
MONTHLY REPORT
TO THE GOVERNING BOARD
MAY 2011

CONTENTS

	<u>PAGE</u>
Highlights.....	1 - 12
Balance Sheet.....	14 - 15
Statements of Revenues, Expenses and Changes in Net Assets	16 - 17
Statements of Revenues and Expenses for Revenue Fund Purposes Per Trust Agreement.....	18 - 19
Statement of Net Assets	20
Cash and Investments.....	21
Statement of Funds	22- 25
Construction Funds	26 - 27
Cash and Investments Transactions.....	28 - 29
Accounts Receivable (Exhibit A)	30
Prepayments and Other (Exhibit B).....	31
Accounts Payable and Accrued Liabilities (Exhibit C)	32
Sales of Electric Energy (Exhibit D)	34 - 35

PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	MAY		Increase (Decrease) %
	2010-11	2009-10	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	1,298,027	1,467,276	(11.5)
PREPA - Hydro	12,808	14,856	(13.8)
Purchased power - gas	278,962	360,733	(22.7)
Purchased power - coal	300,904	166,242	81.0
Total	1,890,701	2,009,107	(5.9)
Fiscal year-to-date:			
PREPA - Steam and gas	14,023,283	15,060,351	(6.9)
PREPA - Hydro	136,369	117,013	16.5
Purchased power - gas	3,264,146	3,340,910	(2.3)
Purchased power - coal	3,268,783	3,070,971	6.4
Total	20,692,581	21,589,245	(4.2)
Twelve months:			
PREPA - Steam and gas	15,501,881	16,484,652	(6.0)
PREPA - Hydro	153,047	130,432	17.3
Purchased power - gas	3,591,787	3,674,307	(2.2)
Purchased power - coal	3,436,122	3,260,944	5.4
Total	22,682,837	23,550,335	(3.7)
2. Maximum hourly peak load (in MW)			
Month	3,025	3,150	(4.0)
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	1,519,238	1,587,820	(4.3)
Days billed	30.40	30.40	
Fiscal year-to-date:			
Billed	16,995,180	17,535,244	(3.1)
Days billed	333.95	334.65	(0.2)
Twelve months:			
Billed	18,652,774	19,095,981	(2.3)
Days billed	365.0	365.0	
4. System efficiency (%)			
Month	82.7	80.3	3.0
Fiscal year-to-date	81.9	81.3	0.7
Twelve months	82.2	81.2	1.2
5. Average cost per barrel (\$)			
Month	114.85	80.85	42.1
Fiscal year-to-date	93.77	76.22	23.0
Twelve months	92.43	74.98	23.3
6. kWh/Barrel			
Month	672.90	645.52	4.2
Fiscal year-to-date	643.86	630.72	2.1
Twelve months	642.72	631.98	1.7
7. Heat rate (BTU/kWh) *			
Month	10,365	10,305	0.6
Fiscal year-to-date	10,457	10,473	(0.2)
Twelve months	10,461	10,461	0.0

* Revised prior year

PUERTO RICO ELECTRIC POWER AUTHORITY

8. Fuel consumption (in thousands)	2010-11		2009-10		Increase (Decrease) %	
	BBL.	Cost	BBL.	Cost	BBL.	Cost
	Month:					
Steam	1,633	187,240	1,990	155,990	(17.9)	20.0
Gas	296	34,344	283	27,800	4.6	23.5
Total	<u>1,929</u>	<u>221,584</u>	<u>2,273</u>	<u>183,790</u>	(15.1)	20.6
Fiscal year-to-date:						
Steam	19,479	1,791,068	21,054	1,562,040	(7.5)	14.7
Gas	2,301	251,279	2,824	257,836	(18.5)	(2.5)
Total	<u>21,780</u>	<u>2,042,347</u>	<u>23,878</u>	<u>1,819,876</u>	(8.8)	12.2
Twelve months:						
Steam	21,446	1,942,462	22,979	1,674,443	(6.7)	16.0
Gas	2,673	286,940	3,105	281,336	(13.9)	2.0
Total	<u>24,119</u>	<u>2,229,402</u>	<u>26,084</u>	<u>1,955,779</u>	(7.5)	14.0

MAY

B. Client Service	2011	2010	Increase (Decrease) %
	1. Service complaints per thousand clients	8.58	5.50
2. Disconnections for nonpayment per thousand clients	8.49	10.33	(17.8)
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)	8.84	8.25	7.2
3. Clients per interruption	41	54	(24.1)
4. Time per interruption (minutes)	301	153	96.7

D. Personnel

		MAY		Increase (Decrease)
		2011	2010	
Management Conf. / Carr.	Reg.	2,625	2,652	(27)
	Temp.	2	1	1
U.T.I.E.R.	Reg.	4,689	4,846	(157)
	Temp.	60	1	59
	Emerg.	11		11
U.I.T.I.C.E.	Reg.	904	929	(25)
	Temp.		1	(1)
U.E.P.I.	Reg.	369	381	(12)
	Temp.			
U.P.A.E.E.	Reg.	6	6	
	Temp.			
Total		8,666	8,817	(151)

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	MAY					
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2010-11	2009-10	Increase (Decrease) %
kWh sales:						
Residential	558,647	571,156	(2.2)	6,132,926	6,398,808	(4.2)
Commercial	727,583	741,549	(1.9)	7,843,900	8,024,907	(2.3)
Industrial	246,663	269,393	(8.4)	2,639,142	2,787,678	(5.3)
Others	30,518	31,073	(1.8)	331,733	341,909	(3.0)
Total	<u>1,563,411</u>	<u>1,613,171</u>	(3.1)	<u>16,947,701</u>	<u>17,553,302</u>	(3.5)
Basic revenues:						
Residential	28,782	29,255	(1.6)	310,456	316,378	(1.9)
Commercial	48,322	48,914	(1.2)	523,442	535,017	(2.2)
Industrial	10,417	11,693	(10.9)	111,608	117,703	(5.2)
Others	4,738	4,731	0.1	50,919	51,611	(1.3)
Total	<u>92,259</u>	<u>94,593</u>	(2.5)	<u>996,425</u>	<u>1,020,709</u>	(2.4)
Fuel adjustment:						
Residential	91,728	74,415	23.3	856,408	780,677	9.7
Commercial	116,133	96,382	20.5	1,066,512	929,600	14.7
Industrial	36,444	32,153	13.3	329,075	294,163	11.9
Others	4,982	4,067	22.5	46,928	40,810	15.0
Total	<u>249,287</u>	<u>207,017</u>	20.4	<u>2,298,923</u>	<u>2,045,250</u>	12.4
Purchased power:						
Residential	24,857	21,564	15.3	252,764	276,366	(8.5)
Commercial	31,347	28,263	10.9	313,331	327,021	(4.2)
Industrial	9,871	9,283	6.3	96,323	103,258	(6.7)
Others	1,313	1,280	2.6	13,718	14,378	(4.6)
Total	<u>67,388</u>	<u>60,390</u>	11.6	<u>676,136</u>	<u>721,023</u>	(6.2)
Total revenues:						
Residential	145,367	125,234	16.1	1,419,628	1,373,421	3.4
Commercial	195,802	173,559	12.8	1,903,285	1,791,638	6.2
Industrial	56,732	53,129	6.8	537,006	515,124	4.2
Others	11,033	10,078	9.5	111,565	106,799	4.5
Total	<u>408,934</u>	<u>362,000</u>	13.0	<u>3,971,484</u>	<u>3,786,982</u>	4.9

	MAY					
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2010-11	2009-10	Increase (Decrease) %
2. Cents per kWh						
Basic revenues:						
Residential	5.15	5.12	0.6	5.06	4.94	2.4
Commercial	6.64	6.60	0.6	6.67	6.67	
Industrial	4.22	4.34	(2.8)	4.23	4.22	0.2
Others	15.53	15.23	2.0	15.35	15.09	1.7
Total	5.90	5.86	0.7	5.88	5.81	1.2
Fuel adjustment:						
Residential	16.42	13.03	26.0	13.97	12.20	14.5
Commercial	15.96	12.99	22.9	13.60	11.58	17.4
Industrial	14.78	11.93	23.9	12.47	10.56	18.1
Others	16.32	13.08	24.8	14.14	11.94	18.4
Total	15.95	12.84	24.2	13.56	11.65	16.4
Purchased power:						
Residential	4.45	3.78	17.7	4.12	4.32	(4.6)
Commercial	4.31	3.81	13.1	3.99	4.08	(2.2)
Industrial	4.00	3.45	15.9	3.65	3.70	(1.4)
Others	4.30	4.12	4.4	4.14	4.21	(1.7)
Total	4.31	3.74	15.2	3.99	4.11	(2.9)
Total revenues:						
Residential	26.02	21.93	18.7	23.15	21.46	7.9
Commercial	26.91	23.40	15.0	24.26	22.33	8.6
Industrial	23.00	19.72	16.6	20.35	18.48	10.1
Others	36.15	32.43	11.5	33.63	31.24	7.7
Total	26.16	22.44	16.6	23.43	21.57	8.6
3. Clients:						
Residential	1,343,005	1,339,670	0.2	1,341,158	1,335,626	0.4
Commercial	129,426	129,660	(0.2)	129,543	129,170	0.3
Industrial	757	794	(4.7)	772	809	(4.6)
Others	3,515	3,527	(0.3)	3,529	3,550	(0.6)
Total	<u>1,476,703</u>	<u>1,473,651</u>	0.2	<u>1,475,002</u>	<u>1,469,155</u>	0.4
4. Average kWh per client:						
Residential	416	426	(2.4)	4,573	4,791	(4.6)
Commercial	5,622	5,719	(1.7)	60,551	62,127	(2.5)
Industrial	325,843	339,286	(4.0)	3,418,578	3,445,832	(0.8)
Others	8,682	8,810	(1.5)	94,002	96,312	(2.4)
Total	1,059	1,095	(3.3)	11,490	11,948	(3.8)

PUERTO RICO ELECTRIC POWER AUTHORITY

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	MAY	
	Month	Fiscal Year-to-Date
	2011	2010-11
kWh sales:		
Residential	75	470
Commercial	219,074	2,408,878
Industrial	695	3,489
Others	27,252	302,670
Total	<u>247,096</u>	<u>2,715,507</u>
Basic revenues:		
Residential	4	23
Commercial	14,163	157,956
Industrial	59	354
Others	4,449	49,097
Total	<u>18,675</u>	<u>207,430</u>
Fuel adjustment:		
Residential	13	69
Commercial	35,503	319,788
Industrial	107	463
Others	4,640	42,242
Total	<u>40,263</u>	<u>362,562</u>
Purchased power:		
Residential	4	20
Commercial	9,938	94,510
Industrial	30	132
Others	1,300	12,474
Total	<u>11,272</u>	<u>107,136</u>
Total revenues:		
Residential	21	112
Commercial	59,604	572,254
Industrial	196	949
Others	10,389	103,813
Total	<u>70,210</u>	<u>677,128</u>
2. Clients:		
Residential	52	22
Commercial	21,881	21,905
Industrial	8	5
Others	2,243	2,256
Total	<u>24,184</u>	<u>24,188</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.

This page intentionally left blank.

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

	MAY 2011					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	98.5	92.2	(6.4)	1,049.9	996.4	(5.1)
Fuel adjustment	221.3	249.3	12.7	2,304.1	2,298.9	(0.2)
Purchased power	73.0	67.4	(7.7)	755.8	676.2	(10.5)
Revenues from sales	392.8	408.9	4.1	4,109.8	3,971.5	(3.4)
Other	1.5	3.4	*	16.6	16.7	0.6
Total revenues	<u>394.3</u>	<u>412.3</u>	4.6	<u>4,126.4</u>	<u>3,988.2</u>	(3.3)
Fuel	196.1	221.6	13.0	2,040.8	2,042.3	0.1
Purchased power	65.0	60.3	(7.2)	672.7	603.3	(10.3)
Other expenses	59.2	62.2	5.1	651.5	697.4	7.0
Total current expenses	320.3	344.1	7.4	3,365.0	3,343.0	(0.7)
1974 - sinking fund appropriations	39.7	40.1	1.0	435.0	440.3	1.2
Reserve Maintenance Fund	0.4			4.6		
Self Insurance Fund	0.8			9.2		
Reserve Fund	(1.1)			(12.2)		
Interest on notes	1.1	0.1	(90.9)	11.6	1.4	(87.9)
Internal funds	8.2	3.4	(58.5)	61.4	17.2	(72.0)
Contribution to municipalities	22.2	21.3	(4.1)	220.9	150.7	(31.8)
Other appropriations	2.7	3.3	22.2	30.9	35.6	15.2
Total	<u>394.3</u>	<u>412.3</u>	4.6	<u>4,126.4</u>	<u>3,988.2</u>	(3.3)

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 a cost per kWh from cogenerators than budgeted.
3. The other revenues for the fiscal year-to-date increased due to a higher 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 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)

	MAY					
	Month			Fiscal Year-to-Date		
	2011	2010	Increase (Decrease) %	2010-11	2009-10	Increase (Decrease) %
Basic charges	92.2	94.6	(2.5)	996.4	1,020.7	(2.4)
Fuel adjustment	249.3	207.0	20.4	2,298.9	2,045.3	12.4
Purchased power	67.4	60.4	11.6	676.2	721.0	(6.2)
Revenues from sales	408.9	362.0	13.0	3,971.5	3,787.0	4.9
Other	3.4	3.3	3.0	16.7	18.1	(7.7)
Total revenues	<u>412.3</u>	<u>365.3</u>	12.9	<u>3,988.2</u>	<u>3,805.1</u>	4.8
Fuel	221.6	183.8	20.6	2,042.3	1,819.9	12.2
Purchased power	60.3	53.9	11.9	603.3	643.4	(6.2)
Fuel Extra Expense Claimed						
Other expenses	62.2	52.6	18.3	697.4	654.5	6.6
Total current expenses	344.1	290.3	18.5	3,343.0	3,117.8	7.2
1974 - sinking fund appropriations	40.1	28.9	38.8	440.3	422.7	4.2
Reserve Maintenance Fund						
Interest on notes	0.1	0.4	(75.0)	1.4	33.9	(95.9)
Internal funds	3.4	15.5	(78.1)	17.2	22.9	(24.9)
Contribution to municipalities	21.3	27.1	(21.4)	150.7	172.1	(12.4)
Other appropriations	3.3	3.1	6.5	35.6	35.7	(0.3)
Total	<u>412.3</u>	<u>365.3</u>	12.9	<u>3,988.2</u>	<u>3,805.1</u>	4.8

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 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.

D. Notes Payable
(in thousand dollars)

MAY

<u>Construction Financing</u>			<u>Operational Financing</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>10,239</u>	Amount received	<u>41,585</u>	<u>41,585</u>
Available balance	<u>24,604</u>	<u>15,115</u>	Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	750	6,104	Debt outstanding balance	10,754	16,363
Maturity Date	June 30, 2018		Maturity Date	November 30, 2013	
2. Firstbank- Via Verde			2. Municipalities Settlement Agreement :		
Line of credit	50,000		Line of credit	64,208	64,208
Amount received	<u>50,000</u>		Amount received	<u>64,208</u>	<u>64,208</u>
Available balance	<u>0</u>		Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	0		Debt outstanding balance	29,858	39,058
Maturity Date	December 30, 2010		Maturity Date	June 30, 2014	
			3. Operational Financing (commercial banks) :		
			Line of credit	0	200,000
			Amount received	<u>0</u>	<u>0</u>
			Available balance	<u>0</u>	<u>200,000</u>
			Debt outstanding balance	0	0
			Maturity Date	June 30, 2010	
			4. Fuel Financing (commercial banks) :		
			Line of credit	0	275,000
			Amount received	<u>0</u>	<u>0</u>
			Available balance	<u>0</u>	<u>275,000</u>
			Debt outstanding balance	0	0
			Maturity Date	June 30, 2010	
			5. Basis Swap Collateral (GDB) :		
			Line of credit	150,000	150,000
			Amount received	<u>0</u>	<u>0</u>
			Available balance	<u>150,000</u>	<u>150,000</u>
			Debt outstanding balance	0	0
			Maturity Date	December 31, 2012	
			6. Gasoducto del Sur:		
			Line of credit	35,000	35,000
			Amount received	<u>26,357</u>	<u>26,272</u>
			Available balance	<u>8,643</u>	<u>8,728</u>
			Debt outstanding balance	26,357	26,272
			Maturity Date	August 17, 2011	
			7. 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)

MAY 2011						
	Month **			Fiscal Year-to-Date***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	9,150	18,867	****	100,649	131,138	30.3
Transmission	5,618	5,386	(4.1)	61,802	72,943	18.0
Distribution	6,696	9,130	36.4	73,652	118,880	61.4
Other	3,536	3,374	(4.6)	38,897	18,534	(52.4)
Total	25,000	36,757	47.0	275,000	341,495	24.2
Internal Funds	8,195	3,420		61,360	17,231	
Percentage of Internal Funds to Investment in Capital Improvements Programs*	33%	9%		22%	5%	
Contribution AID for Construction		345			5,732	

	2011	2010
E. Highest debt coverage as of May 31	1.23	1.38

G. REA Projects

	Month	Fiscal Year-to-Date
Total investment	\$15,065	\$206,190
Families served	4	47

*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
 ****Over 100%

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

	MAY		Increase (Decrease) %
	2011	2010	
General clients	680,660	666,185	2.2
Government	481,725	430,326	11.9
Subtotal	<u>1,162,385</u>	<u>1,096,511</u>	6.0
Plus:			
Subsidy (Act 106 of 1974)*	<u>12,653</u>	<u>18,980</u>	(33.3)
Total adjusted accounts receivable	<u><u>1,175,038</u></u>	<u><u>1,115,491</u></u>	5.3
Sales of electric energy (12 months)			
Revenues from sales **	4,311,314	4,063,366	6.1
kWh (including subsidy)	18,629,298	19,113,710	(2.5)
Indicators:			
A. Ratio of accounts receivable to sales (%)	27.0	27.0	(0.1)
B. Ratio of accounts receivable to sales (%) (including subsidy)	27.1	27.3	(0.6)
C. Sales days in accounts receivable	98	98	(0.1)
D. Sales days in accounts receivable (including subsidy)	99	99	(0.6)
E. Ratio of collections to sales of electric energy:			
General clients:			
Sales**	3,571,659	3,378,858	5.7
Collections	3,545,092	3,216,553	10.2
Percent	99.3	95.2	4.3
Government:			
Sales	739,655	684,508	8.1
Collections***	660,782	774,051	(14.6)
Percent	89.3	113.1	(21.0)
Percent of total sales	97.6	98.2	(0.7)

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

** Excludes residential clients' subsidy of \$27,604 and \$29,984, for the 12 months ended May 2011 and May 2010, respectively.

*** Includes Contribution in Lieu of Taxes of \$159,803 and \$178,966, for the 12 months ended May 2011 and May 2010, respectively.

This page intentionally left blank.

BALANCE SHEETS

ASSETS
(in thousands)

May 31 2011

June 30 2010

Current assets:

Cash and cash equivalents

General fund

\$ 13,337

\$ 67,646

Revenue fund

16

16

Working funds

800

922

Total cash and cash equivalents

14,153

68,584

Accounts receivable (Exhibit A)

1,148,064

979,109

Fuel oil inventory

221,922

185,292

Materials and supplies inventory

193,278

178,897

Prepayments and other (Exhibit B)

6,978

3,347

Total current assets

1,584,395

1,415,229

Non current receivables (Exhibit A)

95,407

108,061

Restricted Assets

Cash held by trustees

1,892

198,693

Investments held by trustees

Sinking funds - interest

488,518

-

Sinking funds - principal

160,937

-

Non current restricted deposits held
by trustees

453,165

-

Total investment held by trustees

1,102,620

433,495

Construction fund and other

Construction fund

24,008

148,309

Investment held by REA

2,020

2,018

Reserve maintenance fund

10,677

10,640

Other restricted fund

1,900

1,900

Prepa Client Fund

500

-

Total construction fund and other

39,105

162,867

Total restricted assets

1,143,617

795,055

Utility Plant

Electric plant in service

11,018,355

10,254,302

Less: accumulated depreciation

5,273,546

4,932,745

Net electric plant in service

5,744,809

5,321,557

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

973,951

1,176,701

Total utility plant

6,718,760

6,498,258

Other Properties

Deferred debits:

Unamortized debt expense

61,109

63,913

Other

161,255

166,785

Total deferred debits

222,364

230,698

Total assets

\$ 9,764,543

\$ 9,047,301

BALANCE SHEETS

LIABILITIES
(in thousands)

	May 31 2011	June 30 2010
Liabilities and net assets		
Current Liabilities		
Notes payable to banks	\$ 125,750	\$ 14,809
Accounts payable and accrued liabilities (Exhibit C)	1,105,758	924,349
Customer deposits, including accrued interest	42,484	40,354
Total current liabilities	1,273,992	979,512
Current liabilities payable from restricted assets		
Current portion of long-term debt	175,238	172,278
Notes payable from restricted assets		
Accrued interest payable on bonds and notes	150,696	23,978
Other current liabilities (Exhibit C)	40,900	72,432
Total current liabilities from restricted assets	366,834	268,688
Non current liabilities		
Power revenue bonds, net of unamortized debt discount of \$(80,361) 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	185,134	160,763
Customer deposit-noncurrent	134,431	134,431
Total noncurrent liabilities	8,311,078	7,923,868
Total liabilities	9,951,904	9,172,068
Net assets	(187,361)	(124,767)
Total liabilities and net assets	\$ 9,764,543	\$ 9,047,301

PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget May 2011	Actual May 2011	Actual May 2010
Operating revenues:			
Sales of electric energy	\$ 392,808	\$ 408,934	\$ 362,000
Rural electrification	-	-	-
Total operating revenues	392,808	408,934	362,000
Other income	1,572	3,564	3,360
Total revenues	<u>394,380</u>	<u>412,498</u>	<u>365,360</u>
Expenses:			
Fuel cost	196,105	221,584	183,790
Purchased power	64,968	60,287	53,881
Other production	4,971	5,745	4,929
Transmission and distribution	12,018	14,720	12,729
Maintenance	18,629	17,719	13,074
Customer accounting and collection	9,494	9,284	9,112
Administrative and general	13,774	14,768	12,406
Interest charges	342	-	350
Subtotal expenses by function	320,301	344,107	290,271
Other Post employment benefits	2,083	2,216	2,030
Depreciation	29,581	29,695	29,130
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	30,615	28,660	28,588
Contribution to municipalities	19,631	21,318	17,073
Other appropriations	2,748	3,342	3,095
Bond Discount and Defeasance Amortization	581	536	1,874
Total expenses	<u>405,540</u>	<u>429,874</u>	<u>372,061</u>
Contributed capital	<u>3,313</u>	<u>5,308</u>	<u>20,260</u>
Changes in net assets	<u>\$ (7,847)</u>	<u>\$ (12,068)</u>	<u>\$ 13,559</u>

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

	FISCAL YEAR		
	Budget 2010-2011	Actual 2010-2011	Actual 2009-2010
Operating revenues:			
Sales of electric energy	\$ 4,109,817	\$ 3,971,484	\$ 3,786,982
Rural electrification	-	-	-
Total operating revenues	4,109,817	3,971,484	3,786,982
Other income	17,292	17,500	18,706
Total revenues	4,127,109	3,988,984	3,805,688
Expenses:			
Fuel cost	2,040,813	2,042,347	1,819,876
Purchased power	672,658	603,273	643,355
Other production	54,681	62,589	55,381
Transmission and distribution	132,198	163,527	143,306
Maintenance	204,911	205,997	186,101
Customer accounting and collection	104,434	107,363	99,798
Administrative and general	151,513	155,202	166,267
Interest charges	3,762	2,725	3,769
Subtotal expenses by function	3,364,970	3,343,023	3,117,853
Other post employment benefits	22,913	24,371	22,333
Depreciation	325,391	348,941	312,877
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	336,765	332,374	299,133
Contribution to municipalities	192,633	192,627	178,214
Other appropriations	30,899	35,560	35,666
Bond discount and defeasance amortization	6,391	5,961	12,079
Total expenses	4,279,962	4,282,857	3,978,155
Contributed capital	36,443	231,279	36,447
Changes in net assets	\$ (116,410)	\$ (62,594)	\$ (136,020)

PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget May 2011	Actual May 2011	Actual May 2010
Revenues:			
Sales of electric energy (Exhibit D)	\$ 392,808	\$ 408,934	\$ 362,000
Rural electrification	-	-	-
Total operating revenues	392,808	408,934	362,000
Other income	1,572	8,872	23,620
Total revenues	394,380	417,806	385,620
Less: 1974 construction fund investment income and gain on sale of properties	61	5,534	20,287
Revenues - net	394,319	412,272	365,333
Current expenses:			
Fuel cost	196,105	221,584	183,790
Purchased power	64,968	60,287	53,881
Other production	4,971	5,745	4,929
Transmission and distribution	12,018	14,720	12,729
Maintenance	18,629	17,719	13,074
Customer accounting and collection	9,494	9,284	9,112
Administrative and general	13,774	14,768	12,406
Interest charges	342	-	350
Total current expenses	320,301	344,107	290,271
Net revenues (as defined)	74,019	68,165	75,062
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds	25,065	25,400	28,988
Bond redemption account	14,621	14,621	48
Reserve Account Fund	(1,113)	-	-
Reserve maintenance fund	417	-	-
Self Insurance Fund	833	-	-
Interest on notes	1,055	65	392
Capital Improvements fund	8,196	3,420	15,467
Total contractual obligations	49,074	43,506	44,895
Balance	24,945	24,659	30,167
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	22,197	21,317	27,072
Other	2,748	3,342	3,095
Total provision for contribution and other	24,945	24,659	30,167
Remainder	\$ 0	\$ 0	\$ 0

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

MAY
(in thousands)

FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
Budget May 2011	Actual May 2011	Actual May 2010	Budget June 2011	Actual May 2011	Actual May 2010
\$ 4,109,817	\$ 3,971,484	\$ 3,786,982	\$ 4,503,978	\$ 4,338,918	\$ 4,093,350
-	-	-	-	-	1
4,109,817	3,971,484	3,786,982	4,503,978	4,338,918	4,093,351
17,292	248,779	55,153	18,862	271,205	63,999
4,127,109	4,220,263	3,842,135	4,522,840	4,610,123	4,157,350
671	232,078	37,025	727	261,315	38,202
4,126,438	3,988,185	3,805,110	4,522,113	4,348,808	4,119,148
2,040,813	2,042,347	1,819,876	2,239,021	2,229,402	1,955,794
672,658	603,273	643,355	736,171	653,642	700,850
54,681	62,589	55,381	-	-	-
132,198	163,527	143,306	59,655	69,905	57,902
204,911	205,997	186,101	144,207	181,017	154,640
104,434	107,363	99,798	223,548	229,412	196,821
151,513	155,202	166,267	113,931	122,107	107,322
3,762	2,725	3,769	165,291	167,917	186,370
3,364,970	3,343,023	3,117,853	4,098	863	2,906
			3,685,922	3,654,265	3,362,605
761,468	645,162	687,257	836,191	694,543	756,543
274,407	279,378	271,260	299,472	254,189	293,092
160,831	160,834	151,459	175,455	160,882	165,880
(12,243)	-	-	(13,351)	-	-
4,587	-	-	5,000	-	-
9,163	-	-	10,000	10,000	10,000
61,360	1,430	33,904	12,662	1,512	33,081
11,605	17,231	22,892	69,117	57,744	26,807
509,710	458,873	479,515	558,355	484,327	528,860
251,758	186,289	207,742	277,836	210,216	227,683
220,859	150,729	172,076	244,058	169,005	190,095
30,899	35,560	35,666	33,778	41,211	37,588
251,758	186,289	207,742	277,836	210,216	227,683
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

STATEMENT OF NET ASSETS

May 2011
(in thousands)

	May 2011	June 2010
Net Assets		
Invested in utility plant, net related debt	\$ (60,973)	\$ (73,145)
Restricted for capital activity and debt service	198,603	136,053
Unrestricted	(324,991)	(187,675)
Balance at month ended	\$ (187,361)	\$ (124,767)

ACCOUNTS RECEIVABLE

(in thousands)

Exhibit A

	May 31 2011	June 30 2010
Electric and related services:		
Government	\$ 392,644	\$ 256,454
General clients	679,296	657,426
Recoveries under fuel adjustment and purchase power clause under or (over) billed	5,773	14,412
Unbilled services	203,669	179,583
Commonwealth Government subsidy for certain residential clients	6,327	-
Allowance for uncollectible accounts	(208,077)	(194,852)
Claims Receivable from Insurance Companies & Other	41,009	37,954
Advances to Irrigation Systems - net	23,936	19,365
Other subsidies receivable from Commonwealth Government	-	-
Accrued interest	2,346	2,128
Other	1,141	6,639
Total	\$ 1,148,064	\$ 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

	May 31 2011	June 30 2010
Prepayments and other	\$ 6,978	\$ 3,347
Total	<u>\$ 6,978</u>	<u>\$ 3,347</u>

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

Exhibit C

	May 2011	June 2010
Accounts payable - fuel oil and other	\$ 744,909	\$ 661,879
Payable to Employees Retirement System	1,256	1,691
Accrued annual leave	59,246	59,833
Accrued sick leave	36,370	34,139
Accrued salaries and fringe benefits	8,026	10,868
Accrued Contribution in Lieu of Taxes	164,143	70,813
Reserve for injuries and damages	23,341	23,911
Accrued Contributions Federal Social Security	0	5,535
Income tax withheld at source	611	904
Health plan	21,366	14,607
Pension & Benefits Deferred Employer Contribution	14,109	14,109
Other	<u>32,381</u>	<u>26,060</u>
Sub total current liabilities	<u>\$ 1,105,758</u>	<u>\$ 924,349</u>
Other current payables from restricted assets		
Retention on Contract Work	\$ 11,196	\$ 12,734
Vouchered A/P construction	6,721	34,864
Contribution aid to construction	<u>22,983</u>	<u>24,834</u>
Total other current payables from restricted assets	<u>40,900</u>	<u>72,432</u>
Total current Liabilities	<u>\$ 1,146,658</u>	<u>\$ 996,781</u>
NON-CURRENT LIABILITIES		
Accrued sick leave	\$ 128,810	\$ 128,810
Total non current liabilities	<u>\$ 128,810</u>	<u>\$ 128,810</u>
Total accounts payables and non current liabilities	<u><u>\$ 1,275,468</u></u>	<u><u>\$ 1,125,591</u></u>

PUERTO RICO ELECTRIC POWER AUTHORITY

SALES OF ELECTRIC ENERGY

MAY 2011

Exhibit D

Class of Service	CLIENTS			KWHRS (in thousands)					
	Billed	Unbilled	Total	MONTHLY			BIMONTHLY		Total
				Billed	Unbilled	Adjustment*	Unbilled	Adjustment*	
Residential	1,317,232	25,773	1,343,005	539,322	270,479	(252,236)	(9,650)	10,732	558,647
Commercial	126,819	2,607	129,426	709,876	356,041	(338,183)	10,096	(10,247)	727,583
Industrial	757		757	240,110	120,383	(113,830)			246,663
Public lighting	2,116	99	2,215	23,267	11,658	(11,067)	598	(652)	23,804
Other public authorities	2		2	4,101	2,057	(2,084)			4,074
Agricultural	1,118	180	1,298	2,562	1,295	(1,222)	495	(490)	2,640
Subtotal	<u>1,448,044</u>	<u>28,659</u>	<u>1,476,703</u>	<u>1,519,238</u>	<u>761,913</u>	<u>(718,622)</u>	<u>1,539</u>	<u>(657)</u>	<u>1,563,411</u>
Fuel oil adjustment									
Purchased power									
Subtotal	<u>1,448,044</u>	<u>28,659</u>	<u>1,476,703</u>	<u>1,519,238</u>	<u>761,913</u>	<u>(718,622)</u>	<u>1,539</u>	<u>(657)</u>	<u>1,563,411</u>
Unrecovered fuel oil cost-net									
Unrecovered purchased power cost-net									
Total	<u>1,448,044</u>	<u>28,659</u>	<u>1,476,703</u>	<u>1,519,238</u>	<u>761,913</u>	<u>(718,622)</u>	<u>1,539</u>	<u>(657)</u>	<u>1,563,411</u>

FISCAL YEAR-TO-DATE

Class of Service	Average Clients	Kwhrs (thousands)	Revenue (thousand \$)	Kwhrs per Client	Cents per Kwhr Sold
Residential	1,341,158	6,132,926	310,456	4,573	5.06
Commercial	129,543	7,843,801	523,442	60,551	6.67
Industrial	772	2,639,142	111,608	3,418,578	4.23
Public lighting	2,226	257,582	47,403	115,715	18.40
Other public authorities	3	47,140	7,009	15,713,333	4.26
Agricultural	1,300	27,010	1,507	20,777	5.58
Subtotal	<u>1,475,002</u>	<u>16,947,701</u>	<u>996,425</u>	<u>11,490</u>	<u>5.88</u>
Fuel oil adjustment			2,303,147		13.56
Purchased Power			680,551		3.99
Subtotal	<u>1,475,002</u>	<u>16,947,701</u>	<u>3,971,484</u>	<u>11,490</u>	<u>23.48</u>
Unrecovered fuel oil cost-net			(4,224)		
Unrecovered purchased Power cost-net			(1,115)		
Total	<u>1,475,002</u>	<u>16,947,701</u>	<u>3,971,484</u>	<u>11,490</u>	<u>23.43</u>

*billed previous month.

PUERTO RICO ELECTRIC POWER AUTHORITY

SALES OF ELECTRIC ENERGY

MAY 2011

Exhibit D

REVENUES (in thousand \$)						Kwhrs. per Client	Cents per Kwhr. Sold
MONTHLY			BIMONTHLY				
Billed	Unbilled	Discount	Adjustment*	Unbilled	Total		
27,957	14,029	(11)	(13,141)	(52)	28,782	416	5.15
47,146	23,620		(22,322)	(72)	48,322	5,622	6.64
10,757	5,405	(644)	(5,101)		10,417	125,843	4.22
4,299	2,135		(1,027)	(16)	4,391	10,747	18.45
175	90		(87)		178	2,037,000	4.37
163	82		(75)	(1)	169	2,034	6.40
90,497	45,261	(655)	(42,803)	(141)	92,259	1,059	5.90
248,758	119,732		(112,355)	342	256,478		15.95
69,704	33,402		(29,287)	83	73,902		4.31
401,959	198,495	(655)	(184,445)	284	422,639	1,059	27.03
					(7,191)		
					(6,214)		
408,959	198,495	(655)	(184,445)	284	408,934	1,059	26.16

ACCOUNTS RECEIVABLE

(in thousands)

Exhibit A

	May 31 2011	June 30 2010
Electric and related services:		
Government	\$ 392,644	\$ 256,454
General clients	679,296	657,426
Recoveries under fuel adjustment and purchase power clause under or (over) billed	5,773	14,412
Unbilled services	203,669	179,583
Commonwealth Government subsidy for certain residential clients	6,327	-
Allowance for uncollectible accounts	(208,077)	(194,852)
Claims Receivable from Insurance Companies & Other	41,009	37,954
Advances to Irrigation Systems - net	23,936	19,365
Other subsidies receivable from Commonwealth Government	-	-
Accrued interest	2,346	2,128
Other	1,141	6,639
Total	\$ 1,148,064	\$ 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

	May 31 2011	June 30 2010
Prepayments and other	\$ 6,978	\$ 3,347
Total	<u>\$ 6,978</u>	<u>\$ 3,347</u>

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

Exhibit C

	May 2011	June 2010
Accounts payable - fuel oil and other	\$ 744,909	\$ 661,879
Payable to Employees Retirement System	1,256	1,691
Accrued annual leave	59,246	59,833
Accrued sick leave	36,370	34,139
Accrued salaries and fringe benefits	8,026	10,868
Accrued Contribution in Lieu of Taxes	164,143	70,813
Reserve for injuries and damages	23,341	23,911
Accrued Contributions Federal Social Security	0	5,535
Income tax withheld at source	611	904
Health plan	21,366	14,607
Pension & Benefits Deferred Employer Contribution	14,109	14,109
Other	32,381	26,060
	<u>\$ 1,105,758</u>	<u>\$ 924,349</u>
Sub total current liabilities		
Other current payables from restricted assets		
Retention on Contract Work	\$ 11,196	\$ 12,734
Vouchered A/P construction	6,721	34,864
Contribution aid to construction	22,983	24,834
	<u>40,900</u>	<u>72,432</u>
Total other current payables from restricted assets		
Total current Liabilities	<u>\$ 1,146,658</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	<u>\$ 128,810</u>	<u>\$ 128,810</u>
Total accounts payables and non current liabilities	<u>\$ 1,275,468</u>	<u>\$ 1,125,591</u>

This page intentionally left blank.

SALES OF ELECTRIC ENERGY

MAY 2011

Exhibit D

Class of Service	CLIENTS			MONTHLY			BIMONTHLY		
	Billed	Unbilled	Total	Billed	Unbilled	Adjustment*	Unbilled	Adjustment*	Total
				KWHRS (in thousands)					
Residential	1,317,232	25,773	1,343,005	539,322	270,479	(252,236)	(9,650)	10,732	558,647
Commercial	126,819	2,607	129,426	709,876	356,041	(338,183)	10,096	(10,247)	727,583
Industrial	757		757	240,110	120,383	(113,830)			246,663
Public lighting	2,116	99	2,215	23,267	11,658	(11,067)	598	(652)	23,804
Other public authorities	2		2	4,101	2,057	(2,084)			4,074
Agricultural	1,118	180	1,298	2,562	1,295	(1,222)	495	(490)	2,640
Subtotal	1,448,044	28,659	1,476,703	1,519,238	761,913	(718,622)	1,539	(657)	1,563,411
Fuel oil adjustment									
Purchased power									
Subtotal	1,448,044	28,659	1,476,703	1,519,238	761,913	(718,622)	1,539	(657)	1,563,411
Unrecovered fuel oil cost-net									
Unrecovered purchased power cost-net									
Total	1,448,044	28,659	1,476,703	1,519,238	761,913	(718,622)	1,539	(657)	1,563,411

FISCAL YEAR-TO-DATE

Class of Service	Average Clients	Kwhrs. (thousands)	Revenue (thousand \$)	Kwhrs. per Client	Cents per Kwhr. Sold
Residential	1,341,158	6,132,926	310,456	4,573	5.06
Commercial	129,543	7,843,901	523,442	60,551	6.67
Industrial	772	2,639,142	111,608	3,418,578	4.23
Public lighting	2,226	257,582	47,403	115,715	18.40
Other public authorities	3	47,140	2,009	15,713,333	4.26
Agricultural	1,300	27,010	1,507	20,777	5.58
Subtotal	1,475,002	16,947,701	996,425	11,490	5.88
Fuel oil adjustment			2,303,147		13.56
Purchased Power			680,551		3.99
Subtotal	1,475,002	16,947,701	3,980,123	11,490	23.48
Unrecovered fuel oil cost-net			(4,224)		
Unrecovered purchased Power cost-net			(4,413)		
Total	1,475,002	16,947,701	3,971,484	11,490	23.43

*Unbilled previous month.

SALES OF ELECTRIC ENERGY

MAY 2011

Exhibit D

REVENUES (in thousand \$)						Kwhrs. per Client	Cents per Kwhr. Sold
MONTHLY				BIMONTHLY			
Billed	Unbilled	Discount	Adjustment*	Unbilled	Total		
27,957	14,029	(11)	(13,141)	(52)	28,782	416	5.15
47,146	23,620		(22,372)	(72)	48,322	5,622	6.64
10,757	5,405	(644)	(5,101)		10,417	325,843	4.22
4,299	2,135		(2,027)	(16)	4,391	10,747	18.45
175	90		(87)		178	2,037,000	4.37
163	82		(73)	(1)	169	2,034	6.40
90,497	45,361	(655)	(42,803)	(141)	92,259	1,059	5.90
248,758	119,732		(112,355)	342	256,478		15.95
69,704	33,402		(29,287)	83	73,902		4.31
408,959	198,495	(655)	(184,445)	284	422,639	1,059	27.03
					(7,191)		
					(6,514)		
<u>408,959</u>	<u>198,495</u>	<u>(655)</u>	<u>(184,445)</u>	<u>284</u>	<u>408,934</u>	1,059	26.16