913
Industrial	5	27
Others	1,151	2,215
Total	<u>8,991</u>	<u>18,159</u>
Total revenues:		
Residential	17	29
Commercial	65,351	122,589
Industrial	88	247
Others	12,295	22,407
Total	<u>77,751</u>	<u>145,272</u>
2. Clients:		
Residential	9	8
Commercial	21,940	21,949
Industrial	7	8
Others	2,248	2,249
Total	<u>24,204</u>	<u>24,214</u>

Statistical and financial data from the Government sector is segregated from the original sales reports prepared by the Client Service Directorate. This information will be presented in this format, until the new Client Service System (CC&B) is available to provide the fully detailed statistical data.

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

	AUGUST 2011					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	96.9	92.4	(4.6)	192.9	190.1	(1.5)
Fuel adjustment	285.9	290.8	1.7	547.8	577.4	5.4
Purchased power	<u>72.0</u>	<u>62.2</u>	(13.6)	<u>143.9</u>	<u>126.3</u>	(12.2)
Revenues from sales	454.8	445.4	(2.1)	884.6	893.8	1.0
Other	<u>1.5</u>	<u>1.1</u>	(26.7)	<u>3.0</u>	<u>7.4</u>	*
Total revenues	<u>456.3</u>	<u>446.5</u>	(2.1)	<u>887.6</u>	<u>901.2</u>	1.5
Fuel	253.7	258.5	1.9	486.0	513.3	5.6
Purchased power	64.0	55.5	(13.3)	128.1	112.3	(12.3)
Fuel Extra Expense Claimed						
Other expenses	<u>64.4</u>	<u>66.1</u>	2.6	<u>128.8</u>	<u>128.3</u>	(0.4)
Total current expenses	382.1	380.1	(0.5)	742.9	753.9	1.5
1974 - sinking fund appropriations	40.7	40.5	(0.5)	80.9	80.9	
Reserve Maintenance Fund	0.4			0.8		
Self Insurance Fund	0.8			1.7		
Interest on notes	0.6	0.1	(83.3)	1.2	0.2	(83.3)
Internal funds	14.8	0.4	(97.3)	26.1	15.7	(39.8)
Contribution to municipalities	14.1	21.4	51.8	28.3	43.2	52.7
Other appropriations	<u>2.8</u>	<u>4.0</u>	42.9	<u>5.7</u>	<u>7.3</u>	28.1
Total	<u>456.3</u>	<u>446.5</u>	(2.1)	<u>887.6</u>	<u>901.2</u>	1.5

EXPLANATION OF MAJOR VARIATIONS

1. Purchased power revenue and expense decreased for the month and fiscal year-to-date due to a lower cost per MWH from cogenerators than budgeted.
2. The other revenues for the fiscal year-to-date increased due to a higher market value of investments than budgeted.
3. Interest on notes for the month and fiscal year-to-date decreased due to lower interest rates than budgeted.
4. Internal funds for the month and fiscal year-to-date decreased due to less available funds than budgeted.
5. Contribution to municipalities for the month and fiscal year-to-date increased due to a higher electric power consumption than budgeted.
6. Other appropriations for the month and fiscal year-to-date increased due to more funds assigned to residential clients/subsidy than budgeted.

*Over 100%

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

	AUGUST					
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2011-12	2010-11	Increase (Decrease) %
Basic charges	92.4	98.7	(6.4)	190.1	196.8	(3.4)
Fuel adjustment	290.8	169.8	71.3	577.4	336.7	71.5
Purchased power	62.2	73.0	(14.8)	126.3	144.1	(12.4)
Revenues from sales	445.4	341.5	30.4	893.8	677.6	31.9
Other	1.1	2.9	(62.1)	7.4	4.7	57.4
Total revenues	<u>446.5</u>	<u>344.4</u>	29.6	<u>901.2</u>	<u>682.3</u>	32.1
Fuel	258.5	150.8	71.4	513.3	298.7	71.8
Purchased power	55.5	65.2	(14.9)	112.3	128.6	(12.7)
Fuel Extra Expense Claimed						
Other expenses	66.1	71.4	(7.4)	128.3	133.3	(3.8)
Total current expenses	380.1	287.4	32.3	753.9	560.6	34.5
1974 - sinking fund appropriations	40.5	39.3	3.1	80.9	78.6	2.9
Reserve Maintenance Fund						
Self Insurance Fund						
Interest on notes	0.1	2.3	(95.7)	0.2	4.0	(95.0)
Internal funds	0.4	0.6	(33.3)	15.7	2.9	*
Contribution to municipalities	21.4	11.9	79.8	43.2	29.7	45.5
Other appropriations	4.0	2.9	37.9	7.3	6.5	12.3
Total	<u>446.5</u>	<u>344.4</u>	29.6	<u>901.2</u>	<u>682.3</u>	32.1

EXPLANATION OF MAJOR VARIATIONS

1. The increase in the fuel adjustment and expense for the month and fiscal year-to-date was due to a higher price per barrel of oil than prior year.
2. Purchased power revenue and expense decreased for the month and fiscal year-to-date due to a lower cost per kWh from cogenerators than prior year.
3. The other revenues for the fiscal year-to-date increased due to a higher market value of investments than prior year.
4. Interest on notes for the month and fiscal year-to-date decreased due to lower interest rates than prior year.
5. Internal funds for the fiscal year-to-date increased due to more available funds than prior year.
6. Contribution to municipalities for the month and fiscal year-to-date increased due to a higher electric power consumption as compared to prior year.
7. Other appropriations for the month and fiscal year-to-date increased due to more funds assigned to residential clients' subsidy than prior year.

*Over 100%

D. Notes Payable
(in thousand dollars)

AUGUST

<u>Construction Financing</u>			<u>Operational Financing</u>		
	<u>2011</u>	<u>2010</u>		<u>2011</u>	<u>2010</u>
1. Rehabilitation Isabela Dam (GDB):			1. Residential Fuel Subsidy (BPPR):		
Line of credit	25,354	25,354	Line of credit	41,585	41,585
Amount received	<u>750</u>	<u>0</u>	Amount received	<u>41,585</u>	<u>41,585</u>
Available balance	<u>9,011</u>	<u>9,761</u>	Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	750	0	Debt outstanding balance	10,754	16,363
Maturity Date	June 30, 2018		Maturity Date	November 30, 2013	
			2. Municipalities Settlement Agreement :		
			Line of credit	64,208	64,208
			Amount received	<u>64,208</u>	<u>64,208</u>
			Available balance	<u>0</u>	<u>0</u>
			Debt outstanding balance	27,433	36,758
			Maturity Date	June 30, 2014	
			3. Basis Swap Collateral (GDB) :		
			Line of credit	150,000	150,000
			Amount received	<u>0</u>	<u>21,100</u>
			Available balance	<u>150,000</u>	<u>128,900</u>
			Debt outstanding balance	0	1,878
			Maturity Date	December 31, 2010	
			4. Gasoducto del Sur:		
			Line of credit	35,000	35,000
			Amount received	<u>26,485</u>	<u>26,271</u>
			Available balance	<u>8,515</u>	<u>8,729</u>
			Debt outstanding balance	26,485	26,271
			Maturity Date	August 17, 2011	
			5. Fuel Financing (Scotiabank) :		
			Line of credit	150,000	
			Amount received	<u>150,000</u>	
			Available balance	<u>0</u>	
			Debt outstanding balance	150,000	
			Maturity Date	June 15, 2012	
			6. Fuel Financing (Citibank) :		
			Line of credit	260,000	200,000
			Amount received	<u>100,000</u>	<u>60,000</u>
			Available balance	<u>160,000</u>	<u>140,000</u>
			Debt outstanding balance	100,000	60,000
			Maturity Date	July 13, 2012	

E. Capital Improvements Program
(in thousand dollars)

AUGUST 2011						
	Month **			Fiscal Year-to-Date***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	8,695	12,051	38.6	17,300	18,975	9.1
Transmission	6,343	5,507	(13.2)	12,683	11,196	(11.7)
Distribution	7,267	10,632	46.3	14,534	17,473	20.2
Other	4,984	6,220	26.8	9,808	7,130	(27.3)
Undistributed Overhead						
Total	<u>27,209</u>	<u>34,410</u>	26.5	<u>54,115</u>	<u>54,774</u>	0.7
Internal Funds	14,842	388		26,133	15,689	
Percentage of Internal Funds to Investment in Capital Improvements Programs *	55%	1%		41%	29%	
Contribution AID for Construction		392			1,097	

	2011	2010
F. Highest debt coverage as of August 31	1.32	1.36

G. REA Projects

	Month	Fiscal Year-to-Date
Total investment	\$2,390	\$7,341
Families served	1	2

*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 quarterly overhead allocation.

PUERTO RICO ELECTRIC POWER AUTHORITY

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

	AUGUST		Increase (Decrease) %
	2011	2010	
General clients	760,548	640,901	18.7
Government	530,399	430,198	23.3
Subtotal	1,290,947	1,071,099	20.5
Plus:			
Subsidy (Act 106 of 1974)*	12,653	18,980	(33.3)
Total adjusted accounts receivable	1,303,600	1,090,079	19.6
Sales of electric energy (12 months)			
Revenues from sales **	4,561,288	4,159,352	9.7
kWh (including subsidy)	18,417,259	19,148,681	(3.8)
Indicators:			
A. Ratio of accounts receivable to sales (%)	28.3	25.8	9.9
B. Ratio of accounts receivable to sales (%) (including subsidy)	28.4	26.0	9.2
C. Sales days in accounts receivable	103	94	9.9
D. Sales days in accounts receivable (including subsidy)	104	95	9.2
E. Ratio of collections to sales of electric energy:			
General clients:			
Sales**	3,782,480	3,459,364	9.3
Collections	3,645,294	3,381,367	7.8
Percent	96.4	97.7	(1.4)
Government:			
Sales	778,808	699,988	11.3
Collections***	739,043	653,932	13.0
Percent	94.9	93.4	1.6
Percent of total sales	96.1	97.0	(0.9)

* The residential clients' subsidy is paid by the Commonwealth Government in annual installments of \$6.3 millions.

** Excludes residential clients' subsidy of \$26,972 and \$29,185, for the 12 months ended August 2011 and August 2010, respectively.

***Includes Contribution in Lieu of Taxes of \$221,699 and \$184,711, for the 12 months ended August 2011 and August 2010, respectively.

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BALANCE SHEETS

ASSETS
(in thousands)

	August 31 2011	June 30 2011
Current assets:		
Cash and cash equivalents		
General fund	\$ 20,825	\$ 72,402
Revenue fund	14	14
Working funds	711	911
Total cash and cash equivalents	21,550	73,327
Accounts receivable (Exhibit A)	1,282,281	1,184,375
Fuel oil inventory	213,633	228,006
Materials and supplies inventory	196,269	196,649
Prepayments and other (Exhibit B)	18,935	5,362
Total current assets	1,732,668	1,687,719
Non current receivables (Exhibit A)	95,407	95,407
Restricted Assets		
Cash held by trustees	9	313,537
Investments held by trustees		
Sinking funds - interest	338,158	368,436
Sinking funds - principal	30,938	
Non current restricted deposits held by trustees	465,928	462,548
Total investment held by trustees	835,024	830,984
Construction fund and other		
Construction fund	11,799	9,854
Investment held by REA	1,099	2,020
Reserve maintenance fund	15,741	15,692
Other restricted fund	1,900	1,900
Prepa Client Fund	501	500
Total construction fund and other	31,040	29,966
Total restricted assets	866,073	1,174,487
Utility Plant		
Electric plant in service	11,103,221	11,053,977
Less: accumulated depreciation	5,336,807	5,270,657
Net electric plant in service	5,766,414	5,783,320
Construction work in progress, including preliminary surveys of \$22,166 and \$22,247	1,024,454	1,011,611
Total utility plant	6,790,868	6,794,931
Other Properties		
Deferred debits:		
Unamortized debt expense	60,322	60,961
Other	122,556	121,182
Total deferred debits	182,878	182,143
Total assets	\$ 9,667,894	\$ 9,934,687

BALANCE SHEETS

LIABILITIES
(in thousands)

	August 31 2011	June 30 2011
Liabilities and net assets		
Current Liabilities		
Notes payable to banks	\$ 263,878	\$ 166,303
Accounts payable and accrued liabilities (Exhibit C)	1,166,317	1,208,781
Customer deposits, including accrued interest	34,326	34,022
Total current liabilities	1,464,521	1,409,106
Current liabilities payable from restricted assets		
Current portion of long-term debt	183,515	358,552
Notes payable from restricted assets		
Accrued interest payable on bonds and notes	63,129	183,308
Other current liabilities (Exhibit C)	64,595	69,408
Total current liabilities from restricted assets	311,239	611,268
Non current liabilities		
Power revenue bonds, net of unamortized debt discount of \$(82,870) and \$(82,870)	7,571,841	7,571,841
Notes payable	51,416	51,416
Non current portion, accounts payable and accrued sick leave	128,810	128,810
Accrued Unfunded OPEB	191,972	187,350
Customer deposit-noncurrent	137,422	137,422
Total noncurrent liabilities	8,081,461	8,076,839
Total liabilities	9,857,221	10,097,213
Net assets	(189,327)	(162,526)
Total liabilities and net assets	\$ 9,667,894	\$ 9,934,687

PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget August 2011	Actual August 2011	Actual August 2010
Operating revenues:			
Sales of electric energy	\$ 454,762	\$ 445,372	\$ 362,448
Rural electrification	-	-	-
Total operating revenues	454,762	445,372	362,448
Other income	1,580	1,107	(39)
Total revenues	456,342	446,479	362,409
Expenses:			
Fuel cost	253,703	258,458	176,868
Purchased power	64,043	55,496	58,200
Other production	5,124	6,238	5,710
Transmission and distribution	13,238	16,669	15,518
Maintenance	20,003	20,353	22,680
Customer accounting and collection	9,582	10,243	9,682
Administrative and general	16,446	12,642	14,481
Interest charges	-	-	353
Subtotal expenses by function	382,139	380,099	303,492
Other Post employment benefits	2,415	2,311	2,216
Depreciation	33,202	33,886	30,864
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	32,051	29,229	31,133
Contribution to municipalities	20,076	22,010	16,539
Other appropriations	2,851	3,985	3,388
Bond Discount and Defeasance Amortization	528	528	577
Total expenses	473,262	472,048	388,209
Contributed capital	2,000	1,312	31,479
Changes in net assets	\$ (14,920)	\$ (24,257)	\$ 5,679

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

	FISCAL YEAR		
	Budget 2011-2012	Actual 2011-2012	Actual 2010-2011
Operating revenues:			
Sales of electric energy	\$ 884,582	\$ 893,815	\$ 711,711
Rural electrification	-	-	-
Total operating revenues	884,582	893,815	711,711
Other income	3,160	7,445	2,450
Total revenues	887,742	901,260	714,161
Expenses:			
Fuel cost	486,039	513,274	345,706
Purchased power	128,062	112,303	115,557
Other production	10,248	12,070	10,882
Transmission and distribution	26,476	31,448	30,388
Maintenance	40,005	38,226	42,479
Customer accounting and collection	19,164	18,718	16,846
Administrative and general	32,892	27,849	29,269
Interest charges	-	-	706
Subtotal expenses by function	742,887	753,888	591,833
Other post employment benefits	4,830	4,622	4,431
Depreciation	66,404	67,559	61,605
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	64,102	60,801	62,188
Contribution to municipalities	40,152	41,367	32,131
Other appropriations	5,702	7,322	6,279
Bond discount and defeasance amortization	1,056	1,057	1,155
Total expenses	925,133	936,616	759,622
Contributed capital	4,000	8,555	53,136
Changes in net assets	\$ (33,391)	\$ (26,801)	\$ (28,022)

PUERTO RICO ELECTRIC POWER AUTHORITY

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

MONTH

	Budget August 2011	Actual August 2011	Actual August 2010
Revenues:			
Sales of electric energy (Exhibit D)	\$ 454,762	\$ 445,372	\$ 362,448
Rural electrification	-	-	-
Total operating revenues	454,762	445,372	362,448
Other income	1,580	2,419	31,440
Total revenues	456,342	447,791	393,888
Less: 1974 construction fund investment income and gain on sale of properties	64	1,315	31,486
Revenues - net	456,278	446,476	362,402
Current expenses:			
Fuel cost	253,703	258,458	176,868
Purchased power	64,043	55,496	58,200
Other production	5,124	6,238	5,710
Transmission and distribution	13,238	16,669	15,518
Maintenance	20,003	20,353	22,680
Customer accounting and collection	9,582	10,243	9,682
Administrative and general	16,446	12,642	14,481
Interest charges	-	-	353
Total current expenses	382,139	380,099	303,492
Net revenues (as defined)	74,139	66,377	58,910
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds	24,978	24,978	25,785
Bond redemption account	-	15,467	14,622
Reserve Account Fund	15,467	-	-
Reserve maintenance fund	417	-	-
Self Insurance Fund	833	-	-
Interest on notes	601	121	177
Capital Improvements fund	14,842	388	-
Total contractual obligations	57,138	40,954	40,584
Balance	17,001	25,423	18,326
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	14,150	21,438	14,938
Other	2,851	3,985	3,388
Total provision for contribution and other	17,001	25,423	18,326
Remainder	\$ 0	\$ 0	\$ 0

STATEMENTS OF REVENUES AND EXPENSES FOR REVENUE FUND
PURPOSES PER TRUST AGREEMENT

AUGUST
(in thousands)

FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
Budget August 2011	Actual August 2011	Actual August 2010	Budget June 2012	Actual August 2011	Actual August 2010
\$ 884,582	\$ 893,815	\$ 711,711	\$ 4,908,986	\$ 4,588,260	\$ 4,188,546
-	-	-	-	-	-
884,582	893,815	711,711	4,908,986	4,588,260	4,188,546
3,160	15,999	55,586	18,966	216,596	127,710
887,742	909,814	767,297	4,927,952	4,804,856	4,316,256
128	8,562	53,207	765	191,383	118,734
887,614	901,252	714,090	4,927,187	4,613,473	4,197,522
486,039	513,274	345,706	2,614,980	2,458,954	2,053,888
128,062	112,303	115,557	774,885	657,618	680,703
-	-	-	-	-	-
10,248	12,070	10,882	61,495	68,762	63,390
26,476	31,448	30,388	158,858	177,953	163,470
40,005	38,226	42,479	240,031	216,910	215,463
19,164	18,718	16,846	114,985	116,988	112,797
32,892	27,849	29,269	197,352	171,505	168,714
-	-	706	-	(1,056)	1,921
742,887	753,888	591,833	4,162,586	3,867,634	3,460,346
144,727	147,364	122,257	764,601	745,839	737,176
49,956	49,956	51,571	299,738	303,163	249,302
-	30,934	29,243	-	177,147	150,465
30,934	-	-	185,605	-	-
834	-	-	5,000	-	-
1,666	-	-	10,000	10,000	10,000
1,202	243	275	7,210	1,518	30,218
26,133	15,689	4,359	77,265	28,562	64,887
110,725	96,822	85,448	584,818	520,390	504,872
34,002	50,542	36,809	179,783	225,449	232,304
28,300	43,219	30,530	145,579	185,583	191,208
5,702	7,323	6,279	34,204	39,866	41,096
34,002	50,542	36,809	179,783	225,449	232,304
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

STATEMENT OF NET ASSETS

August 2011
(in thousands)

	August 2011	June 2011
Net Assets		
Invested in utility plant, net related debt	\$ 55,169	\$ 29,351
Restricted for capital activity and debt service	68,003	106,907
Unrestricted	(312,499)	(298,784)
Balance at month ended	\$ (189,327)	\$ (162,526)

ACCOUNTS RECEIVABLE

(in thousands)

Exhibit A

	August 31 2011	June 30 2011
Electric and related services:		
Government	\$ 441,318	\$ 409,113
General clients	716,516	673,591
Recoveries under fuel adjustment and purchase power clause under or (over) billed	10,542	28,329
Unbilled services	244,082	203,499
Commonwealth Government subsidy for certain residential clients	8,060	6,327
Allowance for uncollectible accounts	(210,591)	(209,280)
Claims Receivable from Insurance Companies & Other	40,776	40,649
Advances to Irrigation Systems - net	25,026	24,553
Other subsidies receivable from Commonwealth Government	-	-
Accrued interest	1,424	1,377
Other	5,128	6,217
Total	\$ 1,282,281	\$ 1,184,375

NON-CURRENT RECEIVABLES

Government	\$ 89,081	\$ 89,081
Government subsidy for certain residential clients	6,326	6,326
Total	\$ 95,407	\$ 95,407

PREPAYMENTS AND OTHER

(in thousands)

Exhibit B

	August 31 2011	June 30 2011
Claims Outstanding Related to Property Damages	\$ 312	\$ (708)
Prepayments and other	\$ 18,623	\$ 6,070
Total	\$ 18,935	\$ 5,362

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES
(in thousands)

Exhibit C

	August 2011	June 2011
Accounts payable - fuel oil and other	\$ 800,239	\$ 854,196
Payable to Employees Retirement System	5,019	2,304
Accrued annual leave	60,771	60,610
Accrued sick leave	31,844	37,759
Accrued salaries and fringe benefits	17,124	10,719
Accrued Contribution in Lieu of Taxes	162,385	161,814
Reserve for injuries and damages	23,304	22,939
Accrued Contributions Federal Social Security	1,632	203
Income tax withheld at source	2,167	869
Health plan	16,840	13,184
Pension & Benefits Deferred Employer Contribution	14,109	14,109
Other	30,883	30,075
Sub total current liabilities	\$ 1,166,317	\$ 1,208,781
Other current payables from restricted assets		
Retention on Contract Work	\$ 10,254	\$ 10,209
Vouchered A/P construction	29,394	34,199
Contribution aid to construction	24,947	25,000
Total other current payables from restricted assets	64,595	69,408
Total current Liabilities	\$ 1,230,912	\$ 1,278,189
NON-CURRENT LIABILITIES		
Accrued sick leave	\$ 128,810	\$ 128,810
Total non current liabilities	\$ 128,810	\$ 128,810
Total accounts payables and non current liabilities	\$ 1,359,722	\$ 1,406,999

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SALES OF ELECTRIC ENERGY

AUGUST 2011

Exhibit D

Class of Service	CLIENTS			KWHRS (in thousands)					
	Billed	Unbilled	Total	MONTHLY			BIMONTHLY		Total
				Billed	Unbilled	Adjustment*	Unbilled	Adjustment*	
Residential	1,323,214	18,351	1,341,565	600,400	321,582	(317,429)	(11,261)	10,129	603,421
Commercial	126,854	2,272	129,126	722,177	386,764	(391,431)	9,854	(9,738)	717,626
Industrial	745		745	230,335	123,398	(128,628)			225,105
Public lighting	2,118	102	2,220	26,883	14,362	(12,632)	628	(579)	28,662
Other public authorities	2		2	4,717	2,550	(2,219)			5,048
Agricultural	1,163	118	1,281	2,218	1,189	(1,195)	444	(482)	2,174
Subtotal	1,454,096	20,843	1,474,939	1,586,730	849,845	(853,534)	(335)	(670)	1,582,036
Fuel oil adjustment									
Purchased power									
Subtotal	1,454,096	20,843	1,474,939	1,586,730	849,845	(853,534)	(335)	(670)	1,582,036
Unrecovered fuel oil cost-net									
Unrecovered purchased power cost-net									
Total	1,454,096	20,843	1,474,939	1,586,730	849,845	(853,534)	(335)	(670)	1,582,036

FISCAL YEAR-TO-DATE

Class of Service	Average Clients	Kwhrs. (thousands)	Revenue (thousand \$)	Kwhrs. per Client	Cents per Kwhr. Sold
Residential	1,342,685	1,225,079	62,311	912	5.09
Commercial	129,264	1,475,868	98,009	11,417	6.64
Industrial	748	470,163	19,937	628,560	4.24
Public lighting	2,221	52,805	9,181	23,775	17.39
Other public authorities	2	9,402	395	4,701,000	4.20
Agricultural	1,287	4,414	274	3,430	6.21
Subtotal	1,476,207	3,237,731	190,107	2,193	5.87
Fuel oil adjustment			607,357		17.84
Purchased Power			114,139		3.90
Subtotal	1,476,207	3,237,731	911,603	2,193	28.16
Unrecovered fuel oil cost-net			(29,955)		
Unrecovered purchased Power cost-net			12,167		
Total	1,476,207	3,237,731	893,815	2,193	27.61

*Unbilled previous month.

SALES OF ELECTRIC ENERGY

AUGUST 2011

Exhibit D

REVENUES (in thousand \$)						Kwhrs. per Client	Cents per Kwhr. Sold
MONTHLY				BIMONTHLY			
Billed	Unbilled	Discount	Adjustment*	Unbilled	Total		
30,739	16,479	(13)	(16,307)	(351)	30,547	450	5.06
47,988	25,675		(26,084)	(112)	47,467	5,558	6.61
10,431	5,595	(877)	(5,828)		9,321	302,154	4.14
4,598	2,445		(2,349)	(1)	4,693	12,911	16.37
206	110		(92)		224	2,524,000	4.44
147	80		(80)	(22)	125	1,697	5.75
94,109	50,384	(890)	(50,740)	(486)	92,377	1,073	5.84
311,920	159,046		(139,282)	150	331,834		18.38
56,506	29,925		(34,295)	23	52,158		3.93
462,535	239,355	(890)	(224,317)	(313)	476,369	1,073	30.11
					(41,060)		
					10,063		
462,535	239,355	(890)	(224,317)	(313)	445,372	1,073	28.15