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MONTHLY REPORT  
TO THE GOVERNING BOARD  
FEBRUARY 2011

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PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	FEBRUARY		Increase (Decrease) %
	2010-11	2009-10	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	1,118,782	1,345,794	(16.9)
PREPA - Hydro	7,197	9,638	(25.3)
Purchased power - gas	204,971	91,130	*
Purchased power - coal	298,403	291,778	2.3
Total	1,629,353	1,738,340	(6.3)
Fiscal year-to-date:			
PREPA - Steam and gas	10,268,942	10,810,471	(5.0)
PREPA - Hydro	110,788	84,968	30.4
Purchased power - gas	2,497,485	2,392,999	4.4
Purchased power - coal	2,316,912	2,402,442	(3.6)
Total	15,194,127	15,690,880	(3.2)
Twelve months:			
PREPA - Steam and gas	15,997,420	16,140,974	(0.9)
PREPA - Hydro	159,511	130,515	22.2
Purchased power - gas	3,773,036	3,430,409	10.0
Purchased power - coal	3,152,781	3,421,937	(7.9)
Total	23,082,748	23,123,835	(0.2)
2. Maximum hourly peak load (in MW)			
Month	2,929	3,119	(6.1)
Fiscal year-to-date	3,406	3,404	0.1
Twelve months	3,406	3,404	0.1
3. Sales (kWh in thousands)			
Month:			
Billed	1,441,043	1,473,613	(2.2)
Days billed	29.55	29.85	(1.0)
Fiscal year-to-date:			
Billed	12,555,957	12,796,479	(1.9)
Days billed	242.90	242.75	0.1
Twelve months:			
Billed	18,952,316	18,725,878	1.2
Days billed	365.0	365.0	
4. System efficiency (%)			
Month	85.4	78.5	8.8
Fiscal year-to-date	81.9	81.4	0.7
Twelve months	81.9	81.2	0.9
5. Average cost per barrel (\$)			
Month	102.73	81.17	26.6
Fiscal year-to-date	86.57	74.10	16.8
Twelve months	84.67	67.84	24.8
6. kWh/Barrel			
Month	642.61	635.11	1.2
Fiscal year-to-date	639.73	626.51	2.1
Twelve months	639.54	630.36	1.5
7. Heat rate (BTU/kWh)			
Month	10,455	10,396	0.6
Fiscal year-to-date	10,486	10,691	(1.9)
Twelve months	10,464	10,621	(1.5)

\*Over 100%.

## PUERTO RICO ELECTRIC POWER AUTHORITY

8. Fuel consumption (in thousands)	2010-11		2009-10		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
<b>Month:</b>						
Steam	1,511	151,561	1,787	141,365	(15.4)	7.2
Gas	230	27,302	332	30,672	(30.7)	(11.0)
<b>Total</b>	<u>1,741</u>	<u>178,863</u>	<u>2,119</u>	<u>172,037</u>	(17.8)	4.6
<b>Fiscal year-to-date:</b>						
Steam	14,387	1,213,755	15,253	1,101,077	(5.7)	10.2
Gas	1,665	173,948	2,002	177,600	(16.8)	(0.9)
<b>Total</b>	<u>16,052</u>	<u>1,389,703</u>	<u>17,255</u>	<u>1,278,677</u>	(7.0)	8.7
<b>Twelve months:</b>						
Steam	22,155	1,826,112	22,714	1,484,681	(2.4)	23.0
Gas	2,859	291,845	2,895	252,532	(1.2)	15.6
<b>Total</b>	<u>25,014</u>	<u>2,117,957</u>	<u>25,606</u>	<u>1,737,213</u>	(2.3)	21.9

## FEBRUARY

B. Client Service	2011	2010	Increase (Decrease) %
	1. Service complaints per thousand clients	9.73	11.94
2. Disconnections for nonpayment per thousand clients	10.13	10.18	(0.5)
<b>C. Distribution System</b>			
1. Interruption frequency index			
Total interruptions per thousand clients served	0.05	0.05	
2. Interruption duration index			
Average interruption time per clients served (minutes)	6.82	7.93	(14.0)
3. Clients per interruption	56	51	9.8
4. Time per interruption (minutes)	211	225	(6.1)

PUERTO RICO ELECTRIC POWER AUTHORITY

D. Personnel

		FEBRUARY		Increase (Decrease)
		2011	2010	
Management Conf. / Carr.	Reg.	2,634	2,675	(41)
	Temp.	3	3	
U.T.I.E.R.	Reg.	4,729	4,894	(165)
	Temp.	36		36
	Emerg.	26		26
U.I.T.I.C.E.	Reg.	907	935	(28)
	Temp.		1	(1)
U.E.P.I.	Reg.	369	383	(14)
	Temp.			
U.P.A.E.E.	Reg.	6	6	
	Temp.			
Total		8,710	8,897	(187)

## II. FINANCIAL HIGHLIGHTS

## A. Revenue data

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

	FEBRUARY					
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2010-11	2009-10	Increase (Decrease) %
<b>kWh sales:</b>						
Residential	478,223	441,790	8.2	4,552,177	4,664,513	(2.4)
Commercial	661,822	659,354	0.4	5,731,204	5,833,642	(1.8)
Industrial	222,435	234,597	(5.2)	1,918,443	2,018,489	(5.0)
Others	28,621	28,667	(0.2)	240,958	249,069	(3.3)
Total	<u>1,391,101</u>	<u>1,364,408</u>	2.0	<u>12,442,782</u>	<u>12,765,713</u>	(2.5)
<b>Basic revenues:</b>						
Residential	24,455	22,697	7.7	228,827	228,485	0.1
Commercial	47,794	45,017	6.2	384,079	390,199	(1.6)
Industrial	9,556	9,779	(2.3)	82,478	85,915	(4.0)
Others	4,381	4,368	0.3	36,958	37,748	(2.1)
Total	<u>86,186</u>	<u>81,861</u>	5.3	<u>732,342</u>	<u>742,347</u>	(1.3)
<b>Fuel adjustment:</b>						
Residential	72,350	64,872	11.5	590,909	552,224	7.0
Commercial	94,290	90,483	4.2	721,218	650,437	10.9
Industrial	30,223	29,230	3.4	221,067	204,330	8.2
Others	4,190	4,143	1.1	31,598	28,667	10.2
Total	<u>201,053</u>	<u>188,728</u>	6.5	<u>1,564,792</u>	<u>1,435,658</u>	9.0
<b>Purchased power:</b>						
Residential	20,070	16,548	21.3	184,009	208,873	(11.9)
Commercial	26,412	24,329	8.6	224,022	244,539	(8.4)
Industrial	8,402	7,802	7.7	68,462	76,738	(10.8)
Others	1,196	1,111	7.7	9,744	10,780	(9.6)
Total	<u>56,080</u>	<u>49,790</u>	12.6	<u>486,237</u>	<u>540,930</u>	(10.1)
<b>Total revenues:</b>						
Residential	116,875	104,117	12.3	1,003,745	989,582	1.4
Commercial	168,496	159,829	5.4	1,329,319	1,285,175	3.4
Industrial	48,181	46,811	2.9	372,007	366,983	1.4
Others	9,767	9,622	1.5	78,300	77,195	1.4
Total	<u>343,319</u>	<u>320,379</u>	7.2	<u>2,783,371</u>	<u>2,718,935</u>	2.4

FEBRUARY						
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2010-11	2009-10	Increase (Decrease) %
<b>2. Cents per kWh</b>						
Basic revenues:						
Residential	5.11	5.14	(0.6)	5.03	4.90	2.7
Commercial	7.22	6.83	5.7	6.70	6.69	0.1
Industrial	4.30	4.17	3.1	4.30	4.26	0.9
Others	15.31	15.24	0.5	15.34	15.16	1.2
Total	6.20	6.00	3.3	5.89	5.82	1.2
Fuel adjustment:						
Residential	15.13	14.68	3.1	12.98	11.84	9.6
Commercial	14.25	13.72	3.9	12.58	11.15	12.8
Industrial	13.58	12.45	9.1	11.52	10.12	13.8
Others	14.64	14.44	1.4	13.12	11.50	14.1
Total	14.45	13.83	4.5	12.57	11.24	11.8
Purchased power:						
Residential	4.20	3.75	12.0	4.04	4.48	(9.8)
Commercial	3.99	3.69	8.1	3.91	4.19	(6.7)
Industrial	3.78	3.33	13.5	3.57	3.80	(6.1)
Others	4.18	3.88	7.7	4.04	4.33	(6.7)
Total	4.03	3.65	10.4	3.91	4.24	(7.8)
Total revenues:						
Residential	24.44	23.57	3.7	22.05	21.22	3.9
Commercial	25.46	24.24	5.0	23.19	22.03	5.3
Industrial	21.66	19.95	8.6	19.39	18.18	6.7
Others	34.13	33.56	1.7	32.50	30.99	4.9
Total	24.68	23.48	5.1	22.37	21.30	5.0
<b>3. Clients:</b>						
Residential	1,341,041	1,338,651	0.2	1,340,796	1,334,177	0.5
Commercial	129,443	129,342	0.1	129,592	129,082	0.4
Industrial	764	803	(4.9)	777	814	(4.5)
Others	3,527	3,541	(0.4)	3,532	3,558	(0.7)
Total	<u>1,474,775</u>	<u>1,472,337</u>	0.2	<u>1,474,697</u>	<u>1,467,631</u>	0.5
<b>4. Average kWh per client:</b>						
Residential	357	330	8.1	3,395	3,496	(2.9)
Commercial	5,113	5,098	0.3	44,225	45,193	(2.1)
Industrial	291,145	292,151	(0.3)	2,469,039	2,479,716	(0.4)
Others	8,115	8,096	0.2	68,221	70,003	(2.5)
Total	943	927	1.8	8,438	8,698	(3.0)

## PUERTO RICO ELECTRIC POWER AUTHORITY

## II. FINANCIAL HIGHLIGHTS

## A. Revenue data

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

	FEBRUARY	
	Month	Fiscal Year-to-Date
	2011	2010-11
kWh sales:		
Residential	29	284
Commercial	206,225	1,765,129
Industrial	309	1,735
Others	27,022	220,783
Total	<u>233,585</u>	<u>1,987,931</u>
Basic revenues:		
Residential	1	13
Commercial	13,873	115,817
Industrial	50	210
Others	4,440	35,738
Total	<u>18,364</u>	<u>151,778</u>
Fuel adjustment:		
Residential	5	38
Commercial	31,442	217,177
Industrial	41	196
Others	4,317	28,512
Total	<u>35,805</u>	<u>245,923</u>
Purchased power:		
Residential	1	12
Commercial	8,512	67,869
Industrial	11	62
Others	1,171	8,911
Total	<u>9,695</u>	<u>76,854</u>
Total revenues:		
Residential	7	63
Commercial	53,827	400,863
Industrial	102	468
Others	9,928	73,161
Total	<u>63,864</u>	<u>474,555</u>
2. Clients:		
Residential	9	22
Commercial	21,910	21,905
Industrial	6	5
Others	2,254	2,259
Total	<u>24,179</u>	<u>24,191</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 (C&B) is available to provide the fully detailed statistical data.



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

	FEBRUARY 2011					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	84.6	86.2	1.9	767.0	732.4	(4.5)
Fuel adjustment	176.1	201.0	14.1	1,670.0	1,564.8	(6.3)
Purchased power	<u>65.8</u>	<u>56.1</u>	(14.7)	<u>551.4</u>	<u>486.2</u>	(11.8)
Revenues from sales	326.5	343.3	5.1	2,988.4	2,783.4	(6.9)
Other	<u>1.5</u>	<u>2.4</u>	60.0	<u>12.1</u>	<u>6.5</u>	(46.3)
Total revenues	<u>328.0</u>	<u>345.7</u>	5.4	<u>3,000.5</u>	<u>2,789.9</u>	(7.0)
Fuel	156.1	178.9	14.6	1,479.1	1,389.7	(6.0)
Purchased power	58.5	50.1	(14.4)	490.7	433.9	(11.6)
Fuel Extra Expense Claimed						
Other expenses	<u>59.2</u>	<u>64.3</u>	8.6	<u>473.8</u>	<u>520.8</u>	9.9
Total current expenses	273.8	293.3	7.1	2,443.6	2,344.4	(4.1)
1974 - sinking fund appropriations	38.6	40.0	3.6	307.3	320.1	4.2
Reserve Maintenance Fund	0.4			3.3		
Self Insurance Fund	0.8			6.7		
Interest on notes	1.1	(0.2)	*	8.4	1.2	(85.7)
Internal funds	1.2		*	50.3	4.4	(91.3)
Contribution to municipalities	9.8	9.0	(8.2)	158.0	94.5	(40.2)
Other appropriations	<u>2.3</u>	<u>3.6</u>	56.5	<u>22.9</u>	<u>25.3</u>	10.5
Total	<u>328.0</u>	<u>345.7</u>	5.4	<u>3,000.5</u>	<u>2,789.9</u>	(7.0)

EXPLANATION OF MAJOR VARIATIONS

1. Purchased power revenue and expense decreased for the month and fiscal year-to-date due to lower a cost per kWh from cogenerators than budgeted.
2. The other revenues for the fiscal year-to-date decreased due to a lower market value of investments than budgeted.
3. Interest on notes for the month and fiscal year-to-date decreased due to less 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 fiscal year-to-date decreased due to a lower 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's subsidy than budgeted.

\*Over 100%

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

	FEBRUARY					
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2010-11	2009-10	Increase (Decrease) %
Basic charges	86.2	81.9	5.3	732.4	742.3	(1.3)
Fuel adjustment	201.0	188.7	6.5	1,564.8	1,435.7	9.0
Purchased power	56.1	49.8	12.7	486.2	540.9	(10.1)
Revenues from sales	343.3	320.4	7.1	2,783.4	2,718.9	2.4
Other	2.1	3.8	(36.8)	6.5	9.6	(32.3)
Total revenues	<u>345.7</u>	<u>324.2</u>	6.6	<u>2,789.9</u>	<u>2,728.5</u>	2.3
Fuel	178.9	172.0	4.0	1,389.7	1,278.7	8.7
Purchased power	50.1	44.4	12.8	433.9	482.7	(10.1)
Fuel Extra Expense Claimed						
Other expenses	64.3	56.9	13.0	520.8	486.0	7.2
Total current expenses	293.3	273.3	7.3	2,344.4	2,247.4	4.3
1974 - sinking fund appropriations	40.0	39.3	1.8	320.1	314.5	1.8
Reserve Maintenance Fund						
Interest on notes	(0.2)	3.9	*	1.2	26.4	(95.5)
Internal funds		0.2	*	4.4	6.2	(29.0)
Contribution to municipalities	9.0	4.7	91.5	94.5	108.5	(12.9)
Other appropriations	3.6	2.8	28.6	25.3	25.5	(0.8)
Total	<u>345.7</u>	<u>324.2</u>	6.6	<u>2,789.9</u>	<u>2,728.5</u>	2.3

EXPLANATION OF MAJOR VARIATIONS

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

\*Over 100%

D. Notes Payable  
(in thousand dollars)

FEBRUARY

<u>Construction Financing</u>			<u>Operational Financing</u>		
	<u>2011</u>	<u>2010</u>		<u>2011</u>	<u>2010</u>
1. Capital Improvement Program (JPM):			1. Residential Fuel Subsidy (BPPR):		
Line of credit	0	200,000	Line of credit	41,585	41,585
Amount received	0	200,000	Amount received	41,585	41,585
Available balance	<u>0</u>	<u>0</u>	Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	0	200,000	Debt outstanding balance	10,754	16,363
Maturity Date	March 1, 2010		Maturity Date	November 30, 2013	
2. Infrastructure Municipalities Settlement Agreement (GDB):			2. Municipalities Settlement Agreement :		
Line of credit	0	57,000	Line of credit	64,208	64,208
Amount received	0	56,961	Amount received	<u>64,208</u>	<u>64,208</u>
Available amount	<u>0</u>	<u>39</u>	Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	0	56,961	Debt outstanding balance	32,158	41,308
Maturity Date	June 30, 2010		Maturity Date	June 30, 2014	
3. Rehabilitation Isabela Dam (GDB):			3. Operational Financing (commercial banks) :		
Line of credit	25,354	25,354	Line of credit	0	200,000
Amount received	0	10,239	Amount received	0	199,892
Available balance	<u>9,761</u>	<u>15,115</u>	Available balance	<u>0</u>	<u>108</u>
Debt outstanding balance	750	6,104	Debt outstanding balance	0	189,892
Maturity Date	June 30, 2018		Maturity Date	June 30, 2010	
4. Capital Improvement Program (Citibank) :			4. Fuel Financing (commercial banks) :		
Line of credit	0	300,000	Line of credit	0	275,000
Amount received	0	300,000	Amount received	0	275,000
Available balance	<u>0</u>	<u>0</u>	Available amount	<u>0</u>	<u>0</u>
Debt outstanding balance	0	300,000	Debt outstanding balance	0	275,000
Maturity Date	March 1, 2010		Maturity Date	June 30, 2010	
5. Emergency Liquidity Support :			5. Palo Seco Financing (GDB):		
Line of credit	0	96,000	Line of credit	0	100,000
Amount received	0	84,610	Amount received	0	100,000
Available balance	<u>0</u>	<u>11,390</u>	Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	0	84,610	Debt outstanding balance	0	50,000
Maturity Date	June 30, 2011		Maturity Date	June 30, 2010	
5. First Bank- Via Verde:			6. Palo Seco Financing (BBVA) :		
Line of credit	50,000		Line of credit	0	100,000
Amount received	<u>50,000</u>		Amount received	0	100,000
Available balance	<u>0</u>		Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	0		Debt outstanding balance	0	50,000
Maturity Date	December 30, 2010		Maturity Date	March 31, 2010	
6. LOC Firstbank:			7. Basis Swap Collateral (GDB) :		
Line of credit	0	150,000	Line of credit	150,000	150,000
Amount received	0	80,000	Amount received	0	0
Available balance	<u>0</u>	<u>70,000</u>	Available balance	<u>150,000</u>	<u>150,000</u>
Debt outstanding balance	0	80,000	Debt outstanding balance	0	0
Maturity Date	June 15, 2010		Maturity Date	December 31, 2012	
			8. Gasoducto del Sur:		
			Line of credit	35,000	35,000
			Amount received	<u>26,357</u>	<u>26,172</u>
			Available balance	<u>8,643</u>	<u>8,828</u>
			Debt outstanding balance	26,357	26,172
			Maturity Date	August 17, 2011	
			9. Fuel Financing (Citibank) :		
			Line of credit	128,000	
			Amount received	<u>125,000</u>	
			Available balance	<u>3,000</u>	
			Debt outstanding balance	125,000	
			Maturity Date	June 30, 2011	

E. Capital Improvements Program  
(in thousand dollars)

FEBRUARY 2011						
	Month **			Fiscal Year-to-Date***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	9,150	6,905	(24.5)	73,199	90,990	24.3
Transmission	5,618	7,615	35.5	44,947	50,819	13.1
Distribution	6,696	14,574	****	53,565	85,355	59.3
Other	3,536	545	(84.6)	28,289	14,505	(48.7)
<b>Total</b>	<u>25,000</u>	<u>29,639</u>	18.6	<u>200,000</u>	<u>241,669</u>	20.8
Internal Funds	1,196	0		50,262	4,359	
Percentage of Internal Funds to Investment in Capital Improvements Programs*	5%	0%		25%	2%	
Contribution AID for Construction		645			4,976	

	<u>2011</u>	<u>2010</u>
F. Highest debt coverage as February 28	1.24	1.47

G. REA Projects

	<u>Month</u>	<u>Fiscal Year-to-Date</u>
Total investment	\$28,055	\$140,157
Families served	7	33

\*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 monthly overhead allocation.

\*\*\*\*Over 100%.

## PUERTO RICO ELECTRIC POWER AUTHORITY

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

	FEBRUARY		Increase (Decrease) %
	2011	2010	
General clients	627,186	639,685	(2.0)
Government	464,641	414,956	12.0
Subtotal	1,091,827	1,054,641	3.5
Plus:			
Subsidy (Act 106 of 1974)*	12,653	18,980	(33.3)
Total adjusted accounts receivable	1,104,480	1,073,621	2.9
Sales of electric energy (12 months)			
Revenues from sales **	4,190,612	3,807,500	10.1
kWh (including subsidy)	18,911,968	18,770,813	0.8
Indicators:			
A. Ratio of accounts receivable to sales (%)	26.1	27.7	(5.9)
B. Ratio of accounts receivable to sales (%) (including subsidy)	26.2	28.0	(6.4)
C. Sales days in accounts receivable	95	101	(5.9)
D. Sales days in accounts receivable (including subsidy)	96	102	(6.4)
E. Ratio of collections to sales of electric energy:			
General clients:			
Sales**	3,470,577	3,159,844	9.8
Collections	3,472,798	3,064,268	13.3
Percent	100.1	97.0	3.2
Government:			
Sales	720,035	647,656	11.2
Collections***	642,857	704,184	(8.7)
Percent	89.3	108.7	(17.9)
Percent of total sales	98.2	99.0	(0.8)

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

\*\* Excludes residential clients' subsidy of \$28,239 and \$31,485, for the 12 months ended February 2011 and February 2010, respectively.

\*\*\* Includes Contribution in Lieu of Taxes of \$167,205 and \$152,862, for the 12 months ended February 2011 and February 2010, respectively.

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## BALANCE SHEETS

ASSETS  
(in thousands)February 28  
2011June 30  
2010

## Current assets:

## Cash and cash equivalents

General fund

\$ 207

\$ 67,646

Revenue fund

16

16

Working funds

780

922

## Total cash and cash equivalents

1,003

68,584

Accounts receivable (Exhibit A)

1,075,299

979,109

Fuel oil inventory

208,896

185,293

Materials and supplies inventory

190,339

178,897

Prepayments and other (Exhibit B)

18,411

3,347

## Total current assets

1,493,948

1,415,230

Non current receivables (Exhibit A)

95,407

108,061

## Restricted Assets

Cash held by trustees

1

198,693

## Investments held by trustees

Sinking funds - interest

202,894

-

Sinking funds - principal

117,054

-

Non current restricted deposits held  
by trustees

445,009

433,495

## Total investment held by trustees

764,957

433,495

## Construction fund and other

Construction fund

320,727

148,308

Investment held by REA

2,020

2,018

Reserve maintenance fund

10,565

10,640

Other restricted fund

1,900

1,900

Prepa Client Fund

500

-

## Total construction fund and other

335,712

162,866

## Total restricted assets

1,100,670

795,054

## Utility Plant

Electric plant in service

10,818,253

10,254,302

Less: accumulated depreciation

5,182,642

4,932,745

Net electric plant in service

5,635,611

5,321,557

Construction work in progress, including  
preliminary surveys of \$22,285 and \$23,507

1,069,806

1,176,701

## Total utility plant

6,705,417

6,498,258

## Other Properties

## Deferred debits:

Unamortized debt expense

63,045

63,913

Other

162,613

166,785

## Total deferred debits

225,658

230,698

## Total assets

\$ 9,621,100

\$ 9,047,301



BALANCE SHEETS

LIABILITIES  
(in thousands)

	February 28 2011	June 30 2010
Liabilities and net assets		
Current Liabilities		
Notes payable to banks	\$ 127,300	\$ 14,809
Accounts payable and accrued liabilities (Exhibit C)	986,102	924,349
Customer deposits, including accrued interest	43,026	40,354
Total current liabilities	1,156,428	979,512
Current liabilities payable from restricted assets		
Current portion of long-term debt	174,587	172,278
Notes payable from restricted assets		
Accrued interest payable on bonds and notes	64,652	23,978
Other current liabilities (Exhibit C)	52,078	72,432
Total current liabilities from restricted assets	291,317	268,688
Non current liabilities		
Power revenue bonds, net of unamortized debt discount of \$(80,362) and \$(75,624)	7,795,734	7,432,981
Notes payable	66,969	66,883
Non current portion, accounts payable and accrued sick leave	128,810	128,810
Accrued Unfunded OPEB	178,487	160,763
Customer deposit-noncurrent	134,431	134,431
Total noncurrent liabilities	8,304,431	7,923,868
Total liabilities	9,752,176	9,172,068
Net assets	(131,076)	(124,767)
Total liabilities and net assets	\$ 9,621,100	\$ 9,047,301

## PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget February 2011	Actual February 2011	Actual February 2010
Operating revenues:			
Sales of electric energy	\$ 326,521	\$ 343,319	\$ 320,379
Rural electrification	-	-	-
Total operating revenues	326,521	343,319	320,379
Other income	1,572	2,351	3,814
Total revenues	328,093	345,670	324,193
Expenses:			
Fuel cost	156,057	178,863	172,037
Purchased power	58,543	50,085	44,433
Other production	4,971	4,713	5,920
Transmission and distribution	12,018	13,018	12,279
Maintenance	18,628	18,540	16,756
Customer accounting and collection	9,494	12,105	9,066
Administrative and general	13,775	15,630	12,474
Interest charges	342	318	316
Subtotal expenses by function	273,828	293,272	273,281
Other Post employment benefits	2,083	2,216	2,030
Depreciation	29,581	32,740	28,759
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	30,615	28,504	26,611
Contribution to municipalities	7,228	17,214	16,179
Other appropriations	2,337	3,581	2,833
Bond Discount and Defeasance Amortization	581	536	1,016
Total expenses	346,253	378,063	350,709
Contributed capital	3,313	10,207	2,135
Changes in net assets	\$ (14,847)	\$ (22,186)	\$ (24,381)

STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS

February  
(in thousands)

	FISCAL YEAR		
	Budget 2010-2011	Actual 2010-2011	Actual 2009-2010
Operating revenues:			
Sales of electric energy	\$ 2,988,444	\$ 2,783,371	\$ 2,718,935
Rural electrification	-	-	-
Total operating revenues	2,988,444	2,783,371	2,718,935
Other income	12,576	7,091	10,151
Total revenues	3,001,020	2,790,462	2,729,086
Expenses:			
Fuel cost	1,479,123	1,389,703	1,278,677
Purchased power	490,682	433,865	482,687
Other production	39,768	44,445	41,435
Transmission and distribution	96,144	120,856	104,082
Maintenance	149,025	153,938	137,367
Customer accounting and collection	75,952	82,142	72,698
Administrative and general	110,192	116,682	127,761
Interest charges	2,736	2,763	2,731
Subtotal expenses by function	2,443,622	2,344,394	2,247,438
Other post employment benefits	16,664	17,724	16,242
Depreciation	236,648	252,614	225,843
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	244,920	240,691	215,855
Contribution to municipalities	137,466	134,869	126,874
Other appropriations	22,939	25,332	25,462
Bond discount and defeasance amortization	4,648	4,352	8,131
Total expenses	3,106,907	3,019,976	2,865,845
Contributed capital	26,504	223,205	12,291
Changes in net assets	\$ (79,383)	\$ (6,309)	\$ (124,468)

## PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget February 2011	Actual February 2011	Actual February 2010
Revenues:			
Sales of electric energy (Exhibit D)	\$ 326,521	\$ 343,319	\$ 320,379
Rural electrification	-	-	-
Total operating revenues	326,521	343,319	320,379
Other income	1,572	12,558	5,950
Total revenues	328,093	355,877	326,329
Less: 1974 construction fund investment income and gain on sale of properties	61	10,214	2,140
Revenues - net	328,032	345,663	324,189
Current expenses:			
Fuel cost	156,057	178,863	172,037
Purchased power	58,543	50,085	44,433
Other production	4,971	4,713	5,920
Transmission and distribution	12,018	13,018	12,279
Maintenance	18,628	18,540	16,756
Customer accounting and collection	9,494	12,105	9,066
Administrative and general	13,775	15,630	12,474
Interest charges	342	318	316
Total current expenses	273,828	293,272	273,281
Net revenues (as defined)	54,205	52,391	50,908
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds	25,065	25,401	24,169
Bond redemption account	14,621	14,621	15,144
Reserve Account Fund	(1,113)	-	-
Reserve maintenance fund	417	-	-
Self Insurance Fund	833	-	-
Interest on notes	1,055	(214)	3,888
Capital Improvements fund	1,196	-	215
Total contractual obligations	42,074	39,808	43,416
Balance	12,131	12,583	7,492
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	9,794	9,002	4,658
Other	2,337	3,581	2,834
Total provision for contribution and other	12,131	12,583	7,492
Remainder	\$ 0	\$ 0	\$ 0

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

February  
(in thousands)

FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
Budget February 2011	Actual February 2011	Actual February 2010	Budget June 2011	Actual February 2011	Actual February 2010
\$ 2,988,444	\$ 2,783,371	\$ 2,718,935	\$ 4,503,978	\$ 4,218,851	\$ 3,838,985
-	-	-	-	-	4
2,988,444	2,783,371	2,718,935	4,503,978	4,218,851	3,838,989
12,576	230,297	22,442	18,862	285,435	42,666
3,001,020	3,013,668	2,741,377	4,522,840	4,504,286	3,881,655
488	223,769	12,833	727	277,198	18,415
3,000,532	2,789,899	2,728,544	4,522,113	4,227,088	3,863,240
1,479,123	1,389,703	1,278,677	2,239,021	2,117,957	1,737,213
490,682	433,865	482,687	736,171	644,902	705,665
-	-	-	-	-	-
39,768	44,445	41,435	59,655	65,707	59,817
96,144	120,856	104,082	144,207	177,571	150,098
149,025	153,938	137,367	223,548	226,087	198,425
75,952	82,142	72,698	113,931	123,985	106,184
110,192	116,682	127,761	165,291	167,903	199,760
2,736	2,763	2,731	4,098	1,939	2,885
2,443,622	2,344,394	2,247,438	3,685,922	3,526,051	3,160,047
556,911	445,505	481,106	836,191	701,037	703,193
199,212	203,176	193,359	299,472	255,889	280,689
116,968	116,970	121,144	175,455	147,333	178,828
(8,904)	-	-	(13,351)	-	-
3,336	-	-	5,000	-	-
6,664	-	-	10,000	10,000	10,000
50,262	1,176	26,458	12,662	8,704	31,641
8,440	4,359	6,196	69,117	61,567	10,891
375,978	325,681	347,157	558,355	483,493	512,049
180,933	119,824	133,949	277,836	217,544	191,144
157,994	94,492	108,487	244,058	176,357	151,592
22,939	25,332	25,462	33,778	41,187	39,552
180,933	119,824	133,949	277,836	217,544	191,144
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

## STATEMENT OF NET ASSETS

February 2011  
(in thousands)

	February 2011	June 2011
Net Assets		
Invested in utility plant, net related debt	\$ (114,862)	\$ (73,145)
Restricted for capital activity and debt service	304,294	136,053
Unrestricted	(320,508)	(187,675)
Balance at month ended	\$ (131,076)	\$ (124,767)

## ACCOUNTS RECEIVABLE

(in thousands)

## Exhibit A

	February 28 2011	June 30 2010
Electric and related services:		
Government	\$ 375,560	\$ 256,454
General clients	647,134	657,426
Recoveries under fuel adjustment and purchase power clause under or (over) billed	14,753	14,412
Unbilled services	169,770	179,583
Commonwealth Government subsidy for certain residential clients	6,327	-
Allowance for uncollectible accounts	(204,470)	(194,852)
Claims Receivable from Insurance Companies & Other	38,009	37,954
Advances to Irrigation Systems - net	22,817	19,365
Other subsidies receivable from Commonwealth Government	-	-
Accrued interest	1,534	2,128
Other	3,865	6,639
Total	\$ 1,075,299	\$ 979,109

## NON-CURRENT RECEIVABLES

Government	\$ 89,081	\$ 89,081
Government subsidy for certain residential clients	6,326	18,980
Total	\$ 95,407	\$ 108,061

PREPAYMENTS AND OTHER

(in thousands)

Exhibit B

	February 28 2011	June 30 2010
Prepayments and other	<u>\$ 18,411</u>	<u>\$ 3,347</u>
Total	<u><u>\$ 18,411</u></u>	<u><u>\$ 3,347</u></u>



## ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

## Exhibit C

	February 2011	June 2010
Accounts payable - fuel oil and other	\$ 627,617	\$ 661,879
Payable to Employees Retirement System	3,987	1,691
Accrued annual leave	67,011	59,833
Accrued sick leave	24,462	34,139
Accrued salaries and fringe benefits	(1,401)	10,868
Accrued Contribution in Lieu of Taxes	160,323	70,813
Reserve for injuries and damages	23,084	23,911
Accrued Contributions Federal Social Security	1,162	5,535
Income tax withheld at source	1,850	904
Health plan	27,198	14,607
Pension & Benefits Deferred Employer Contribution	14,109	14,109
Other	36,700	26,060
	<u>986,102</u>	<u>924,349</u>
Sub total current liabilities	\$ 986,102	\$ 924,349
Other current payables from restricted assets		
Retention on Contract Work	\$ 12,863	\$ 12,734
Vouchered A/P construction	14,727	34,864
Contribution aid to construction	24,488	24,834
	<u>52,078</u>	<u>72,432</u>
Total other current payables from restricted assets	52,078	72,432
Total current Liabilities	<u>\$ 1,038,180</u>	<u>\$ 996,781</u>
NON-CURRENT LIABILITIES		
Accrued sick leave	\$ 128,810	\$ 128,810
	<u>128,810</u>	<u>128,810</u>
Total non current liabilities	\$ 128,810	\$ 128,810
Total accounts payables and non current liabilities	<u>\$ 1,166,990</u>	<u>\$ 1,125,591</u>

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## PUERTO RICO ELECTRIC POWER AUTHORITY

## SALES OF ELECTRIC ENERGY

FEBRUARY 2011

## Exhibit D

Class of Service	CLIENTS			KWHRS (in thousands)					
	Billed	Unbilled	Total	MONTHLY			BIMONTHLY		Total
				Billed	Unbilled	Adjustment*	Unbilled	Adjustment*	
Residential	1,308,960	32,081	1,341,041	503,571	244,945	(267,144)	(7,515)	4,366	478,223
Commercial	126,322	3,121	129,443	682,038	323,661	(342,964)	11,011	(11,924)	661,822
Industrial	764		764	225,826	109,896	(113,287)			222,435
Public lighting	2,109	116	2,225	23,323	11,364	(12,119)	647	(613)	22,602
Other public authorities	2		2	3,848	1,871	(2,069)			3,650
Agricultural	1,140	160	1,300	2,437	1,178	(1,404)	697	(539)	2,369
Subtotal	1,439,297	35,478	1,474,775	1,441,043	692,915	(738,987)	4,840	(8,710)	1,391,101
Fuel oil adjustment									
Purchased power									
Subtotal	1,439,297	35,478	1,474,775	1,441,043	692,915	(738,987)	4,840	(8,710)	1,391,101
Unrecovered fuel oil cost-net									
Unrecovered purchased power cost-net									
Total	1,439,297	35,478	1,474,775	1,441,043	692,915	(738,987)	4,840	(8,710)	1,391,101

Class of Service	FISCAL YEAR-TO-DATE				
	Average Clients	Kwhrs. (thousands)	Revenue (thousand \$)	Kwhrs. per Client	Cents per Kwhr. Sold
Residential	1,340,796	4,552,177	228,827	3,395	5.03
Commercial	129,592	5,731,204	384,079	44,225	6.70
Industrial	777	1,918,443	82,478	2,469,039	4.30
Public lighting	2,228	187,142	34,402	83,996	18.38
Other public authorities	3	34,557	1,474	11,519,000	4.27
Agricultural	1,301	19,259	1,082	14,803	5.62
Subtotal	1,474,697	12,442,782	732,342	8,438	5.89
Fuel oil adjustment			1,561,705		12.57
Purchased Power			488,983		3.91
Subtotal	1,474,697	12,442,782	2,783,030	8,438	22.37
Unrecovered fuel oil cost-net			3,087		
Unrecovered purchased Power cost-net			(2,746)		
Total	1,474,697	12,442,782	2,783,371	8,438	22.37

\*Unbilled previous month.

SALES OF ELECTRIC ENERGY

FEBRUARY 2011

Exhibit D

REVENUES (in thousand \$)						Kwhrs. per Client	Cents per Kwhr. Sold
MONTHLY				BIMONTHLY			
Billed	Unbilled	Discount	Adjustment*	Unbilled	Total		
26,298	12,693	(10)	(13,868)	(658)	24,455	357	5.11
48,068	23,055		(23,034)	(295)	47,794	5,113	7.22
10,428	5,036	(623)	(5,285)		9,556	291,146	4.30
4,299	2,018		(2,231)	(1)	4,085	10,158	18.07
166	79		(87)		158	1,825,000	4.33
151	74		(82)	(5)	138	1,822	5.83
89,410	42,955	(633)	(44,587)	(959)	86,186	943	6.20
219,021	93,608		(95,383)	160	217,406		14.45
59,389	27,801		(31,356)	54	55,888		4.03
367,820	164,364	(633)	(171,326)	(745)	359,480	943	25.84
					(16,353)		
					192		
367,820	164,364	(633)	(171,326)	(745)	343,319	943	24.68

