

---

MONTHLY REPORT  
TO THE GOVERNING BOARD  
AUGUST 2013

---

AGENCIJA ZA  
POSREDOVANJE  
U PROMETU  
NEKRETNIM  
PRAVNIM  
POSREDOVANJE  
POSREDOVANJE  
POSREDOVANJE

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
Sales of Electric Energy (Exhibit D).....	24 - 25

PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	AUGUST		Increase (Decrease) %
	2013-14	2012-13	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	1,321,046	1,374,101	(3.9)
PREPA - Hydro	6,963	6,562	6.1
Purchased power - gas	343,239	330,053	4.0
Purchased power - coal	255,378	279,952	(8.8)
Renewal Energy	22,262	3,066	*
Total	1,948,888	1,993,734	(2.2)
Fiscal year-to-date:			
PREPA - Steam and gas	2,552,724	2,694,605	(5.3)
PREPA - Hydro	15,082	10,612	42.1
Purchased power - gas	637,643	651,804	(2.2)
Purchased power - coal	578,962	586,218	(1.2)
Renewal Energy	38,775	4,387	*
Total	3,823,186	3,947,626	(3.2)
Twelve months:			
PREPA - Steam and gas	14,494,505	15,423,423	(6.0)
PREPA - Hydro	95,488	110,051	(13.2)
Purchased power - gas	3,556,155	3,491,112	1.9
Purchased power - coal	3,506,229	3,221,222	8.8
Renewal Energy	177,967	6,524	*
Total	21,830,344	22,252,332	(1.9)
2. Maximum hourly peak load (in MW)			
Month	3,122	3,178	(1.8)
Fiscal year-to-date	3,122	3,178	(1.8)
Twelve months	3,265	3,244	0.6
3. Sales (kWh in thousands)			
Month:			
Billed	1,481,595	1,568,180	(5.5)
Days billed	30.00	30.00	
Fiscal year-to-date:			
Billed	3,012,200	3,175,954	(5.2)
Days billed	61.00	60.00	1.7
Twelve months:			
Billed	18,089,704	18,122,088	(0.2)
Days billed	365.0	366.0	(0.3)
4. System efficiency (%)			
Month	80.6	80.8	(0.1)
Fiscal year-to-date	81.6	85.0	(4.0)
Twelve months	82.4	81.9	0.6
5. Average cost per barrel (\$)			
Month	106.05	114.98	(7.8)
Fiscal year-to-date	105.87	113.40	(6.6)
Twelve months	109.83	117.70	(6.7)
6. kWh/Barrel			
Month	636.65	622.33	2.3
Fiscal year-to-date	636.27	619.88	2.6
Twelve months	627.88	630.02	(0.3)
7. Heat rate (BTU/kWh) **			
Month	10.473	10.746	(2.5)
Fiscal year-to-date	10.460	10.773	(2.9)
Twelve months	10.566	10.630	(0.6)

\*Over 100%

\*\* Revised prior year

## PUERTO RICO ELECTRIC POWER AUTHORITY

8. Fuel consumption (in thousands)	2013-14		2012-13		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
<b>Month:</b>						
Steam	1,367	\$ 146,000	1,763	\$ 203,480	(22.5)	(28.2)
Gas	239	32,589	201	28,636	18.9	13.8
Natural Gas	469	41,413	244	21,803	92.2	89.9
Total	<u>2,075</u>	<u>\$ 220,002</u>	<u>2,208</u>	<u>\$ 253,919</u>	(6.0)	(13.4)
<b>Fiscal year-to-date:</b>						
Steam	2,494	\$ 264,381	3,425	\$ 385,819	(27.2)	(31.5)
Gas	556	75,344	495	68,912	12.3	9.3
Natural Gas	962	85,007	427	38,236	*	*
Total	<u>4,012</u>	<u>\$ 424,732</u>	<u>4,347</u>	<u>\$ 492,967</u>	(7.7)	(13.8)
<b>Twelve months:</b>						
Steam	15,843	\$ 1,767,028	20,215	\$ 2,359,325	(21.6)	(25.1)
Gas	2,674	372,120	2,832	393,490	(5.6)	(5.4)
Natural Gas	4,568	396,194	1,434	128,693	*	*
Total	<u>23,085</u>	<u>\$ 2,535,342</u>	<u>24,481</u>	<u>\$ 2,881,508</u>	(5.7)	(12.0)

## AUGUST

	2013	2012	Increase (Decrease) %
<b>B. Client Service</b>			
1. Service complaints per thousand clients	6.38	6.51	(2.0)
2. Disconnections for nonpayment per thousand clients	11.23	1.95	*
<b>C. Distribution System</b>			
1. Interruption frequency index			
Total interruptions per thousand clients served	0.076	0.052	47.5
2. Interruption duration index			
Average interruption time per clients served (minutes)	9.07	8.64	5.0
3. Clients per interruption	67	51	31.4
4. Time per interruption (minutes)	210	243	(13.5)

\*Over 100%

## D. Personnel

		AUGUST		Increase (Decrease)
		<u>2013</u>	<u>2012</u>	
Management Conf. / Carr.	Reg.	2,516	2,594	(78)
	Temp.	32	21	11
U.T.I.E.R.	Reg.	4,344	4,460	(116)
	Temp.	318	359	(41)
	Emerg.			
U.I.T.I.C.E.	Reg.	833	863	(30)
	Temp.			
U.E.P.I.	Reg.	355	359	(4)
	Temp.	1		1
U.P.A.E.E.	Reg.	6	6	
	Temp.			
Total		<u>8,405</u>	<u>8,662</u>	<u>(257)</u>

## II. FINANCIAL HIGHLIGHTS

## A. Revenue data

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

	AUGUST					
	Month			Fiscal Year-to-Date		
	2013	2012	Increase (Decrease) %	2013-14	2012-13	Increase (Decrease) %
<b>kWh sales:</b>						
Residential	591,252	602,584	(1.9)	1,154,018	1,252,005	(7.8)
Commercial	740,675	748,972	(1.1)	1,481,641	1,585,232	(6.5)
Industrial	208,959	229,843	(9.1)	423,491	454,721	(6.9)
Others	30,686	28,688	7.0	61,781	64,368	(4.0)
Total	<u>1,571,572</u>	<u>1,610,087</u>	(2.4)	<u>3,120,931</u>	<u>3,356,326</u>	(7.0)
<b>Basic revenues:</b>						
Residential	\$ 31,592	\$ 31,040	1.8	\$ 61,480	\$ 63,978	(3.9)
Commercial	53,720	54,117	(0.7)	106,795	107,802	(0.9)
Industrial	9,819	9,045	8.6	19,388	21,159	(8.4)
Others	5,017	4,417	13.6	10,236	10,389	(1.5)
Total	<u>100,148</u>	<u>98,619</u>	1.6	<u>197,899</u>	<u>203,328</u>	(2.7)
<b>Fuel adjustment:</b>						
Residential	93,469	96,821	(3.5)	179,114	202,232	(11.4)
Commercial	116,873	133,572	(12.5)	227,478	256,894	(11.5)
Industrial	31,380	36,266	(13.5)	60,095	68,416	(12.2)
Others	5,459	5,438	0.4	10,266	12,922	(20.6)
Total	<u>247,181</u>	<u>272,097</u>	(9.2)	<u>476,953</u>	<u>540,464</u>	(11.8)
<b>Purchased power:</b>						
Residential	28,865	26,770	7.8	55,796	53,198	4.9
Commercial	35,387	31,917	10.9	70,019	63,948	9.5
Industrial	9,741	8,799	10.7	18,836	17,193	9.6
Others	1,374	1,275	7.8	2,898	2,798	3.6
Total	<u>75,367</u>	<u>68,761</u>	9.6	<u>147,549</u>	<u>137,137</u>	7.6
<b>Total revenues:</b>						
Residential	153,926	154,631	(0.5)	296,390	319,408	(7.2)
Commercial	205,980	219,606	(6.2)	404,292	428,644	(5.7)
Industrial	50,940	54,110	(5.9)	98,319	106,768	(7.9)
Others	11,850	11,130	6.5	23,400	26,109	(10.4)
Total	<u>\$ 422,696</u>	<u>\$ 439,477</u>	(3.8)	<u>\$ 822,401</u>	<u>\$ 880,929</u>	(6.6)

AUGUST						
	Month			Fiscal Year-to-Date		
	2013	2012	Increase (Decrease) %	2013-14	2012-13	Increase (Decrease) %
<b>2. Cents per kWh</b>						
Basic revenues:						
Residential	5.34	5.15	3.7	5.33	5.11	4.3
Commercial	7.25	7.23	0.3	7.21	6.80	6.0
Industrial	4.70	3.94	19.3	4.58	4.65	(1.5)
Others	16.35	15.40	6.2	16.57	16.14	2.7
Total	6.37	6.13	3.9	6.34	6.06	4.6
Fuel adjustment:						
Residential	15.81	16.07	(1.6)	15.52	16.15	(3.9)
Commercial	15.78	17.83	(11.5)	15.35	16.21	(5.3)
Industrial	15.02	15.77	(4.8)	14.19	15.05	(5.7)
Others	17.79	18.96	(6.2)	16.62	20.07	(17.2)
Total	15.73	16.90	(6.9)	15.28	16.10	(5.1)
Purchased power:						
Residential	4.88	4.44	9.9	4.83	4.25	13.6
Commercial	4.78	4.26	12.2	4.73	4.03	17.4
Industrial	4.66	3.83	21.7	4.45	3.78	17.7
Others	4.48	4.44	0.9	4.69	4.35	7.8
Total	4.80	4.27	12.4	4.73	4.09	15.6
Total revenues:						
Residential	26.03	25.66	1.4	25.68	25.51	0.7
Commercial	27.81	29.32	(5.2)	27.29	27.04	0.9
Industrial	24.38	23.54	3.6	23.22	23.48	(1.1)
Others	38.62	38.80	(0.5)	37.88	40.56	(6.6)
Total	26.90	27.30	(1.5)	26.35	26.25	0.4
<b>3. Clients:</b>						
Residential	1,336,263	1,334,124	0.2	1,336,607	1,333,002	0.3
Commercial	126,782	127,052	(0.2)	126,872	127,059	(0.1)
Industrial	686	719	(4.6)	686	719	(4.6)
Others	4,166	4,155	0.3	4,160	4,168	(0.2)
Total	<u>1,467,897</u>	<u>1,466,050</u>	0.1	<u>1,468,325</u>	<u>1,464,949</u>	0.2
<b>4. Average kWh per client:</b>						
Residential	442	452	(2.0)	863	939	(8.1)
Commercial	5,842	5,895	(0.9)	11,678	12,476	(6.4)
Industrial	304,605	319,670	(4.7)	617,334	632,435	(2.4)
Others	7,366	6,904	6.7	14,851	15,443	(3.8)
Total	1,071	1,098	(2.5)	2,126	2,291	(7.2)

## II. FINANCIAL HIGHLIGHTS

## A. Revenue data

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

	AUGUST					
	Month		Increase (Decrease) %	Fiscal Year-to-Date		Increase (Decrease) %
	2013	2012		2013-14	2012-13	
<b>kWh sales:</b>						
Residential	12	57	(78.9)	24	120	(80.0)
Commercial	219,916	224,546	(2.1)	449,778	455,835	(1.3)
Industrial	0	0		0	0	
Others	<u>28,552</u>	<u>26,174</u>	9.1	<u>56,570</u>	<u>66,617</u>	(15.1)
Total	<u>248,480</u>	<u>250,777</u>	(0.9)	<u>506,372</u>	<u>522,572</u>	(3.1)
<b>Basic revenues:</b>						
Residential	\$ 1	\$ 3	(66.7)	\$ 1	\$ 6	(83.3)
Commercial	18,011	16,868	6.8	36,094	31,871	13.3
Industrial	0	0		0	0	
Others	<u>4,969</u>	<u>4,313</u>	15.2	<u>9,852.0</u>	<u>9,471.0</u>	4.0
Total	<u>22,981</u>	<u>21,184</u>	8.5	<u>45,947</u>	<u>41,348</u>	11.1
<b>Fuel adjustment:</b>						
Residential	2	9	(77.8)	4	19	(78.9)
Commercial	29,002	38,633	(24.9)	62,994	75,371	(16.4)
Industrial	0	0		0	0	
Others	<u>3,977</u>	<u>4,705</u>	(15.5)	<u>8,402</u>	<u>11,561</u>	(27.3)
Total	<u>32,981</u>	<u>43,347</u>	(23.9)	<u>71,400</u>	<u>86,951</u>	(17.9)
<b>Purchased power:</b>						
Residential	1	3	(66.7)	1	6	(83.3)
Commercial	12,085	10,751	12.4	23,386	20,701	13.0
Industrial	0	0		0	0	
Others	<u>1,657</u>	<u>1,318</u>	25.7	<u>3,120.0</u>	<u>3,035.0</u>	2.8
Total	<u>13,743</u>	<u>12,072</u>	13.8	<u>26,507</u>	<u>23,742</u>	11.6
<b>Total revenues:</b>						
Residential	4	15	(73.3)	6	31	(80.6)
Commercial	59,098	66,252	(10.8)	122,474	127,943	(4.3)
Industrial	0	0		0	0	
Others	<u>10,603</u>	<u>10,336</u>	2.6	<u>21,374</u>	<u>24,067</u>	(11.2)
Total	<u>\$ 69,705</u>	<u>\$ 76,603</u>	(9.0)	<u>\$ 143,854</u>	<u>\$ 152,041</u>	(5.4)
<b>2. Clients:</b>						
Residential	21	37	(43.2)	18	31	(41.9)
Commercial	23,726	22,344	6.2	24,666	22,067	11.8
Industrial	0	0		0	0	
Others	<u>3,032</u>	<u>3,270</u>	(7.3)	<u>3,088.0</u>	<u>3,043.0</u>	1.5
Total	<u>26,779</u>	<u>25,651</u>	4.4	<u>27,772</u>	<u>25,141</u>	10.5

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

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

	AUGUST 2013					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	100.9	100.1	(0.8)	201.9	197.9	(2.0)
Fuel adjustment	220.2	247.2	12.3	420.0	477.0	13.6
Purchased power	77.3	75.4	(2.5)	154.5	147.5	(4.5)
Revenues from sales	398.4	422.7	6.1	776.4	822.4	5.9
Other	2.6	(0.3)	*	5.2	3.8	(26.9)
Total revenues	401.0	422.4	5.3	781.6	826.2	5.7
Fuel	195.4	220.0	12.6	372.7	424.8	14.0
Purchased power	68.8	67.2	(2.3)	137.5	131.4	(4.4)
Other expenses	62.4	67.1	7.5	124.8	132.2	5.9
Total current expenses	326.6	354.3	8.5	635.0	688.4	8.4
1974 - sinking fund appropriations	47.0	47.0		93.8	94.0	0.2
Interest on notes	0.6		*	1.3		*
Internal funds	3.4	1.7	(50.0)	7.1	3.2	(54.9)
Contribution to municipalities	20.2	18.4	(8.9)	38.0	35.2	(7.4)
Other appropriations	3.2	1.0	(68.8)	6.4	5.4	(15.6)
Total	401.0	422.4	5.3	781.6	826.2	5.7

## 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 decreased due to a lower 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.

\*100% or over

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

	AUGUST					
	Month			Fiscal Year-to-Date		
	2013	2012	Increase (Decrease) %	2013-14	2012-13	Increase (Decrease) %
Basic charges	100.1	98.6	1.5	197.9	203.3	(2.7) <sup>1</sup>
Fuel adjustment	247.2	272.1	(9.2)	477.0	540.5	(11.7)
Purchased power	<u>75.4</u>	<u>68.8</u>	9.6	<u>147.5</u>	<u>137.1</u>	7.6
Revenues from sales	422.7	439.5	(3.8)	822.4	880.9	(6.6) <sup>2</sup>
Other	<u>(0.3)</u>	<u>1.6</u>	*	<u>3.8</u>	<u>1.9</u>	*
Total revenues	<u>422.4</u>	<u>441.1</u>	(4.2)	<u>826.2</u>	<u>882.8</u>	(6.4) <sup>1</sup>
Fuel	220.0	253.9	(13.4)	424.8	492.9	(13.8)
Purchased power	67.2	61.6	9.1	131.4	122.4	7.4
Other expenses	<u>67.1</u>	<u>71.8</u>	(6.5)	<u>132.2</u>	<u>134.9</u>	(2.0)
Total current expenses	354.3	387.3	(8.5)	688.4	750.2	(8.2)
1974 - sinking fund appropriations	47.0	41.1	14.4	94.0	81.9	14.8
Interest on notes						
Internal funds	1.7	1.0	70.0	3.2	14.2	(77.5) <sup>3</sup>
Contribution to municipalities	18.4	7.9	*	35.2	29.5	19.3
Other appropriations	<u>1.0</u>	<u>3.8</u>	(73.7)	<u>5.4</u>	<u>7.0</u>	(22.9) <sup>4</sup>
Total	<u>422.4</u>	<u>441.1</u>	(4.2)	<u>826.2</u>	<u>882.8</u>	(6.4)

EXPLANATION OF MAJOR VARIATIONS

1. The decrease in the fuel adjustment and fuel expense for the fiscal year-to-date was principally due to lower fuel cost than last year.
2. The other revenues for the fiscal year-to-date increased due to a higher non operating income than last year.
3. Internal funds for the fiscal year-to-date decreased due to less available funds than last year.
4. Other appropriations for the fiscal year-to-date decreased due to less funds assigned to residential clients' subsidy than last year.

\*Over 100%

D. Notes Payable  
(in thousand dollars)

AUGUST

<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. Residential Fuel Subsidy (BPPR):		
Line of credit	25,354	25,354	Line of credit	0	41,585
Amount received	<u>743</u>	<u>750</u>	Amount received	<u>0</u>	<u>41,585</u>
Available balance	<u>9,018</u>	<u>9,011</u>	Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	743	750	Debt outstanding balance	0	4,901
Maturity Date	June 30, 2018		Maturity Date	November 30, 2012	
			2. Municipalities Settlement Agreement :		
			Line of credit	64,208	64,208
			Amount received	<u>7,844</u>	<u>64,208</u>
			Available balance	<u>0</u>	<u>0</u>
			Debt outstanding balance	7,844	17,543
			Maturity Date	June 30, 2014	
			3. Basis Swap Collateral (GDB) :		
			Line of credit	0	150,000
			Amount received	<u>0</u>	<u>0</u>
			Available balance	<u>0</u>	<u>150,000</u>
			Debt outstanding balance	0	0
			Maturity Date	December 31, 2012	
			4. Fuel Financing (Scotiabank) :		
			Line of credit	550,000	500,000
			Amount received	<u>490,906</u>	<u>450,000</u>
			Available balance	<u>59,094</u>	<u>50,000</u>
			Debt outstanding balance	490,906	450,000
			Maturity Date	August 31, 2013	
			5. Fuel Financing (Citibank) :		
			Line of credit	250,000	250,000
			Amount received	<u>249,911</u>	<u>250,000</u>
			Available balance	<u>89</u>	<u>0</u>
			Debt outstanding balance	249,911	250,000
			Maturity Date	October 7, 2014	
			6. Collateral SWAP - (GDB) :		
			Line of credit	100,000	0
			Amount received	<u>32,745</u>	<u>0</u>
			Available balance	<u>67,255</u>	<u>0</u>
			Debt outstanding balance	32,745	0
			Maturity Date	December 31, 2014	

E. Capital Improvements Program  
(in thousand dollars)

AUGUST 2013						
	Month **			Fiscal Year-to-Date***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	8,031	4,180	(48.0)	16,062	4,699	(70.7)
Transmission	5,529	6,923	25.2	11,058	12,254	10.8
Distribution	8,324	7,351	(11.7)	16,648	14,491	(13.0)
Other	3,116	641	(79.4)	6,232	1,340	(78.5)
<b>Total</b>	<b>25,000</b>	<b>19,095</b>	<b>(23.6)</b>	<b>50,000</b>	<b>32,784</b>	<b>(34.4)</b>
Internal Funds	3,357	1,700		7,106	3,200	
Percentage of Internal Funds to Investment in Capital Improvements Programs*	13%	9%		14%	10%	
Contribution AID for Construction		320			703	

	2013	2012
F. Highest debt coverage as of August 31	1.12	1.11

G. REA Projects

	Month	Fiscal Year-to-Date
Total investment	\$5,503	\$21,331
Families served	2	2

\*A minimum in the internal funds contribution of 25% has been recommended by the Consulting Engineers.

\*\*Monthly figures may vary significantly due to fluctuations in the availability of funds. For more accurate results, please refer to fiscal year-to-date figures.

\*\*\*Includes monthly overhead allocation.

## PUERTO RICO ELECTRIC POWER AUTHORITY

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

	AUGUST		Increase (Decrease) %
	2013	2012	
General clients	875,052	841,944	3.9
Government	577,615	460,020	25.6
Subtotal	<u>1,452,667</u>	<u>1,301,964</u>	11.6
Sales of electric energy (12 months)			
Revenues from Sales	4,762,841	5,014,247	(5.0)
kWh (including subsidy)	17,985,788	18,231,089	(1.3)
Indicators:			
A. Ratio of accounts receivable to sales (%)	30.5	26.0	17.5
B. Ratio of accounts receivable to sales (%) (including subsidy)	30.3	25.8	17.5
C. Sales days in accounts receivable	111	95	17.5
D. Sales days in accounts receivable (including subsidy)	111	94	17.5
E. Ratio of collections to sales of electric energy:			
General clients:			
Sales*	3,870,340	4,131,368	(6.3)
Collections	3,778,603	4,055,120	(6.8)
Percent	97.6	98.2	(0.6)
Government:			
Sales	892,501	882,879	1.1
Collections***	630,630	711,422	(11.4)
Percent	70.7	80.6	(12.3)
Percent of total sales	92.6	95.1	(2.6)

\* Excludes residential clients' subsidy of \$25,067 and \$28,698, for the 12 months ended August 2013 and August 2012, respectively.

PUERTO RICO ELECTRIC POWER AUTHORITY

This page intentionally left blank

BALANCE SHEETS  
ASSETS  
(in thousands)

	August 31 2013	June 30 2013
<b>Current assets:</b>		
Cash and cash equivalents		
General fund	\$ 35,057	\$ 81,910
Revenue fund	14	770
Working funds	803	807
Total cash and cash equivalents	35,874	83,487
Accounts receivable (Exhibit A)	1,409,137	1,417,832
Fuel oil inventory	228,769	323,730
Materials and supplies inventory	198,282	197,786
Prepayments and other (Exhibit B)	20,537	5,021
Total current assets	1,892,599	2,027,856
Non current receivables (Exhibit A)	103,030	103,030
<b>Restricted Assets</b>		
Cash held by trustees	6	385,119
Investments held by trustees		
Sinking funds - interest	216,956	46,606
Sinking funds - principal	34,634	569
Non current restricted deposits held by trustees	538,354	490,689
Total investment held by trustees	789,944	537,864
Construction fund and other		
Construction fund	529,576	49,061
Investment held by REA	1,103	1,103
Reserve maintenance fund	15,846	15,818
Other restricted fund	37,438	12,370
PREPA Client fund	4,761	4,759
Total construction fund and other	588,724	83,111
Total restricted assets	1,378,674	1,006,094
<b>Utility Plant</b>		
Electric plant in service	11,884,562	11,875,606
Less: accumulated depreciation	6,122,658	6,064,548
Net electric plant in service	5,761,904	5,811,058
Construction work in progress, including preliminary surveys of 20,813 and 20,817	1,018,502	992,860
Total utility plant	6,780,406	6,803,918
<b>Deferred debits:</b>		
Unamortized debt expense	57,464	55,810
Other	101,169	101,553
Total deferred debits	158,633	157,363
<b>Total assets</b>	\$ 10,313,342	\$ 10,098,261



BALANCE SHEETS  
LIABILITIES  
(in thousands)

	August 31 2013	June 30 2013
Liabilities and net assets		
Current Liabilities		
Notes payable to banks	\$ 749,404	\$ 754,823
Accounts payable and accrued liabilities (Exhibit C)	1,152,868	1,270,420
Customer deposits, including accrued interest	13,595	14,531
Total current liabilities	1,915,867	2,039,774
Current liabilities payable from restricted assets		
Current portion of long-term debt	204,297	399,215
Notes payable from restricted assets	32,745	6,100
Accrued interest payable on bonds and notes	66,251	187,432
Other current liabilities (Exhibit C)	38,700	38,460
Total current liabilities from restricted assets	341,993	631,207
Non current liabilities		
Power revenue bonds, net of unamortized debt discount of (78,149) and (78,149)	8,464,339	7,806,000
Non current portion, accounts payable and accrued sick leave	139,904	139,904
Accrued Unfunded OPEB	139,885	138,579
Customer deposits - Noncurrent	166,950	166,950
Total noncurrent liabilities	8,911,078	8,251,433
Total liabilities	11,168,938	10,922,415
Net assets	(855,596)	(824,154)
Total liabilities and Net assets	\$10,313,342	\$10,098,261

## PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget August 2013	Actual August 2013	Actual August 2012
Operating revenues:			
Sales of electric energy	\$ 398,416	\$ 422,696	\$ 439,477
Total operating revenues	<u>398,416</u>	<u>422,696</u>	<u>469,477</u>
Other income	2,605	(329)	1,620
Total revenues	<u>401,021</u>	<u>422,367</u>	<u>441,097</u>
Expenses:			
Fuel cost	195,451	220,002	253,919
Purchased power	68,775	67,253	61,580
Other production	5,471	6,010	4,245
Transmission and distribution	13,227	15,533	17,190
Maintenance	19,452	20,417	20,749
Customer accounting and collection	9,614	10,015	11,818
Administrative and general	14,626	15,115	17,845
Subtotal expenses by function	326,616	354,345	387,346
Other Post employment benefits	653	653	155
Depreciation	31,172	28,968	35,541
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	33,139	32,609	33,315
Contribution to municipalities	20,234	19,760	22,606
Other appropriations	3,266	987	3,839
Bond Discount and Defeasance Amortization	300	300	348
Total expenses	<u>415,380</u>	<u>437,622</u>	<u>483,150</u>
Contributed capital	<u>2,015</u>	<u>432</u>	<u>1,348</u>
Changes in net assets	<u>\$ (12,344)</u>	<u>\$ (14,823)</u>	<u>\$ (40,705)</u>

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

	FISCAL YEAR		
	Budget August 2013	Actual August 2013	Actual August 2012
Operating revenues:			
Sales of electric energy	\$ 776,368	\$ 822,401	\$ 880,929
Total operating revenues	<u>776,368</u>	<u>822,401</u>	<u>880,929</u>
Other income	<u>5,209</u>	<u>3,765</u>	<u>1,898</u>
Total revenues	<u>781,577</u>	<u>826,166</u>	<u>882,827</u>
Expenses:			
Fuel cost	372,693	424,732	492,967
Purchased power	137,544	131,420	122,392
Other production	10,942	11,844	11,022
Transmission and distribution	26,454	30,622	31,200
Maintenance	38,904	39,418	38,858
Customer accounting and collection	19,228	20,183	22,272
Administrative and general	<u>29,252</u>	<u>30,161</u>	<u>31,453</u>
Subtotal expenses by function	635,017	688,380	750,164
Other post employment benefits	1,306	1,306	917
Depreciation	62,344	57,974	70,942
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	66,278	65,218	64,004
Contribution to municipalities	37,959	41,890	44,194
Other appropriations	6,400	5,387	6,993
Bond discount and defeasance amortization	<u>600</u>	<u>600</u>	<u>696</u>
Total expenses	<u>809,904</u>	<u>860,755</u>	<u>937,910</u>
Contributed capital	<u>4,031</u>	<u>3,147</u>	<u>3,876</u>
Changes in net assets	<u>\$ (24,296)</u>	<u>\$ (31,442)</u>	<u>\$ (51,207)</u>

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

	MONTH		
	Budget August 2013	Actual August 2013	Actual August 2012
Revenues:			
Sales of electric energy (Exhibit D)	\$ 398,416	\$ 422,696	\$ 439,477
Total operating revenues	398,416	422,696	439,477
Other income	4,620	(329)	1,620
Total revenues	403,036	422,367	441,097
Less: 1974 construction fund investment income and gain on sale of properties	2,022	5	27
Revenues - net	401,014	422,362	441,070
Current expenses:			
Fuel cost	195,451	220,002	253,919
Purchased power	68,775	67,252	61,580
Other production	5,471	6,010	4,245
Transmission and distribution	13,228	15,533	17,190
Maintenance	19,453	20,417	20,749
Customer accounting and collection	9,614	10,016	11,818
Administrative and general	14,625	15,115	17,845
Total current expenses	326,617	354,345	387,346
Net revenues (as defined)	74,397	68,017	53,724
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds	29,872	29,976	24,711
Bond redemption account	17,025	17,025	16,243
Interest on notes	644	10	37
Capital Improvements fund	3,356	1,700	1,000
Total contractual obligations	50,897	48,711	41,991
Balance	23,500	19,306	11,733
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	20,234	18,319	7,894
Other	3,266	987	3,839
Total provision for contribution and other	23,500	19,306	11,733
Remainder	\$ -	\$ -	\$ -

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

	FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
	Budget August 2013	Actual August 2013	Actual August 2012	Budget June 2014	Actual August 2013	Actual August 2012
Revenues:						
Sales of electric energy (Exhibit D)	\$ 776,368	\$ 822,401	\$ 880,929	\$ 4,463,032	\$ 4,762,841	\$ 5,014,247
Total operating revenues	776,368	822,401	880,929	4,463,032	4,762,841	5,014,247
Other income	9,240	3,765	1,898	55,440	32,280	20,621
Total revenues	785,608	826,166	882,827	4,518,472	4,795,121	5,034,868
Less: 1974 construction fund investment income and gain on sale of properties	4,044	5	27	24,261	944	644
Revenues - net	781,564	826,161	882,800	4,494,211	4,794,177	5,034,224
Current expenses:						
Fuel cost	372,693	424,732	492,967	2,145,911	2,535,342	2,881,508
Purchased power	137,544	131,420	122,392	805,414	764,857	694,236
Other production	10,942	11,844	11,022	65,699	72,469	74,781
Transmission and distribution	26,456	30,622	31,200	158,731	171,716	175,567
Maintenance	38,906	39,418	38,858	233,373	214,424	213,035
Customer accounting and collection	19,228	20,183	22,272	115,370	114,244	117,080
Administrative and general	29,250	30,161	31,453	175,510	187,245	255,333
Total current expenses	635,019	688,380	750,164	3,708,008	4,060,297	4,411,540
Net revenues (as defined)	146,545	137,781	132,636	794,203	733,880	622,684
Contractual obligations:						
Sinking fund appropriations -						
Interest on power revenue bonds	59,744	59,953	49,421	358,463	343,035	183,729
Bond redemption account	34,050	34,051	32,486	204,305	196,484	144,974
Self Insurance Fund	-	-	-	-	-	5,000
Interest on notes	1,288	18	73	7,731	403	4,235
Capital Improvements fund	7,104	3,200	14,182	22,677	7,814	13,578
Total contractual obligations	102,186	97,222	96,162	593,176	547,736	351,516
Balance	44,359	40,559	36,474	201,027	186,144	271,168
Provision for Contribution in Lieu of Taxes and other appropriations						
Contribution to municipalities	37,959	35,172	29,481	164,703	145,389	227,421
Other	6,400	5,387	6,993	36,324	40,755	43,747
Total provision for contribution and other	44,359	40,559	36,474	201,027	186,144	271,168
Remainder	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## PUERTO RICO ELECTRIC POWER AUTHORITY

STATEMENT OF NET ASSETS  
(in thousands)

	August 2013	June 2013
Net Assets		
Invested in utility plant, net related debt	\$ (445,065)	\$ 227,713
Restricted for capital activity and debt service	409,856	(244,520)
Unrestricted	<u>(820,387)</u>	<u>(807,347)</u>
Balance at month end	<u>\$ (855,596)</u>	<u>\$ (824,154)</u>

ACCOUNTS RECEIVABLE  
(in thousands)

Exhibit A

	August 2013	June 2013
Electric and related services:		
Government	\$ 474,584	\$ 498,497
General clients	876,552	912,987
Recoveries under fuel adjustment and purchase power clause under or (over) billed	32,455	10,144
Unbilled services	219,977	195,278
Commonwealth Government subsidy for certain residential clients		
Allowance for uncollectible accounts	(253,933)	(251,283)
Claims Receivable from Insurance Companies & Other	37,819	37,819
Advances to Irrigation Systems - net	19,374	9,785
Accrued interest	2,308	2,857
Other	-	1,747
Total	\$ 1,409,137	\$ 1,417,832
NON-CURRENT RECEIVABLES		
Government	\$ 103,030	\$ 103,030
	\$ 103,030	\$ 103,030

PREPAYMENTS AND OTHER  
(in thousands)

Exhibit B

	August 2013	June 2013
Claims Outstanding Related to Property Damages	\$ 352	\$ 385
Prepayments and other	<u>20,185</u>	<u>4,636</u>
Total	<u>\$ 20,537</u>	<u>\$ 5,021</u>



## PUERTO RICO ELECTRIC POWER AUTHORITY

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES  
(in thousands)

Exhibit C

	August 2013	June 2013
Accounts payable - fuel oil and other	660,591	\$ 802,416
Accrued annual leave	55,155	55,637
Accrued sick leave	13,623	15,089
Accrued salaries and fringe benefits	22,839	4,326
Accrued Contribution in Lieu of Taxes	329,493	322,123
Reserve for injuries and damages	21,121	20,400
Accrued Contributions Federal Social Security	21	1,477
Income tax withheld at source	291	1,285
Health plan	37,887	21,865
Pension & Benefits Deferred Employer Contribution	14,377	14,377
Other	-	11,425
	<u>1,152,868</u>	<u>1,270,420</u>
Sub total current liabilities		
Other current payables from restricted assets		
Retention on Contract Work	7,214	7,173
Vouchered A/P construction	5,220	5,918
Contribution aid to construction	26,266	25,369
	<u>38,700</u>	<u>38,460</u>
Total other current payables from restricted assets		
Total current Liabilities	<u>\$ 1,191,568</u>	<u>\$ 1,308,880</u>
NON-CURRENT LIABILITIES		
Accrued sick leave	\$ 139,904	\$ 139,904
Accrued Unfunded OPEB	139,885	138,579
	<u>\$ 279,789</u>	<u>\$ 278,483</u>
Total non current liabilities		
Total accounts payables and non current liabilities	<u>\$ 1,471,357</u>	<u>\$ 1,587,363</u>

## SALES OF ELECTRIC ENERGY

AUGUST 2013

Exhibit D

Class of Service	CLIENTS		KWHRS (in thousands)			Total
	Billed	Total	MONTHLY			
			Billed	Unbilled	Adjustment*	
Residential	1,336,263	1,336,263	562,885	316,588	(288,221)	591,252
Commercial	126,782	126,782	691,453	423,432	(374,210)	740,675
Industrial	686	686	196,365	125,077	(112,482)	208,959
Public lighting	2,941	2,941	25,159	4,342	(4,993)	24,508
Other public authorities	3	3	3,475	1,428	(1,030)	3,873
Agricultural	1,222	1,222	2,258	1,240	(1,193)	2,305
Subtotal	1,467,897	1,467,897	1,481,595	872,107	(782,129)	1,571,572
Fuel oil adjustment						
Purchased power						
Subtotal	1,467,897	1,467,897	1,481,595	872,107	(782,129)	1,571,572
Unrecovered fuel oil cost-net						
Unrecovered purchased power cost-net						
Total	1,467,897	1,467,897	1,481,595	872,107	(782,129)	1,571,572

## FISCAL YEAR-TO-DATE

Class of Service	Average Clients	Kwhrs. (thousands)	Revenue (thousand \$)	Kwhrs. per Client	Cents per Kwhr. Sold
Residential	1,336,607	1,154,018	61,480	863	5.33
Commercial	126,872	1,481,641	106,795	11,678	7.21
Industrial	686	423,491	19,388	617,334	4.58
Public lighting	2,931	50,882	9,642	17,360	18.95
Other public authorities	3	6,173	283	2,057,667	4.58
Agricultural	1,226	4,726	311	3,855	6.58
Subtotal	1,468,325	3,120,931	197,899	2,126	6.34
Fuel oil adjustment			437,000		15.28
Purchased Power			165,190		4.73
Subtotal	1,468,325	3,120,931	800,089	2,126	25.64
Unrecovered fuel oil cost-net			39,954		
Unrecovered purchased Power cost-net			(17,642)		
Total	1,468,325	3,120,931	822,401	2,126	26.35

\*Unbilled previous month.

SALES OF ELECTRIC ENERGY

AUGUST 2013

Exhibit D

REVENUES (in thousands \$)						Kwhrs. per Client	Cents per Kwhr. Sold
MONTHLY			Total				
Billed	Unbilled	Adjustment*					
30,347	13,479	(12,234)	31,592	442	5.34		
50,493	29,389	(26,162)	53,720	5,842	7.25		
8,573	6,299	(5,053)	9,819	304,606	4.70		
4,830	688	(816)	4,702	8,333	19.19		
151	63	(51)	163	1,291,072	4.24		
<u>150</u>	<u>67</u>	<u>(65)</u>	<u>152</u>	<u>1,887</u>	<u>6.58</u>		
94,544	49,985	(44,381)	100,148	1,071	6.37		
197,282	127,577	(113,435)	211,424		15.73		
<u>82,352</u>	<u>42,414</u>	<u>(37,887)</u>	<u>86,879</u>		<u>4.80</u>		
374,178	219,976	(195,703)	398,451	1,071	26.35		
			35,757				
			(11,512)				
<u>374,178</u>	<u>219,976</u>	<u>(195,703)</u>	<u>422,696</u>	<u>1,071</u>	<u>26.90</u>		