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MONTHLY REPORT  
TO THE GOVERNING BOARD  
MARCH 2011

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PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	MARCH		Increase (Decrease) %
	2010-11	2009-10	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	1,264,104	1,451,750	(12.9)
PREPA - Hydro	7,622	9,280	(17.9)
Purchased power - gas	212,535	277,213	(23.3)
Purchased power - coal	330,210	255,187	29.4
Total	1,814,471	1,993,430	(9.0)
Fiscal year-to-date:			
PREPA - Steam and gas	11,533,046	12,262,221	(5.9)
PREPA - Hydro	118,410	94,248	25.6
Purchased power - gas	2,710,020	2,670,212	1.5
Purchased power - coal	2,647,122	2,657,629	(0.4)
Total	17,008,598	17,684,310	(3.8)
Twelve months:			
PREPA - Steam and gas	15,809,775	16,311,313	(3.1)
PREPA - Hydro	157,853	129,836	21.6
Purchased power - gas	3,708,358	3,516,178	5.5
Purchased power - coal	3,227,804	3,399,721	(5.1)
Total	22,903,790	23,357,048	(1.9)
2. Maximum hourly peak load (in MW)			
Month	3,007	3,220	(6.6)
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	1,404,101	1,565,127	(10.3)
Days billed	29.40	30.65	(4.1)
Fiscal year-to-date:			
Billed	13,960,058	14,361,606	(2.8)
Days billed	272.30	273.40	(0.4)
Twelve months:			
Billed	18,791,291	18,880,198	(0.5)
Days billed	365.0	365.0	
4. System efficiency (%)			
Month	81.5	81.3	0.2
Fiscal year-to-date	81.8	81.4	0.6
Twelve months	81.9	81.1	1.0
5. Average cost per barrel (\$)			
Month	111.99	81.09	38.1
Fiscal year-to-date	89.32	74.92	19.2
Twelve months	87.15	70.37	23.8
6. kWh/Barrel			
Month	650.59	635.62	2.4
Fiscal year-to-date	640.90	627.58	2.1
Twelve months	640.75	629.88	1.7
7. Heat rate (BTU/kWh)			
Month	10,289	10,526	(2.3)
Fiscal year-to-date	10,460	10,672	(2.0)
Twelve months	10,439	10,630	(1.8)

## PUERTO RICO ELECTRIC POWER AUTHORITY

8. Fuel consumption (in thousands)	2010-11		2009-10		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
	Month:					
Steam	1,684	185,459	2,022	160,262	(16.7)	15.7
Gas	259	32,179	262	24,927	(1.1)	29.1
Total	<u>1,943</u>	<u>217,638</u>	<u>2,284</u>	<u>185,189</u>	(14.9)	17.5
Fiscal year-to-date:						
Steam	16,071	1,399,213	17,275	1,261,339	(7.0)	10.9
Gas	1,924	208,128	2,264	202,527	(15.0)	2.8
Total	<u>17,995</u>	<u>1,607,341</u>	<u>19,539</u>	<u>1,463,866</u>	(7.9)	9.8
Twelve months:						
Steam	21,817	1,851,309	22,960	1,563,706	(5.0)	18.4
Gas	2,857	299,097	2,936	258,684	(2.7)	15.6
Total	<u>24,674</u>	<u>2,150,406</u>	<u>25,896</u>	<u>1,822,390</u>	(4.7)	18.0

## MARCH

B. Client Service	2011	2010	Increase (Decrease) %
	1. Service complaints per thousand clients	9.95	11.39
2. Disconnections for nonpayment per thousand clients	11.56	9.31	24.2
C. Distribution System			
1. Interruption frequency index			
Total interruptions per thousand clients served	0.04	0.05	(20.0)
2. Interruption duration index			
Average interruption time per clients served (minutes)	7.01	7.63	(8.1)
3. Clients per interruption	48	48	
4. Time per interruption (minutes)	210	213	(1.3)

D. Personnel

		MARCH		Increase (Decrease)
		<u>2011</u>	<u>2010</u>	
Management Conf. / Carr.	Reg.	2,633	2,663	(30)
	Temp.	3	1	2
U.T.I.E.R.	Reg.	4,719	4,870	(151)
	Temp.	36	1	35
	Emerg.	26		26
U.I.T.I.C.E.	Reg.	906	932	(26)
	Temp.		1	(1)
U.E.P.I.	Reg.	369	382	(13)
	Temp.			
U.P.A.E.E.	Reg.	6	6	
	Temp.			
Total		<u>8,698</u>	<u>8,856</u>	<u>(158)</u>

## II. FINANCIAL HIGHLIGHTS

## A. Revenue data

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

	MARCH					
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2010-11	2009-10	Increase (Decrease) %
<b>kWh sales:</b>						
Residential	506,904	596,459	(15.0)	5,059,081	5,260,972	(3.8)
Commercial	693,979	738,751	(6.1)	6,425,183	6,572,392	(2.2)
Industrial	245,983	254,353	(3.3)	2,164,426	2,272,842	(4.8)
Others	31,827	31,427	1.3	272,785	280,496	(2.7)
Total	<u>1,478,693</u>	<u>1,620,990</u>	(8.8)	<u>13,921,475</u>	<u>14,386,702</u>	(3.2)
<b>Basic revenues:</b>						
Residential	26,633	29,967	(11.1)	255,461	258,453	(1.2)
Commercial	46,070	48,145	(4.3)	430,148	438,344	(1.9)
Industrial	8,764	10,988	(20.2)	91,242	96,902	(5.8)
Others	4,921	4,495	9.5	41,879	42,243	(0.9)
Total	<u>86,388</u>	<u>93,595</u>	(7.7)	<u>818,730</u>	<u>835,942</u>	(2.1)
<b>Fuel adjustment:</b>						
Residential	86,434	79,907	8.2	677,343	632,131	7.2
Commercial	115,502	94,620	22.1	836,720	745,057	12.3
Industrial	37,328	29,843	25.1	258,395	234,172	10.3
Others	5,512	4,192	31.5	37,110	32,860	12.9
Total	<u>244,776</u>	<u>208,562</u>	17.4	<u>1,809,568</u>	<u>1,644,220</u>	10.1
<b>Purchased power:</b>						
Residential	22,100	22,480	(1.7)	206,109	231,353	(10.9)
Commercial	29,575	26,250	12.7	253,597	270,788	(6.3)
Industrial	9,438	8,500	11.0	77,900	85,238	(8.6)
Others	1,472	1,053	39.8	11,216	11,834	(5.2)
Total	<u>62,585</u>	<u>58,283</u>	7.4	<u>548,822</u>	<u>599,213</u>	(8.4)
<b>Total revenues:</b>						
Residential	135,167	132,354	2.1	1,138,913	1,121,937	1.5
Commercial	191,147	169,015	13.1	1,520,465	1,454,189	4.6
Industrial	55,530	49,331	12.6	427,537	416,312	2.7
Others	11,905	9,740	22.2	90,205	86,937	3.8
Total	<u>393,749</u>	<u>360,440</u>	9.2	<u>3,177,120</u>	<u>3,079,375</u>	3.2

MARCH						
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2010-11	2009-10	Increase (Decrease) %
<b>2. Cents per kWh</b>						
Basic revenues:						
Residential	5.25	5.02	4.6	5.05	4.91	2.9
Commercial	6.64	6.52	1.8	6.69	6.67	0.3
Industrial	3.56	4.32	(17.6)	4.22	4.26	(0.9)
Others	15.46	14.30	8.1	15.35	15.06	1.9
Total	5.84	5.77	1.2	5.88	5.81	1.2
Fuel adjustment:						
Residential	17.06	13.40	27.3	13.39	12.02	11.4
Commercial	16.64	12.81	29.9	13.02	11.34	14.8
Industrial	15.17	11.73	29.3	11.93	10.31	15.7
Others	17.32	13.34	29.8	13.61	11.71	16.2
Total	16.56	12.87	28.7	13.00	11.42	13.8
Purchased power:						
Residential	4.36	3.77	15.6	4.07	4.40	(7.5)
Commercial	4.26	3.55	20.0	3.95	4.12	(4.1)
Industrial	3.84	3.34	15.0	3.60	3.75	(4.0)
Others	4.63	3.35	38.2	4.11	4.22	(2.6)
Total	4.23	3.60	17.5	3.94	4.17	(5.5)
Total revenues:						
Residential	26.67	22.19	20.2	22.51	21.33	5.5
Commercial	27.54	22.88	20.4	23.66	22.13	6.9
Industrial	22.57	19.39	16.4	19.75	18.32	7.8
Others	37.41	30.99	20.7	33.07	30.99	6.7
Total	26.63	22.24	19.7	22.82	21.40	6.6
<b>3. Clients:</b>						
Residential	1,341,322	1,339,102	0.2	1,340,855	1,334,724	0.5
Commercial	129,412	129,228	0.1	129,572	129,098	0.4
Industrial	758	801	(5.4)	775	813	(4.7)
Others	3,519	3,536	(0.5)	3,532	3,556	(0.7)
Total	<u>1,475,011</u>	<u>1,472,667</u>	0.2	<u>1,474,734</u>	<u>1,468,191</u>	0.4
<b>4. Average kWh per client:</b>						
Residential	378	445	(15.2)	3,773	3,942	(4.3)
Commercial	5,363	5,717	(6.2)	49,588	50,910	(2.6)
Industrial	324,516	317,544	2.2	2,792,808	2,795,624	(0.1)
	9,044	8,888	1.8	77,232	78,880	(2.1)
Total	1,002	1,101	(8.9)	9,440	9,799	(3.7)

## II. FINANCIAL HIGHLIGHTS

## A. Revenue data

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

	MARCH	
	Month	Fiscal Year-to-Date
	2011	2010-11
kWh sales:		
Residential	52	336
Commercial	197,713	1,962,842
Industrial	509	2,244
Others	27,243	247,726
Total	<u>225,517</u>	<u>2,213,148</u>
Basic revenues:		
Residential	3	16
Commercial	13,455	129,271
Industrial	43	253
Others	4,447	40,185
Total	<u>17,948</u>	<u>169,725</u>
Fuel adjustment:		
Residential	9	46
Commercial	30,848	248,026
Industrial	74	271
Others	4,446	32,958
Total	<u>35,377</u>	<u>281,301</u>
Purchased power:		
Residential	2	14
Commercial	7,295	75,165
Industrial	19	81
Others	1,060	9,970
Total	<u>8,376</u>	<u>85,230</u>
Total revenues:		
Residential	14	76
Commercial	51,598	452,462
Industrial	136	605
Others	9,953	83,113
Total	<u>61,701</u>	<u>536,256</u>
2. Clients:		
Residential	11	20
Commercial	21,909	21,906
Industrial	7	5
Others	2,251	2,258
Total	<u>24,178</u>	<u>24,189</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)

	MARCH 2011					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	93.2	86.4	(7.3)	860.2	818.7	(4.8)
Fuel adjustment	206.8	244.8	18.4	1,876.9	1,809.6	(3.6)
Purchased power	66.6	62.6	(6.0)	617.9	548.8	(11.2)
Revenues from sales	366.6	393.8	7.4	3,355.0	3,177.1	(5.3)
Other	1.5	(0.2)	*	13.6	6.4	(52.9)
Total revenues	<u>368.1</u>	<u>393.6</u>	6.9	<u>3,368.6</u>	<u>3,183.5</u>	(5.5)
Fuel	183.2	217.6	18.8	1,662.3	1,607.3	(3.3)
Purchased power	59.2	55.8	(5.7)	549.9	489.7	(10.9)
Other expenses	59.3	62.0	4.6	533.1	582.8	9.3
Total current expenses	301.7	335.4	11.2	2,745.3	2,679.8	(2.4)
1974 - sinking fund appropriations	39.7	40.1	1.0	355.9	360.1	1.2
Reserve Maintenance Fund	0.4			3.7		
Self Insurance Fund	0.8			7.5		
Reserve Fund	(1.1)			(10.0)		
Interest on notes	1.1	0.1	(90.9)	9.5	1.3	(86.3)
Internal funds	2.6		*	52.9	4.4	(91.7)
Contribution to municipalities	20.3	14.4	(29.1)	178.3	108.9	(38.9)
Other appropriations	2.6	3.6	38.5	25.5	29.0	13.7
Total	<u>368.1</u>	<u>393.6</u>	6.9	<u>3,368.6</u>	<u>3,183.5</u>	(5.5)

EXPLANATION OF MAJOR VARIATIONS

1. The increase in the fuel adjustment revenue and fuel expense for the month was due to higher price per barrel of fuel oil than budgeted.
2. Purchased power revenue and expense for the fiscal year-to-date decreased due to a lower cost per kWh from cogenerators than budgeted.
3. The other revenues for the month and fiscal year-to-date decreased due to a lower market value of investments than budgeted.
4. Interest on notes for the month and fiscal year-to-date decreased due to less interest rates than budgeted.
5. Internal funds for the month and fiscal year-to-date decreased due to less available funds than budgeted.
6. Contribution to municipalities for the month and fiscal year-to-date decreased due to a lower electric power consumption than budgeted.
7. 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)

	MARCH					
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2010-11	2009-10	Increase (Decrease) %
Basic charges	86.4	93.6	(7.7)	818.7	836.0	(2.1)
Fuel adjustment	244.8	208.5	17.4	1,809.6	1,644.2	10.1
Purchased power	62.6	58.3	7.4	548.8	599.2	(8.4)
Revenues from sales	393.8	360.4	9.3	3,177.1	3,079.4	3.2
Other	(0.2)	0.7	*	6.4	10.2	(37.3)
Total revenues	393.6	361.1	9.0	3,183.5	3,089.6	3.0
Fuel	217.6	185.2	17.5	1,607.3	1,463.9	9.8
Purchased power	55.8	52.0	7.3	489.7	534.7	(8.4)
Other expenses	62.0	57.6	7.6	582.8	543.7	7.2
Total current expenses	335.4	294.8	13.8	2,679.8	2,542.3	5.4
1974 - sinking fund appropriations	40.1	39.3	2.0	360.1	353.8	1.8
Reserve Maintenance Fund						
Self Insurance Fund						
Reserve Fund						
Interest on notes	0.1	4.7	(97.9)	1.3	31.1	(95.8)
Internal funds		1.2	*	4.4	7.4	(40.5)
Contribution to municipalities	14.4	17.3	(16.8)	108.9	125.8	(13.4)
Other appropriations	3.6	3.8	(5.3)	29.0	29.2	(0.7)
Total	393.6	361.1	9.0	3,183.5	3,089.6	3.0

EXPLANATION OF MAJOR VARIATIONS

1. The increase in the fuel adjustment revenue and fuel expense for the month and fiscal year-to-date was due to a higher price per barrel of fuel oil 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 month and fiscal year-to-date decreased due to a lower electric power consumption than prior year.

\*Over 100%

D. Notes Payable  
(in thousand dollars)

MARCH

<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	<u>0</u>	<u>200,000</u>	Amount received	<u>41,585</u>	<u>41,585</u>
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	<u>0</u>	<u>56,961</u>	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	<u>0</u>	<u>10,239</u>	Amount received	<u>0</u>	<u>199,892</u>
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	<u>0</u>	<u>300,000</u>	Amount received	<u>0</u>	<u>275,000</u>
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	<u>0</u>	<u>84,610</u>	Amount received	<u>0</u>	<u>100,000</u>
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	<u>0</u>	<u>100,000</u>
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	<u>0</u>	<u>80,000</u>	Amount received	<u>0</u>	<u>0</u>
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)

MARCH 2011						
	Month **			Fiscal Year-to-Date***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	9,150	10,189	11.4	82,349	101,179	22.9
Transmission	5,618	9,667	72.1	50,565	60,485	19.6
Distribution	6,696	15,058	****	60,261	100,413	66.6
Other	3,536	2,103	(40.5)	31,825	16,609	(47.8)
<b>Total</b>	<b>25,000</b>	<b>37,017</b>	<b>48.1</b>	<b>225,000</b>	<b>278,686</b>	<b>23.9</b>
Internal Funds	2,604	0		52,866	4,359	
Percentage of Internal Funds to Investment in Capital Improvements Programs*	10%	0%		23%	2%	
Contribution AID for Construction		117			5,094	

	2011	2010
F. Highest debt coverage as March 31	1.23	1.51

G. REA Projects

	Month	Fiscal Year-to-Date
Total investment	\$32,366	\$172,523
Families served	7	40

\*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)

	MARCH		Increase (Decrease) %
	2011	2010	
General clients	638,255	628,605	1.5
Government	468,101	434,554	7.7
Subtotal	1,106,356	1,063,159	4.1
Plus:			
Subsidy (Act 106 of 1974)*	12,653	18,980	(33.3)
Total adjusted accounts receivable	1,119,009	1,082,139	3.4
Sales of electric energy (12 months)			
Revenues from sales **	4,224,358	3,909,364	8.1
kWh (including subsidy)	18,769,672	18,938,859	(0.9)
Indicators:			
A. Ratio of accounts receivable to sales (%)	26.2	27.2	(3.7)
B. Ratio of accounts receivable to sales (%) (including subsidy)	26.3	27.5	(4.2)
C. Sales days in accounts receivable	96	99	(3.7)
D. Sales days in accounts receivable (including subsidy)	96	100	(4.2)
E. Ratio of collections to sales of electric energy:			
General clients:			
Sales**	3,505,498	3,244,669	8.0
Collections	3,480,606	3,128,871	11.2
Percent	99.3	96.4	3.0
Government:			
Sales	718,860	664,695	8.1
Collections***	657,821	686,343	(4.2)
Percent	91.5	103.3	(11.4)
Percent of total sales	98.0	97.6	0.4

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

\*\* Excludes residential clients' subsidy of \$27,802 and \$31,263, for the 12 months ended March 2011 and March 2010, respectively.

\*\*\* Includes Contribution in Lieu of Taxes of \$164,295 and \$156,855, for the 12 months ended March 2011 and March 2010, respectively.

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## BALANCE SHEETS

ASSETS  
(in thousands)

	March 31 2011	June 30 2010
Current assets:		
Cash and cash equivalents		
General fund	\$ 9,214	\$ 67,646
Revenue fund	16	16
Working funds	805	922
Total cash and cash equivalents	10,035	68,584
Accounts receivable (Exhibit A)	1,089,212	979,109
Fuel oil inventory	250,552	185,293
Materials and supplies inventory	188,565	178,897
Prepayments and other (Exhibit B)	17,658	3,347
Total current assets	1,556,022	1,415,230
Non current receivables (Exhibit A)	95,407	108,061
Restricted Assets		
Cash held by trustees	-	198,693
Investments held by trustees		
Sinking funds - interest	223,953	-
Sinking funds - principal	131,694	-
Non current restricted deposits held by trustees	445,866	-
Total investment held by trustees	801,513	433,495
Construction fund and other		
Construction fund	278,716	148,308
Investment held by REA	2,020	2,018
Reserve maintenance fund	10,552	10,640
Other restricted fund	1,900	1,900
Prepa Client Fund	500	-
Total construction fund and other	293,688	162,866
Total restricted assets	1,095,201	795,054
Utility Plant		
Electric plant in service	10,919,389	10,254,302
Less: accumulated depreciation	5,213,657	4,932,745
Net electric plant in service	5,705,732	5,321,557
Construction work in progress, including preliminary surveys of \$22,304 and \$23,507	1,007,206	1,176,701
Total utility plant	6,712,938	6,498,258
Other Properties		
Deferred debits:		
Unamortized debt expense	62,726	63,913
Other	161,351	166,785
Total deferred debits	224,077	230,698
Total assets	\$ 9,683,645	\$ 9,047,301



BALANCE SHEETS

LIABILITIES  
(in thousands)

	March 31 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)	1,063,127	924,349
Customer deposits, including accrued interest	42,181	40,354
Total current liabilities	1,232,608	979,512
Current liabilities payable from restricted assets		
Current portion of long-term debt	174,804	172,278
Notes payable from restricted assets		
Accrued interest payable on bonds and notes	96,723	23,978
Other current liabilities (Exhibit C)	32,698	72,432
Total current liabilities from restricted assets	304,225	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	180,703	160,763
Customer deposit-noncurrent	134,431	134,431
Total noncurrent liabilities	8,306,647	7,923,868
Total liabilities	9,843,480	9,172,068
Net assets	(159,835)	(124,767)
Total liabilities and net assets	\$ 9,683,645	\$ 9,047,301

## STATEMENT OF NET ASSETS

March 2011  
(in thousands)

	March 2011	June 2010
Net Assets		
Invested in utility plant, net related debt	\$ (93,237)	\$ (73,145)
Restricted for capital activity and debt service	241,606	136,053
Unrestricted	(308,204)	(187,675)
Balance at month ended	\$ (159,835)	\$ (124,767)

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

	MONTH		
	Budget March 2011	Actual March 2011	Actual March 2010
Operating revenues:			
Sales of electric energy	\$ 366,555	\$ 393,749	\$ 360,440
Rural electrification	-	-	-
Total operating revenues	366,555	393,749	360,440
Other income	1,572	(173)	650
Total revenues	368,127	393,576	361,090
Expenses:			
Fuel cost	183,219	217,638	185,189
Purchased power	59,231	55,849	52,007
Other production	4,971	6,647	4,199
Transmission and distribution	12,018	15,113	12,765
Maintenance	18,629	19,716	16,851
Customer accounting and collection	9,494	8,095	9,155
Administrative and general	13,774	12,362	14,323
Interest charges	342	(38)	349
Subtotal expenses by function	301,678	335,382	294,838
Other Post employment benefits	2,083	2,216	2,030
Depreciation	29,581	33,189	28,907
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	30,615	31,541	28,153
Contribution to municipalities	17,768	18,220	17,310
Other appropriations	2,572	3,638	3,777
Bond Discount and Defeasance Amortization	581	536	1,016
Total expenses	384,878	424,722	376,031
Contributed capital	3,313	2,388	2,175
Changes in net assets	\$ (13,438)	\$ (28,758)	\$ (12,766)

STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS

March  
(in thousands)

	FISCAL YEAR		
	Budget 2010-2011	Actual 2010-2011	Actual 2009-2010
Operating revenues:			
Sales of electric energy	\$ 3,354,999	\$ 3,177,120	\$ 3,079,375
Rural electrification	-	-	-
Total operating revenues	3,354,999	3,177,120	3,079,375
Other income	14,148	6,918	10,801
Total revenues	3,369,147	3,184,038	3,090,176
Expenses:			
Fuel cost	1,662,342	1,607,341	1,463,866
Purchased power	549,913	489,714	534,694
Other production	44,739	51,092	45,634
Transmission and distribution	108,162	135,970	116,847
Maintenance	167,654	173,653	154,218
Customer accounting and collection	85,446	90,237	81,853
Administrative and general	123,966	129,044	142,083
Interest charges	3,078	2,725	3,081
Subtotal expenses by function	2,745,300	2,679,776	2,542,276
Other post employment benefits	18,747	19,940	18,272
Depreciation	266,229	285,802	254,750
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	275,535	272,232	244,008
Contribution to municipalities	155,234	153,090	144,184
Other appropriations	25,511	28,971	29,239
Bond discount and defeasance amortization	5,229	4,888	9,147
Total expenses	3,491,785	3,444,699	3,241,876
Contributed capital	29,817	225,593	14,466
Changes in net assets	\$ (92,821)	\$ (35,068)	\$ (137,234)

## PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget March 2011	Actual March 2011	Actual March 2010
Revenues:			
Sales of electric energy (Exhibit D)	\$ 366,555	\$ 393,749	\$ 360,440
Rural electrification	-	-	-
Total operating revenues	366,555	393,749	360,440
Other income	1,572	2,214	2,825
Total revenues	368,127	395,963	363,265
Less: 1974 construction fund investment income and gain on sale of properties	61	2,397	2,178
Revenues - net	368,066	393,566	361,087
Current expenses:			
Fuel cost	183,219	217,638	185,189
Purchased power	59,231	55,849	52,007
Other production	4,971	6,647	4,199
Transmission and distribution	12,018	15,113	12,765
Maintenance	18,629	19,716	16,851
Customer accounting and collection	9,494	8,095	9,155
Administrative and general	13,774	12,362	14,323
Interest charges	342	(38)	349
Total current expenses	301,678	335,382	294,838
Net revenues (as defined)	66,388	58,184	66,249
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds	25,065	25,401	24,169
Bond redemption account	14,621	14,621	15,146
Reserve Account Fund	(1,113)	-	-
Reserve maintenance fund	417	-	-
Self Insurance Fund	833	-	-
Interest on notes	1,055	124	4,686
Capital Improvements fund	2,604	-	1,162
Total contractual obligations	43,482	40,146	45,163
Balance	22,906	18,038	21,086
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	20,334	14,400	17,309
Other	2,572	3,638	3,777
Total provision for contribution and other	22,906	18,038	21,086
Remainder	\$ 0	\$ 0	\$ 0

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

March  
(in thousands)

FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
Budget March 2011	Actual March 2011	Actual March 2010	Budget June 2011	Actual March 2011	Actual March 2010
\$ 3,354,999	\$ 3,177,120	\$ 3,079,375	\$ 4,503,978	\$ 4,252,160	\$ 3,940,627
-	-	-	-	-	3
3,354,999	3,177,120	3,079,375	4,503,978	4,252,160	3,940,630
14,148	232,511	25,266	18,862	284,824	42,488
3,369,147	3,409,631	3,104,641	4,522,840	4,536,985	3,983,118
549	226,166	15,011	727	277,417	19,622
3,368,598	3,183,465	3,089,630	4,522,113	4,259,568	3,963,496
1,662,342	1,607,341	1,463,866	2,239,021	2,150,406	1,822,390
549,913	489,714	534,694	736,171	648,744	707,548
-	-	-	-	-	-
44,739	51,092	45,634	59,655	68,155	58,032
108,162	135,970	116,847	144,207	179,920	150,332
167,654	173,654	154,218	223,548	228,951	196,476
85,446	90,237	81,853	113,931	122,925	106,838
123,966	129,044	142,083	165,291	165,943	196,924
3,078	2,725	3,081	4,098	1,552	2,892
2,745,300	2,679,777	2,542,275	3,685,922	3,566,596	3,241,432
623,299	503,688	547,355	836,191	692,972	722,064
224,277	228,576	217,527	299,472	257,121	283,025
131,589	131,591	136,291	175,455	146,808	179,553
(10,017)	-	-	(13,351)	-	-
3,753	-	-	5,000	-	-
7,497	-	-	10,000	10,000	10,000
52,866	1,300	31,144	12,662	4,142	34,174
9,495	4,359	7,358	69,117	60,405	8,047
419,460	365,826	392,320	558,355	478,476	514,799
203,839	137,862	155,035	277,836	214,496	207,265
178,328	108,891	125,796	244,058	173,448	167,958
25,511	28,971	29,239	33,778	41,048	39,307
203,839	137,862	155,035	277,836	214,496	207,265
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

## ACCOUNTS RECEIVABLE

(in thousands)

## Exhibit A

	March 31 2011	June 30 2010
Electric and related services:		
Government	\$ 379,020	\$ 256,454
General clients	622,451	657,426
Recoveries under fuel adjustment and purchase power clause under or (over) billed	22,999	14,412
Unbilled services	198,478	179,583
Commonwealth Government subsidy for certain residential clients	6,327	-
Allowance for uncollectible accounts	(205,673)	(194,852)
Claims Receivable from Insurance Companies & Other	38,009	37,954
Advances to Irrigation Systems - net	22,937	19,365
Other subsidies receivable from Commonwealth Government	-	-
Accrued interest	1,764	2,128
Other	2,900	6,639
Total	\$ 1,089,212	\$ 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

	March 31 2011	June 30 2010
Prepayments and other	<u>\$ 17,658</u>	<u>\$ 3,347</u>
Total	<u><u>\$ 17,658</u></u>	<u><u>\$ 3,347</u></u>



## ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

Exhibit C

	March 2011	June 2010
Accounts payable - fuel oil and other	\$ 720,345	\$ 661,879
Payable to Employees Retirement System	0	1,691
Accrued annual leave	57,064	59,833
Accrued sick leave	34,474	34,139
Accrued salaries and fringe benefits	2,900	10,868
Accrued Contribution in Lieu of Taxes	164,143	70,813
Reserve for injuries and damages	23,119	23,911
Accrued Contributions Federal Social Security	0	5,535
Income tax withheld at source	355	904
Health plan	14,851	14,607
Pension & Benefits Deferred Employer Contribution	14,109	14,109
Other	31,767	26,060
	<u>\$ 1,063,127</u>	<u>\$ 924,349</u>
Sub total current liabilities		
Other current payables from restricted assets		
Retention on Contract Work	\$ 12,942	\$ 12,734
Vouchered A/P construction	(4,331)	34,864
Contribution aid to construction	24,087	24,834
	<u>32,698</u>	<u>72,432</u>
Total other current payables from restricted assets		
Total current Liabilities	<u>\$ 1,095,825</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		
Total accounts payables and non current liabilities	<u>\$ 1,224,635</u>	<u>\$ 1,125,591</u>

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## PUERTO RICO ELECTRIC POWER AUTHORITY

## SALES OF ELECTRIC ENERGY

MARCH 2011

Exhibit D

Class of Service	CLIENTS			KWHRS (in thousands)					
	Billed	Unbilled	Total	MONTHLY			BIMONTHLY		Total
				Billed	Unbilled	Adjustment*	Unbilled	Adjustment*	
Residential	1,308,792	32,530	1,341,322	486,170	266,103	(244,945)	(7,939)	7,515	506,904
Commercial	126,335	3,077	129,412	657,942	360,184	(323,661)	10,525	(11,011)	693,979
Industrial	758		758	229,976	125,903	(109,896)			245,983
Public lighting	2,119	103	2,222	23,534	12,914	(11,364)	606	(647)	25,043
Other public authorities	2		2	3,855	2,075	(1,871)			4,059
Agricultural	1,098	197	1,295	2,624	1,460	(1,178)	516	(697)	2,725
Subtotal	1,439,104	35,907	1,475,011	1,404,101	768,639	(692,915)	3,708	(4,840)	1,478,693
Fuel oil adjustment									
Purchased power									
Subtotal	1,439,104	35,907	1,475,011	1,404,101	768,639	(692,915)	3,708	(4,840)	1,478,693
Unrecovered fuel oil cost-net									
Unrecovered purchased power cost-net									
Total	1,439,104	35,907	1,475,011	1,404,101	768,639	(692,915)	3,708	(4,840)	1,478,693

## FISCAL YEAR-TO-DATE

Class of Service	Average Clients	Kwhrs. (thousands)	Revenue (thousand \$)	Kwhrs. per Client	Cents per Kwhr. Sold
Residential	1,340,855	5,059,081	255,461	3,773	5.05
Commercial	129,572	6,425,183	430,148	49,588	6.69
Industrial	775	2,164,426	91,242	2,792,808	4.22
Public lighting	2,228	212,185	39,026	95,236	18.39
Other public authorities	3	38,615	1,650	12,871,667	4.27
Agricultural	1,301	21,985	1,203	16,899	5.47
Subtotal	1,474,734	13,921,475	818,730	9,440	5.88
Fuel oil adjustment			1,805,186		13.00
Purchased Power			544,617		3.94
Subtotal	1,474,734	13,921,475	3,168,533	9,440	22.76
Unrecovered fuel oil cost-net			4,382		
Unrecovered purchased Power cost-net			4,205		
Total	1,474,734	13,921,475	3,177,120	9,440	22.82

\*Unbilled previous month.

SALES OF ELECTRIC ENERGY

MARCH 2011

Exhibit D

REVENUES (in thousand \$)						Kwhrs. per Client	Cents per Kwhr. Sold
MONTHLY				BIMONTHLY			
Billed	Unbilled	Discount	Adjustment*	Unbilled	Total		
25,503	13,971	(10)	(12,693)	(137)	26,633	378	5.25
44,757	24,491		(23,055)	(123)	46,070	5,363	6.64
9,299	5,097	(596)	(5,036)		8,764	324,516	3.56
4,308	2,344		(2,018)	(11)	4,623	11,270	18.46
165	91		(79)		177	2,029,580	4.36
155	83		(74)	(43)	121	2,104	4.44
84,187	46,077	(606)	(42,955)	(314)	86,388	1,002	5.84
220,690	116,031		(93,607)	367	243,481		16.56
52,522	30,850		(27,801)	63	55,634		4.23
357,399	192,958	(606)	(164,363)	116	385,503	1,002	26.07
					1,295		
					6,951		
357,399	192,958	(606)	(164,363)	116	393,749	1,002	26.63