
MONTHLY REPORT
TO THE GOVERNING BOARD
DECEMBER 2013

2395214 REPORT 010823

922 DIRECTOR DEFINERS

CONTENTS

	<u>PAGE</u>
Operation Highlights.....	1 - 12
Balance Sheet.....	14 - 15
Statements of Revenues, Expenses and Change in Nets Assets.....	16 - 17
Statements of Revenues and Expenses for Revenue Fund Purposes Per Trust Agreement.....	18 - 19
Statements of Net Assets.....	20
Accounts Receivable (Exhibit A).....	21
Prepayments and Other (Exhibit B).....	22
Accounts Payable and Accrued Liabilities (Exhibit C).....	23

PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	DECEMBER		Increase (Decrease) %
	2013-14	2012-13	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	1,014,142	1,147,378	(11.6)
PREPA - Hydro	4,824	7,597	(36.5)
Purchased power - gas	318,977	329,934	(3.3)
Purchased power - coal	335,514	279,754	19.9
Renewal Energy	21,872	14,595	49.9
Total	1,695,329	1,779,258	(4.7)
Fiscal year-to-date:			
PREPA - Steam and gas	7,302,276	7,748,383	(5.8)
PREPA - Hydro	40,485	48,366	(16.3)
Purchased power - gas	1,939,405	1,935,278	0.2
Purchased power - coal	1,699,060	1,779,820	(4.5)
Renewal Energy	100,524	31,609	*
Total	11,081,750	11,543,456	(4.0)
Twelve months:			
PREPA - Steam and gas	14,190,277	15,379,296	(7.7)
PREPA - Hydro	83,137	86,365	(3.7)
Purchased power - gas	3,574,443	3,557,807	0.5
Purchased power - coal	3,432,726	3,249,564	5.6
Renewal Energy	212,494	32,991	*
Total	21,493,077	22,306,023	(3.6)
2. Maximum hourly peak load (in MW)			
Month	2,822	2,973	(5.1)
Fiscal year-to-date	3,159	3,265	(3.2)
Twelve months	3,159	3,265	(3.2)
3. Sales (kWh in thousands)			
Month:			
Billed	1,367,860	1,554,836	(12.0)
Days billed	30.00	31.00	(3.2)
Fiscal year-to-date:			
Billed	9,108,469	9,564,369	(4.8)
Days billed	184.00	182.00	1.1
Twelve months:			
Billed	17,797,557	18,342,963	(3.0)
Days billed	365.0	366.0	(0.3)
4. System efficiency (%)			
Month	83.8	77.3	8.4
Fiscal year-to-date	83.0	83.4	(0.5)
Twelve months	82.8	82.1	0.8
5. Average cost per barrel (\$)			
Month	103.26	105.92	(2.5)
Fiscal year-to-date	104.99	111.05	(5.5)
Twelve months	108.06	115.35	(6.3)
6. kWh/Barrel			
Month	634.63	617.20	2.8
Fiscal year-to-date	635.64	618.09	2.8
Twelve months	634.26	625.23	1.4
7. Heat rate (BTU/kWh)			
Month	10.579	10.893	(2.9)
Fiscal year-to-date	10.495	10.851	(3.3)
Twelve months	10.509	10.718	(1.9)

* Over 100%

PUERTO RICO ELECTRIC POWER AUTHORITY

8. Fuel consumption (in thousands)	2013-14		2012-13		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
Month:						
Steam	919	100,678	1,308	141,365	(29.7)	(28.8)
Gas	152	20,474	147	20,993	3.4	(2.5)
Natural Gas	527	43,821	404	34,510	30.4	27.0
Total	<u>1,598</u>	<u>164,973</u>	<u>1,859</u>	<u>196,868</u>	(14.0)	(16.2)
Fiscal year-to-date:						
Steam	7,118	763,985	9,403	1,057,584	(24.3)	(27.8)
Gas	1,376	185,666	1,132	160,759	21.6	15.5
Natural Gas	2,994	256,473	2,001	173,809	49.6	47.6
Total	<u>11,488</u>	<u>1,206,124</u>	<u>12,536</u>	<u>1,392,152</u>	(8.4)	(13.4)
Twelve months:						
Steam	14,489	1,594,867	19,187	2,231,451	(24.5)	(28.5)
Gas	2,857	390,595	2,403	341,623	18.9	14.3
Natural Gas	5,027	432,087	3,008	264,265	67.1	63.5
Total	<u>22,373</u>	<u>2,417,549</u>	<u>24,598</u>	<u>2,837,339</u>	(9.0)	(14.8)

DECEMBER

	2013	2012	Increase (Decrease) %
B. Client Service			
1. Service complaints per thousand clients	6.32	6.15	2.8
2. Disconnections for nonpayment per thousand clients	5.17	1.01	*
C. Distribution System			
1. Interruption frequency index			
Total interruptions per thousand clients served	0.076	0.039	94.9
2. Interruption duration index			
Average interruption time per clients served (minutes)	4.81	5.92	(18.8)
3. Clients per interruption	66	48	37.5
4. Time per interruption (minutes)	141	231	(39.0)

* Over 100%

D. Personnel

		DECEMBER		
		<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
Management Conf. / Carr.	Reg.	2,544	2,585	(41)
	Temp.	17	31	(14)
U.T.I.E.R.	Reg.	4,309	4,426	(117)
	Temp.	267	433	(166)
	Emerg.			
U.I.T.I.C.E.	Reg.	821	853	(32)
	Temp.			
U.E.P.I.	Reg.	352	360	(8)
	Temp.	1	2	(1)
U.P.A.E.E.	Reg.	6	6	
	Temp.			
Total		<u>8,317</u>	<u>8,696</u>	<u>(379)</u>

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	DECEMBER					
	Month			Fiscal Year-to-Date		
	2013	2012	Increase (Decrease) %	2013-14	2012-13	Increase (Decrease) %
kWh sales:						
Residential	489,348	619,977	(21.1)	3,327,763	3,663,612	(9.2)
Commercial	692,270	483,574	43.2	4,427,768	4,442,267	(0.3)
Industrial	208,480	233,925	(10.9)	1,266,107	1,340,312	(5.5)
Others	30,738	37,678	(18.4)	177,309	181,438	(2.3)
Total	<u>1,420,836</u>	<u>1,375,154</u>	3.3	<u>9,198,947</u>	<u>9,627,629</u>	(4.5)
Basic revenues:						
Residential	26,358	30,784	(14.4)	177,688	180,718	(1.7)
Commercial	46,477	39,294	18.3	305,996	311,493	(1.8)
Industrial	9,262	10,150	(8.7)	56,789	59,634	(4.8)
Others	5,051	5,712	(11.6)	29,093	28,317	2.7
Total	<u>87,148</u>	<u>85,940</u>	1.4	<u>569,566</u>	<u>580,162</u>	(1.8)
Fuel adjustment:						
Residential	64,391	94,481	(31.8)	496,483	528,906	(6.1)
Commercial	91,229	83,226	9.6	659,443	743,249	(11.3)
Industrial	25,242	36,230	(30.3)	170,567	201,871	(15.5)
Others	4,386	6,813	(35.6)	27,501	33,548	(18.0)
Total	<u>185,248</u>	<u>220,750</u>	(16.1)	<u>1,353,994</u>	<u>1,507,574</u>	(10.2)
Purchased power:						
Residential	26,560	32,220	(17.6)	160,723	159,083	1.0
Commercial	37,449	26,140	43.3	211,995	195,450	8.5
Industrial	10,327	10,956	(5.7)	55,440	53,344	3.9
Others	1,724	1,940	(11.1)	8,743	8,571	2.0
Total	<u>76,060</u>	<u>71,256</u>	6.7	<u>436,901</u>	<u>416,448</u>	4.9
Total revenues:						
Residential	117,309	157,485	(25.5)	834,894	868,707	(3.9)
Commercial	175,155	148,660	17.8	1,177,434	1,250,192	(5.8)
Industrial	44,831	57,336	(21.8)	282,796	314,849	(10.2)
Others	11,161	14,465	(22.8)	65,337	70,436	(7.2)
Total	<u>348,456</u>	<u>377,946</u>	(7.8)	<u>2,360,461</u>	<u>2,504,184</u>	(5.7)

DECEMBER						
	Month			Fiscal Year-to-Date		
	2013	2012	Increase (Decrease) %	2013-14	2012-13	Increase (Decrease) %
2. Cents per kWh						
Basic revenues:						
Residential	5.39	4.97	8.5	5.34	4.93	8.3
Commercial	6.71	8.13	(17.5)	6.91	7.01	(1.4)
Industrial	4.44	4.34	2.3	4.49	4.45	0.9
Others	16.43	15.16	8.4	16.41	15.61	5.1
Total	6.13	6.25	(1.9)	6.19	6.03	2.7
Fuel adjustment:						
Residential	13.15	15.23	(13.7)	14.92	14.44	3.3
Commercial	13.18	17.20	(23.4)	14.89	16.73	(11.0)
Industrial	12.11	15.49	(21.8)	13.47	15.06	(10.6)
Others	14.27	18.08	(21.1)	15.51	18.49	(16.1)
Total	13.04	16.05	(18.8)	14.72	15.65	(5.9)
Purchased power:						
Residential	5.43	5.20	4.4	4.83	4.34	11.3
Commercial	5.41	5.41		4.79	4.40	8.9
Industrial	4.95	4.68	5.8	4.38	3.98	10.1
Others	5.61	5.15	8.9	4.93	4.72	4.4
Total	5.35	5.18	3.3	4.75	4.33	9.7
Total revenues:						
Residential	23.97	25.40	(5.6)	25.09	23.71	5.8
Commercial	25.30	30.74	(17.7)	26.59	28.14	(5.5)
Industrial	21.50	24.51	(12.3)	22.34	23.49	(4.9)
Others	36.31	38.39	(5.4)	36.85	38.82	(5.1)
Total	24.52	27.48	(10.8)	25.66	26.01	(1.3)
3. Clients:						
Residential	1,333,127	1,360,599	(2.0)	1,334,991	1,360,111	(1.8)
Commercial	127,270	125,052	1.8	127,078	126,361	0.6
Industrial	720	711	1.3	702	716	(2.0)
Others	4,140	4,139	0.0	4,151	4,154	(0.1)
Total	<u>1,465,257</u>	<u>1,490,501</u>	(1.7)	<u>1,466,922</u>	<u>1,491,342</u>	(1.6)
4. Average kWh per client:						
Residential	367	456	(19.4)	2,493	2,694	(7.5)
Commercial	5,439	3,867	40.7	34,843	35,155	(0.9)
Industrial	289,556	329,008	(12.0)	1,803,571	1,871,944	(3.7)
Others	7,425	9,103	(18.4)	42,715	43,678	(2.2)
Total	970	923	5.1	6,271	6,456	(2.9)

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	DECEMBER					
	Month		Increase (Decrease) %	Fiscal Year-to-Date		Increase (Decrease) %
	2013	2012		2013-14	2012-13	
kWh sales:						
Residential	12	55	(78.2)	71	337	(78.9)
Commercial	209,539	232,179	(9.8)	1,393,325	1,407,930	(1.0)
Industrial						
Others	25,783	25,569	0.8	159,998	172,506	(7.3)
Total	<u>235,334</u>	<u>257,803</u>	(8.7)	<u>1,553,394</u>	<u>1,580,773</u>	(1.7)
Basic revenues:						
Residential	1	3	(66.7)	4	17	(76.5)
Commercial	14,775	21,258	(30.5)	102,385	104,675	(2.2)
Industrial						
Others	4,412	4,081	8.1	27,541	26,453	4.1
Total	<u>19,188</u>	<u>25,342</u>	(24.3)	<u>129,930</u>	<u>131,145</u>	(0.9)
Fuel adjustment:						
Residential	2	8	(75.0)	11	51	(78.4)
Commercial	26,675	34,509	(22.7)	202,522	230,350	(12.1)
Industrial						
Others	3,457	4,031	(14.2)	24,266	29,739	(18.4)
Total	<u>30,134</u>	<u>38,548</u>	(21.8)	<u>226,799</u>	<u>260,140</u>	(12.8)
Purchased power:						
Residential	1	3	(66.7)	4	16	(75.0)
Commercial	10,985	11,288	(2.7)	68,282	60,537	12.8
Industrial						
Others	1,420	1,314	8.1	8,304	7,713	7.7
Total	<u>12,406</u>	<u>12,605</u>	(1.6)	<u>76,590</u>	<u>68,266</u>	12.2
Total revenues:						
Residential	4	14	(71.4)	19	84	(77.4)
Commercial	52,435	67,055	(21.8)	373,189	395,562	(5.7)
Industrial						
Others	9,289	9,426	(1.5)	60,111	63,905	(5.9)
Total	<u>61,728</u>	<u>76,495</u>	(19.3)	<u>433,319</u>	<u>459,551</u>	(5.7)
2. Service Agreements:						
Residential	15	22	(31.8)	17	25	(32.0)
Commercial	24,265	21,769	11.5	27,650	21,959	25.9
Industrial						
Others	3,069	3,039	1.0	3,361	3,019	11.3
Total	<u>27,349</u>	<u>24,830</u>	10.1	<u>31,028</u>	<u>25,003</u>	24.1

Statistical and financial data from the Government sector is segregated from the original sales reports (CC&B) prepared by the Client Service Directorate.

PUERTO RICO ELECTRIC POWER AUTHORITY

This page intentionally left blank

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

	DECEMBER 2013					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	92.8	87.1	(6.1)	589.8	569.6	(3.4)
Fuel adjustment	187.0	185.2	(1.0)	1,234.7	1,354.0	9.7 ¹
Purchased power	76.7	76.1	(0.8)	459.2	436.9	(4.9)
Revenues from sales	356.5	348.4	(2.3)	2,283.7	2,360.5	3.4
Other	2.6	(0.1)	*	15.6	19.7	26.3 ²
Total revenues	359.1	348.3	(3.0)	2,299.3	2,380.2	3.5
Fuel	166.0	165.0	(0.6)	1,095.8	1,206.1	10.1 ¹
Purchased power	68.2	67.7	(0.7)	408.7	390.0	(4.6)
Other expenses	62.4	62.1	(0.5)	374.3	383.1	2.4
Total current expenses	296.6	294.8	(0.6)	1,878.8	1,979.2	5.3
1974 - sinking fund appropriations	46.9	46.9		281.4	281.8	0.1 ³
Interest on notes	0.6	0.2	(66.7)	3.9	1.0	(74.4) ⁴
Internal funds	0.8	1.5	87.5	16.5	9.8	(40.6)
Contribution to municipalities	11.3	3.2	(71.7)	100.3	92.4	(7.9)
Other appropriations	2.9	1.7	(41.4)	18.4	16.0	(13.0) ⁵
Total	359.1	348.3	(3.0)	2,299.3	2,380.2	3.5

EXPLANATION OF MAJOR VARIATIONS

1. The increase in the fuel adjustment and fuel expense for the fiscal year-to-date was due to higher fuel cost than budgeted.
2. The other revenues for the fiscal year-to-date increased due to a higher non operating income than budgeted.
3. Interest on notes for the fiscal year-to-date decreased due to lower borrowed amount (line of credit) than budgeted.
4. Internal funds for the fiscal year-to-date decreased due to less available funds than budgeted.
5. Other appropriations for the fiscal year-to-date decreased due to less funds assigned to residential clients' subsidy than budgeted.

*Over 100%

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

	DECEMBER					
	Month			Fiscal Year-to-Date		
	2013	2012	Increase (Decrease) %	2013-14	2012-13	Increase (Decrease) %
Basic charges	87.1	85.9	1.4	569.6	580.1	(1.8)
Fuel adjustment	185.2	220.8	(16.1)	1,354.0	1,507.6	(10.2)
Purchased power	76.1	71.3	6.7	436.9	416.4	4.9
Revenues from sales	348.4	378.0	(7.8)	2,360.5	2,504.1	(5.7)
Other	(0.1)			19.7	12.1	62.8
Total revenues	<u>348.3</u>	<u>378.0</u>	(7.9)	<u>2,380.2</u>	<u>2,516.2</u>	(5.4)
Fuel	165.0	196.9	(16.2)	1,206.1	1,392.2	(13.4)
Purchased power	67.7	63.4	6.8	390.0	371.4	5.0
Other expenses	62.1	62.4	(0.5)	383.1	389.1	(1.5)
Total current expenses	294.8	322.7	(8.6)	1,979.2	2,152.7	(8.1)
1974 - sinking fund appropriations	46.9	41.0	14.4	281.8	245.7	14.7
Interest on notes	0.2			1.0	0.1	*
Internal funds	1.5			9.8	16.4	(40.2)
Contribution to municipalities	3.2	11.8	(72.9)	92.4	82.4	12.1
Other appropriations	1.7	2.5	(32.0)	16.0	18.9	(15.3)
Total	<u>348.3</u>	<u>378.0</u>	(7.9)	<u>2,380.2</u>	<u>2,516.2</u>	(5.4)

EXPLANATION OF MAJOR VARIATIONS

1. The decrease in the fuel adjustment and expense for the fiscal year-to-date was due to lower fuel cost than prior year.
2. The other revenues for the fiscal year-to-date increased due to a higher non operating income than prior year.
3. Interest on notes for the fiscal year-to-date increased due to higher borrowed amount (line of credit) than prior year.
4. Internal funds for the fiscal year-to-date decreased due to less available funds than prior year.
5. Contribution to municipalities for the fiscal year-to-date increased due to a higher electric power consumption than prior year.
6. Other appropriations for the fiscal year-to-date decreased due to less funds assigned to residential clients' subsidy than prior year.

*Over 100%

D. Notes Payable
(in thousand dollars)

DECEMBER

<u>Construction Financing</u>			<u>Operational Financing</u>		
	<u>2013</u>	<u>2012</u>		<u>2013</u>	<u>2012</u>
1. Rehabilitation Isabela Dam (GDB):			1. Municipalities Settlement Agreement:		
Line of credit	25,354	25,354	Line of credit	64,208	64,208
Amount received	<u>743</u>	<u>750</u>	Amount received	<u>64,208</u>	<u>14,929</u>
Available balance	<u>24,611</u>	<u>9,011</u>	Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	743	750	Debt outstanding balance	5,229	14,929
Maturity Date	June 30, 2018		Maturity Date	June 30, 2014	
2. Fondo Rotativo JCA AFICA Complejo Aguirre:			2. Fuel Financing (Scotiabank):		
Line of credit	9,463	0	Line of credit	550,000	500,000
Amount received	<u>0</u>	<u>0</u>	Amount received	<u>526,276</u>	<u>411,554</u>
Available balance	<u>9,463</u>	<u>0</u>	Available balance	<u>23,724</u>	<u>88,446</u>
Debt outstanding balance	0	0	Debt outstanding balance	526,276	411,554
Maturity Date	June 30, 2033		Maturity Date	December 31, 2013	
			3. Basis Swap Collateral (GDB):		
			Line of credit	0	150,000
			Amount received	<u>0</u>	<u>0</u>
			Available amount	<u>0</u>	<u>150,000</u>
			Debt outstanding balance	0	0
			Maturity Date	December 31, 2012	
			4. Fuel Financing (Citibank):		
			Line of credit	250,000	250,000
			Amount received	<u>249,153</u>	<u>250,000</u>
			Available balance	<u>847</u>	<u>0</u>
			Debt outstanding balance	249,153	250,000
			Maturity Date	October 7, 2014	
			5. Fuel Financing - GDB:		
			Line of credit	0	50,000
			Amount received	<u>0</u>	<u>7,179</u>
			Available balance	<u>0</u>	<u>42,821</u>
			Debt outstanding balance	0	7,179
			Maturity Date	Mar 31, 2013	
			6. Collateral SWAP - (GDB):		
			Line of credit	100,000	0
			Amount received	<u>36,573</u>	<u>0</u>
			Available balance	<u>63,427</u>	<u>0</u>
			Debt outstanding balance	36,573	0
			Maturity Date	December 31, 2014	

E. Capital Improvements Program
(in thousand dollars)

DECEMBER 2013						
	Month **			Fiscal Year-to-Date***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	8,031	12,502	55.7	48,186	24,260	(49.7)
Transmission	5,529	5,397	(2.4)	33,174	38,012	14.6
Distribution	8,324	5,558	(33.2)	49,943	44,953	(10.0)
Other	3,116	(1,710)	(154.9)	18,697	2,482	(86.7)
Undistributed Overhead		11,213	#DIV/0!		11,213	#DIV/0!
Total	<u>25,000</u>	<u>32,960</u>	31.8	<u>150,000</u>	<u>120,920</u>	(19.4)
Internal Funds	751	1,500	99.7	16,464	9,771	(40.7)
Percentage of Internal Funds to Investment in Capital Improvements Programs*	3%	5%		11%	8%	
Contribution AID for Construction		202			2,510	

	<u>2013</u>	<u>2012</u>
F. Highest debt coverage as of December 31	1.16	1.06

G. REA Projects

	<u>Month</u>	<u>Fiscal Year-to-Date</u>
Total investment	\$8,694	\$67,222
Families served	2	14

*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)

	DECEMBER		Increase (Decrease) %
	2013	2012	
General clients	813,727	918,202	(11.4)
Government	632,069	505,372	
Less: Accrued Contribution in Lieu of Taxes	(358,510)	(337,396)	
Total Government, Net	<u>273,559</u>	<u>167,976</u>	62.9
Subtotal	<u>1,087,286</u>	<u>1,086,178</u>	0.1
Sales of electric energy (12 months)			
Revenues from sales *	4,679,253	4,937,542	(5.2)
kWh (including subsidy)	17,792,500	18,319,410	(2.9)
Indicators:			
A. Ratio of accounts receivable to sales (%)	23.2	22.0	5.6
B. Ratio of accounts receivable to sales (%) (including subsidy)	23.1	21.9	5.7
C. Sales days in accounts receivable	85	80	5.6
D. Sales days in accounts receivable (including subsidy)	84	80	5.7
E. Ratio of collections to sales of electric energy:			
General clients:			
Sales	3,804,797	4,039,014	(5.8)
Collections	3,853,779	3,878,309	(0.6)
Percent	101.3	96.0	5.5
Government:			
Sales	874,456	898,528	(2.7)
Collections	599,068	662,854	(9.6)
Percent	68.5	73.8	(7.1)
Percent of total sales	95.2	92.0	3.5

*Excludes residential clients' subsidy of \$23,618 and \$27,721 for the 12 months ended December 2013 and December 2012, respectively.

PUERTO RICO ELECTRIC POWER AUTHORITY

This page intentionally left blank

BALANCE SHEETS
ASSETS
(in thousands)

	December 31 2013	June 30 2013
Current assets:		
Cash and cash equivalents		
General fund	\$ 94,331	\$ 82,836
Revenue fund	849	770
Working funds	793	807
Total cash and cash equivalents	95,973	84,413
Accounts receivable (Exhibit A)	1,404,766	1,419,331
Fuel oil inventory	304,230	323,730
Materials and supplies inventory	195,486	197,786
Prepayments and other (Exhibit B)	14,869	5,021
Total current assets	2,015,324	2,030,281
Non current receivables (Exhibit A)	103,030	103,030
Restricted Assets		
Cash held by trustees	203,367	385,119
Investments held by trustees		
Sinking funds - interest	124,814	46,606
Sinking funds - principal	102,998	569
Non current restricted deposits held by trustees	542,084	490,689
Total investment held by trustees	769,896	537,864
Construction fund and other		
Construction fund	457,315	49,370
Investment held by REA	1,104	1,103
Reserve maintenance fund	15,883	15,818
Other restricted fund	42,155	12,370
PREPA Client fund	7,262	4,759
Total construction fund and other	523,719	83,420
Total restricted assets	1,496,982	1,006,403
Utility Plant		
Electric plant in service	12,027,152	11,875,606
Less: accumulated depreciation	6,232,701	6,064,548
Net electric plant in service	5,794,451	5,811,058
Construction work in progress, including preliminary surveys of 20,774 and 20,786	976,432	999,697
Total utility plant	6,770,883	6,810,755
Deferred debits:		
Unamortized debt expense	56,303	55,810
Other	95,908	95,951
Total deferred debits	152,211	151,761
Total assets	\$ 10,538,430	\$ 10,102,230

BALANCE SHEETS
LIABILITIES
(in thousands)

	December 31 2013	June 30 2013
Liabilities and net assets		
Current Liabilities		
Notes payable to banks	\$ 781,401	\$ 754,823
Accounts payable and accrued liabilities (Exhibit C)	1,298,520	1,294,111
Customer deposits, including accrued interest	15,449	14,531
Total current liabilities	2,095,370	2,063,465
Current liabilities payable from restricted assets		
Current portion of long-term debt	204,465	399,215
Notes payable from restricted assets	36,573	6,100
Accrued interest payable on bonds and notes	200,641	187,432
Other current liabilities (Exhibit C)	41,623	39,594
Total current liabilities from restricted assets	483,302	632,341
Non current liabilities		
Power revenue bonds, net of unamortized debt discount of (63,352) and (78,158)	8,464,339	7,806,001
Non current portion, accounts payable and accrued sick leave	122,356	122,356
Accrued Unfunded OPEB	142,498	138,579
Customer deposits - Noncurrent	166,950	166,950
Total noncurrent liabilities	8,896,143	8,233,886
Total liabilities	11,474,815	10,929,692
Net assets	(936,385)	(827,462)
Total liabilities and net assets	\$10,538,430	\$10,102,230

PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget December 2013	Actual December 2013	Actual December 2012
Operating revenues:			
Sales of electric energy	\$ 356,505	\$ 348,457	\$ 377,950
Total operating revenues	<u>356,505</u>	<u>348,457</u>	<u>377,950</u>
Other income	<u>2,605</u>	<u>140</u>	<u>93</u>
Total revenues	<u>359,110</u>	<u>348,597</u>	<u>378,043</u>
Expenses:			
Fuel cost	165,995	164,973	196,868
Purchased power	68,227	67,695	63,398
Other production	5,471	5,442	5,334
Transmission and distribution	13,227	15,186	14,213
Maintenance	19,452	15,157	16,612
Customer accounting and collection	9,614	10,031	10,024
Administrative and general	<u>14,626</u>	<u>16,279</u>	<u>16,261</u>
Subtotal expenses by function	296,612	294,763	322,710
Other Post employment benefits	653	653	610
Depreciation	31,172	26,792	35,589
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	32,805	35,207	30,668
Contribution to municipalities	11,323	18,084	22,100
Other appropriations	2,876	1,756	2,540
Bond discount and defeasance amortization	<u>300</u>	<u>348</u>	<u>348</u>
Total expenses	<u>375,741</u>	<u>377,603</u>	<u>414,565</u>
Contributed capital	<u>2,015</u>	<u>825</u>	<u>2,762</u>
Changes in net assets	<u>\$ (14,616)</u>	<u>\$ (28,181)</u>	<u>\$ (33,760)</u>

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

	FISCAL YEAR		
	Budget December 2013	Actual December 2013	Actual December 2012
Operating revenues:			
Sales of electric energy	\$ 2,283,667	\$ 2,362,078	\$ 2,504,442
Total operating revenues	<u>2,283,667</u>	<u>2,362,078</u>	<u>2,504,442</u>
Other income	<u>15,627</u>	<u>19,200</u>	<u>11,882</u>
Total revenues	<u>2,299,294</u>	<u>2,381,278</u>	<u>2,516,324</u>
Expenses:			
Fuel cost	1,095,790	1,206,124	1,392,152
Purchased power	408,706	389,989	371,434
Other production	32,859	34,245	37,015
Transmission and distribution	79,357	90,632	88,659
Maintenance	116,687	107,066	113,214
Customer accounting and collection	57,685	59,090	58,635
Administrative and general	<u>87,753</u>	<u>92,062</u>	<u>91,617</u>
Subtotal expenses by function	1,878,837	1,979,208	2,152,726
Other post employment benefits	3,918	3,918	3,247
Depreciation	187,032	172,164	213,353
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	197,833	206,299	186,735
Contribution to municipalities	100,350	124,055	133,981
Other appropriations	18,356	16,044	18,947
Bond discount and defeasance amortization	<u>1,800</u>	<u>1,991</u>	<u>2,088</u>
Total expenses	<u>2,388,126</u>	<u>2,503,679</u>	<u>2,711,077</u>
Contributed capital	<u>12,093</u>	<u>13,478</u>	<u>10,930</u>
Changes in net assets	<u>\$ (76,739)</u>	<u>\$ (108,923)</u>	<u>\$ (183,823)</u>

PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget December 2013	Actual December 2013	Actual December 2012
Revenues:			
Sales of electric energy (Exhibit D)	\$ 356,505	\$ 348,457	\$ 377,950
Total operating revenues	356,505	348,457	377,950
Other income	2,605	140	93
Total revenues	359,110	348,597	378,043
Less: 1974 construction fund investment income and gain on sale of properties	7	288	9
Revenues - net	359,103	348,309	378,034
Current expenses:			
Fuel cost	165,995	164,973	196,868
Purchased power	68,227	67,695	63,398
Other production	5,471	5,442	5,334
Transmission and distribution	13,227	15,186	14,213
Maintenance	19,452	15,157	16,612
Customer accounting and collection	9,614	10,031	10,024
Administrative and general	14,626	16,279	16,261
Total current expenses	296,612	294,763	322,710
Net revenues (as defined)	62,491	53,546	55,324
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds	29,872	29,872	24,711
Bond redemption account	17,025	17,025	16,243
Self Insurance Fund	-	-	-
Interest on notes	644	220	14
Capital Improvements fund	751	1,500	-
Total contractual obligations	48,293	48,617	40,968
Balance	14,199	4,929	14,356
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	11,323	3,173	11,816
Other	2,876	1,756	2,540
Total provision for contribution and other	14,199	4,929	14,356
Remainder	\$ -	\$ -	\$ -

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

	FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
	Budget December 2013	Actual December 2013	Actual December 2012	Budget June 2014	Actual December 2013	Actual December 2012
Revenues:						
Sales of electric energy (Exhibit D)	\$ 2,283,667	\$ 2,362,078	\$ 2,504,442	\$ 4,463,032	\$ 4,679,253	\$ 4,937,542
Total operating revenues	2,283,667	2,362,078	2,504,442	4,463,032	4,679,253	4,937,542
Other income	15,628	19,200	11,882	55,440	37,484	26,573
Total revenues	2,299,295	2,381,278	2,516,324	4,518,472	4,716,737	4,964,115
Less: 1974 construction fund investment income and gain on sale of properties	38	1,078	36	24,261	2,008	642
Revenues - net	2,299,257	2,380,200	2,516,287	4,494,211	4,714,729	4,963,473
Current expenses:						
Fuel cost	1,095,790	1,206,124	1,392,152	2,145,911	2,417,549	2,837,339
Purchased power	408,706	389,989	371,434	805,414	774,241	699,401
Other production	32,859	34,245	37,015	65,699	68,885	76,848
Transmission and distribution	79,357	90,632	88,659	158,731	174,292	178,082
Maintenance	116,687	107,066	113,214	233,373	207,742	214,032
Customer accounting and collection	57,685	59,090	58,635	115,370	116,805	114,456
Administrative and general	87,753	92,062	91,617	175,510	192,358	252,797
Total current expenses	1,878,837	1,979,208	2,152,726	3,700,008	3,951,872	4,372,955
Net revenues (as defined)	420,420	400,992	363,562	794,203	762,857	590,518
Contractual obligations:						
Sinking fund appropriations -						
Interest on power revenue bonds	179,232	179,632	148,264	358,463	363,871	182,658
Bond redemption account	102,152	102,153	97,460	204,305	199,612	148,079
Self Insurance Fund	-	-	-	-	-	5,000
Interest on notes	3,865	959	187	7,731	1,230	3,862
Capital Improvements fund	16,465	9,771	16,349	22,677	10,409	(4,516)
Total contractual obligations	301,714	292,515	262,260	593,176	575,122	335,083
Balance	118,706	108,478	101,302	201,027	187,735	255,435
Provision for Contribution in Lieu of Taxes and other appropriations						
Contribution to municipalities	100,350	92,433	82,355	164,703	148,277	212,911
Other	18,356	16,044	18,947	36,324	39,458	42,524
Total provision for contribution and other	118,706	108,478	101,302	201,027	187,735	255,435
Remainder	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PUERTO RICO ELECTRIC POWER AUTHORITY

STATEMENT OF NET ASSETS
(in thousands)

	December 2013	June 2013
Net Assets		
Invested in utility plant, net related debt	\$ (603,583)	\$ 22,350
Restricted for capital activity and debt service	483,823	(84,009)
Unrestricted	<u>(816,625)</u>	<u>(765,803)</u>
Balance at month ended	<u>\$ (936,385)</u>	<u>\$ (827,462)</u>

PUERTO RICO ELECTRIC POWER AUTHORITY

ACCOUNTS RECEIVABLE
(in thousands)

Exhibit A

	December 2013	June 2013
Electric and related services:		
General clients	\$ 851,437	\$ 912,987
Recoveries under fuel adjustment and purchase power clause under or (over) billed	19,923	10,144
Unbilled services	201,589	195,278
Allowance for uncollectible accounts	(259,222)	(251,283)
Total General Clients	<u>813,727</u>	<u>867,126</u>
Government	632,069	603,026
Claims Receivable from Insurance Companies & Other	37,816	37,819
Advances to Irrigation Systems - net	20,819	9,785
Accrued interest	3,365	2,857
Other	<u>1,748</u>	<u>1,748</u>
Total Accounts Receivable	<u>\$ 1,507,796</u>	<u>\$ 1,522,361</u>
Less: Government Accounts Receivable, non current portion	<u>\$ 103,030</u>	<u>\$ 103,030</u>
Total Accounts Receivable, current portion	<u>\$ 1,404,766</u>	<u>\$ 1,419,331</u>

PREPAYMENTS AND OTHER
(in thousands)

Exhibit B

	December 2013	June 2013
Claims Outstanding Related to Property Damages	\$ 351	\$ 385
Prepayments and other	<u>14,518</u>	<u>4,636</u>
Total	<u>\$ 14,869</u>	<u>\$ 5,021</u>

PUERTO RICO ELECTRIC POWER AUTHORITY

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES
(in thousands)

Exhibit C

	December 2013	June 2013
Accounts payable - fuel oil and other	771,095	\$ 799,869
Payable to Employees Retirement System	4,108	3,040
Accrued annual leave	54,856	56,179
Accrued sick leave	28,867	31,576
Accrued salaries and fringe benefits	-	4,326
Accrued Contribution in Lieu of Taxes	358,510	323,622
Reserve for injuries and damages	19,964	20,400
Accrued Contributions Federal Social Security	1,719	1,476
Income tax withheld at source	1,306	1,285
Health plan	15,301	6,275
Pension & Benefits Deferred Employer Contribution	15,014	15,014
Other	27,780	31,049
	<u>1,298,520</u>	<u>1,294,111</u>
Sub total current liabilities		
Other current payables from restricted assets		
Retention on Contract Work	7,270	7,173
Vouchered A/P construction	8,437	7,052
Contribution aid to construction	25,916	25,369
	<u>41,623</u>	<u>39,594</u>
Total other current payables from restricted assets		
Total current Liabilities	<u>\$ 1,340,143</u>	<u>\$ 1,333,705</u>
NON-CURRENT LIABILITIES		
Accrued sick leave	\$ 122,356	\$ 122,356
Accrued Unfunded OPEB	142,498	138,579
	<u>\$ 264,854</u>	<u>\$ 260,935</u>
Total non current liabilities		
Total accounts payables and non current liabilities	<u>\$ 1,604,997</u>	<u>\$ 1,594,640</u>