
MONTHLY REPORT
TO THE GOVERNING BOARD
OCTOBER 2013

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

	OCTOBER		Increase (Decrease) %
	2013-14	2012-13	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	1,379,041	1,363,320	1.2
PREPA - Hydro	7,075	11,615	(39.1)
Purchased power - gas	344,100	323,426	6.4
Purchased power - coal	181,785	289,552	(37.2)
Renewal Energy	13,807	2,440	*
Total	1,925,808	1,990,353	(3.2)
Fiscal year-to-date:			
PREPA - Steam and gas	5,150,943	5,384,958	(4.3)
PREPA - Hydro	30,318	31,052	(2.4)
Purchased power - gas	1,316,218	1,297,350	1.5
Purchased power - coal	1,082,704	1,180,011	(8.2)
Renewal Energy	64,498	10,119	*
Total	7,644,681	7,903,490	(3.3)
Twelve months:			
PREPA - Steam and gas	14,402,369	15,339,072	(6.1)
PREPA - Hydro	90,284	95,308	(5.3)
Purchased power - gas	3,589,184	3,526,928	1.8
Purchased power - coal	3,416,179	3,305,842	3.3
Renewal Energy	197,894	11,968	*
Total	21,695,910	22,279,118	(2.6)
2. Maximum hourly peak load (in MW)			
Month	3,057	3,117	(1.9)
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	1,589,159	1,627,950	(2.4)
Days billed	31.0	30.0	3.3
Fiscal year-to-date:			
Billed	6,237,983	6,413,176	(2.7)
Days billed	123.0	120.0	2.5
Twelve months:			
Billed	18,078,264	18,121,653	(0.2)
Days billed	365.0	366.0	(0.3)
4. System efficiency (%)			
Month	83.9	79.3	5.8
Fiscal year-to-date	82.6	83.7	(1.3)
Twelve months	82.6	82.1	0.6
5. Average cost per barrel (\$)			
Month	103.48	109.83	(5.8)
Fiscal year-to-date	105.16	113.39	(7.3)
Twelve months	108.19	117.05	(7.6)
6. kWh/Barrel			
Month	632.59	622.24	1.7
Fiscal year-to-date	633.73	620.53	2.1
Twelve months	629.75	629.42	0.1
7. Heat rate (BTU/kWh)			
Month	10,572	10,831	(2.4)
Fiscal year-to-date	10,532	10,782	(2.3)
Twelve months	10,606	10,651	(0.4)

* Over 100%

8. Fuel consumption (in thousands)	2013-14		2012-13		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
Month:						
Steam	1,454	156,018	1,607	183,052	(9.5)	(14.8)
Gas	174	23,606	129	18,701	34.9	26.2
Natural Gas	552	45,911	455	38,890	21.3	18.1
Total	<u>2,180</u>	<u>225,535</u>	<u>2,191</u>	<u>240,643</u>	(0.5)	(6.3)
Fiscal year-to-date:						
Steam	5,227	556,985	6,640	756,737	(21.3)	(26.4)
Gas	929	126,301	898	127,105	3.5	(0.6)
Natural Gas	1,972	171,386	1,140	100,146	73.0	71.1
Total	<u>8,128</u>	<u>854,672</u>	<u>8,678</u>	<u>983,988</u>	(6.3)	(13.1)
Twelve months:						
Steam	15,362	1,688,713	19,725	2,308,357	(22.1)	(26.8)
Gas	2,643	364,884	2,499	353,539	5.8	3.2
Natural Gas	4,865	420,664	2,146	190,601	*	*
Total	<u>22,870</u>	<u>2,474,261</u>	<u>24,370</u>	<u>2,852,497</u>	(6.2)	(13.3)

OCTOBER

B. Client Service	2013	2012	Increase (Decrease) %
	1. Service complaints per thousand clients	5.50	5.23
2. Disconnections for nonpayment per thousand clients	10.72	0.49	*
C. Distribution System			
1. Interruption frequency index			
Total interruptions per thousand clients served	0.05	0.05	10.6
2. Interruption duration index			
Average interruption time per clients served (minutes)	8.12	5.84	39.0
3. Clients per interruption	46	46	
4. Time per interruption (minutes)	257	169	52.0

D. Personnel

		OCTOBER		
		<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
Management Conf. / Carr.	Reg.	2,528	2,591	(63)
	Temp.	27	31	(4)
U.T.I.E.R.	Reg.	4,326	4,438	(112)
	Temp.	298	440	(142)
	Emerg.			
U.I.T.I.C.E.	Reg.	823	856	(33)
	Temp.			
U.E.P.I.	Reg.	355	360	(5)
	Temp.	1	2	(1)
U.P.A.E.E.	Reg.	6	6	
	Temp.			
Total		<u>8,364</u>	<u>8,724</u>	<u>(360)</u>

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	OCTOBER					
	Month			Fiscal Year-to-Date		
	2013	2012	Increase (Decrease) %	2013-14	2012-13	Increase (Decrease) %
kWh sales:						
Residential	598,602	559,588	7.0	2,322,163	2,488,281	(6.7)
Commercial	781,890	767,670	1.9	3,032,975	3,099,777	(2.2)
Industrial	207,930	219,823	(5.4)	843,118	907,080	(7.1)
Others	27,080	31,541	(14.1)	118,547	123,931	(4.3)
Total	<u>1,615,502</u>	<u>1,578,622</u>	2.3	<u>6,316,803</u>	<u>6,619,069</u>	(4.6)
Basic revenues:						
Residential	32,021	28,533	12.2	122,679	121,796	0.7
Commercial	51,766	55,943	(7.5)	208,542	214,900	(3.0)
Industrial	8,419	9,891	(14.9)	37,958	41,621	(8.8)
Others	4,277	4,854	(11.9)	19,649	19,506	0.7
Total	<u>96,483</u>	<u>99,221</u>	(2.8)	<u>388,828</u>	<u>397,823</u>	(2.3)
Fuel adjustment:						
Residential	95,434	73,231	30.3	357,564	366,027	(2.3)
Commercial	121,338	141,874	(14.5)	464,769	529,276	(12.2)
Industrial	32,210	37,008	(13.0)	118,573	141,070	(15.9)
Others	4,108	6,102	(32.7)	18,569	23,803	(22.0)
Total	<u>253,090</u>	<u>258,215</u>	(2.0)	<u>959,475</u>	<u>1,060,176</u>	(9.5)
Purchased power:						
Residential	25,074	23,803	5.3	109,133	104,195	4.7
Commercial	32,631	34,489	(5.4)	140,530	130,995	7.3
Industrial	8,530	9,046	(5.7)	36,241	35,047	3.4
Others	1,195	1,450	(17.6)	5,764	5,797	(0.6)
Total	<u>67,430</u>	<u>68,788</u>	(2.0)	<u>291,668</u>	<u>276,034</u>	5.7
Total revenues:						
Residential	152,529	125,567	21.5	589,376	592,018	(0.4)
Commercial	205,735	232,306	(11.4)	813,841	875,171	(7.0)
Industrial	49,159	55,945	(12.1)	192,772	217,738	(11.5)
Others	9,580	12,406	(22.8)	43,982	49,106	(10.4)
Total	<u>417,003</u>	<u>426,224</u>	(2.2)	<u>1,639,971</u>	<u>1,734,033</u>	(5.4)

OCTOBER						
	Month			Fiscal Year-to-Date		
	2013	2012	Increase (Decrease) %	2013-14	2012-13	Increase (Decrease) %
2. Cents per kWh						
Basic revenues:						
Residential	5.35	5.10	4.9	5.28	4.89	8.0
Commercial	6.62	7.29	(9.2)	6.88	6.93	(0.7)
Industrial	4.05	4.50	(10.0)	4.50	4.59	(2.0)
Others	15.79	15.39	2.6	16.57	15.74	5.3
Total	5.97	6.29	(5.1)	6.16	6.01	2.5
Fuel adjustment:						
Residential	15.94	13.09	21.8	15.40	14.71	4.7
Commercial	15.52	18.48	(16.0)	15.32	17.07	(10.3)
Industrial	15.49	16.83	(8.0)	14.06	15.55	(9.6)
Others	15.18	19.34	(21.5)	15.67	19.20	(18.4)
Total	15.67	16.35	(4.2)	15.18	16.02	(5.2)
Purchased power:						
Residential	4.19	4.25	(1.4)	4.70	4.19	12.2
Commercial	4.17	4.49	(7.1)	4.63	4.23	9.5
Industrial	4.10	4.12	(0.5)	4.30	3.86	11.4
Others	4.41	4.60	(4.1)	4.86	4.68	3.8
Total	4.17	4.36	(4.4)	4.62	4.17	10.8
Total revenues:						
Residential	25.48	22.44	13.5	25.38	23.79	6.7
Commercial	26.31	30.26	(13.1)	26.83	28.23	(5.0)
Industrial	23.64	25.45	(7.1)	22.86	24.00	(4.8)
Others	35.38	39.33	(10.0)	37.10	39.62	(6.4)
Total	25.81	27.00	(4.4)	25.96	26.20	(0.9)
3. Clients:						
Residential	1,334,953	1,377,773	(3.1)	1,335,862	1,357,880	(1.6)
Commercial	127,426	126,292	0.9	126,954	126,879	0.1
Industrial	724	716	1.1	693	718	(3.5)
Others	4,153	4,149	0.1	4,155	4,161	(0.1)
Total	<u>1,467,256</u>	<u>1,508,930</u>	(2.8)	<u>1,467,664</u>	<u>1,489,638</u>	(1.5)
4. Average kWh per client:						
Residential	448	406	10.4	1,738	1,832	(5.1)
Commercial	6,136	6,079	0.9	23,890	24,431	(2.2)
Industrial	287,196	307,015	(6.5)	1,216,620	1,263,343	(3.7)
Others	6,521	7,602	(14.2)	28,531	29,784	(4.2)
Total	1,101	1,046	5.2	4,304	4,443	(3.1)

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	OCTOBER					
	Month		Increase (Decrease) %	Fiscal Year-to-Date		Increase (Decrease) %
	2013	2012		2013-14	2012-13	
kWh sales:						
Residential	12	59	(79.7)	48	233	(79.4)
Commercial	239,272	241,461	(0.9)	951,894	938,976	1.4
Industrial	-	-		-	-	
Others	25,187	27,726	(9.2)	108,310	120,483	(10.1)
Total	<u>264,471</u>	<u>269,246</u>	(1.8)	<u>1,060,252</u>	<u>1,059,692</u>	0.1
Basic revenues:						
Residential	1	3	(66.7)	2	12	(83.3)
Commercial	17,621	16,755	5.2	69,487	67,196	3.4
Industrial	-	-		-	-	
Others	4,221	4,470	(5.6)	18,823	18,143	3.7
Total	<u>21,843</u>	<u>21,228</u>	2.9	<u>88,312</u>	<u>85,351</u>	3.5
Fuel adjustment:						
Residential	2	8	(75.0)	8	36	(77.8)
Commercial	39,342	41,001	(4.0)	142,615	158,881	(10.2)
Industrial	-	-		-	-	
Others	4,344	4,970	(12.6)	16,909	21,345	(20.8)
Total	<u>43,688</u>	<u>45,979</u>	(5.0)	<u>159,532</u>	<u>180,262</u>	(11.5)
Purchased power:						
Residential	1	3	(66.7)	2	11	(81.8)
Commercial	10,038	9,977	0.6	45,447	39,043	16.4
Industrial	-	-		-	-	
Others	1,111	1,201	(7.5)	5,507	5,194	6.0
Total	<u>11,150</u>	<u>11,181</u>	(0.3)	<u>50,956</u>	<u>44,248</u>	15.2
Total revenues:						
Residential	4	14	(71.4)	12	59	(79.7)
Commercial	67,001	67,733	(1.1)	257,549	265,120	(2.9)
Industrial	-	-		-	-	
Others	9,676	10,641	(9.1)	41,239	44,682	(7.7)
Total	<u>76,681</u>	<u>78,388</u>	(2.2)	<u>298,800</u>	<u>309,861</u>	(3.6)
2. Service Agreements:						
Residential	21	34	(38.2)	18	26	(30.8)
Commercial	29,037	22,351	29.9	29,521	22,172	33.1
Industrial	-	-		-	-	
Others	4,027	3,132	28.6	3,473	3,026	14.8
Total	<u>33,085</u>	<u>25,517</u>	29.7	<u>33,012</u>	<u>25,224</u>	30.9

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

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

	OCTOBER 2013					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	101.2	96.5	(4.6)	402.2	388.8	(3.3)
Fuel adjustment	223.1	253.1	13.4	853.9	959.5	12.4
Purchased power	<u>77.2</u>	<u>67.4</u>	(12.7)	<u>307.2</u>	<u>291.7</u>	(5.0)
Revenues from sales	401.5	417.0	3.9	1,563.3	1,640.0	4.9
Other	<u>2.6</u>	<u>6.4</u>	*	<u>10.4</u>	<u>16.3</u>	56.7
Total revenues	<u>404.1</u>	<u>423.4</u>	4.8	<u>1,573.7</u>	<u>1,656.3</u>	5.2
Fuel	198.0	225.5	13.9	757.8	854.7	12.8
Purchased power	68.7	60.6	(11.8)	273.4	260.2	(4.8)
Other expenses	<u>62.4</u>	<u>64.6</u>	3.5	<u>249.5</u>	<u>260.0</u>	4.2
Total current expenses	329.1	350.7	6.6	1,280.7	1,374.9	7.4
1974 - sinking fund appropriations	46.9	47.0	0.2	187.6	188.0	0.2
Interest on notes	0.7	0.2	(71.4)	2.6	0.5	(80.8)
Internal funds	4.2	1.5	(64.3)	14.9	6.8	(54.4)
Contribution to municipalities	20.2	20.8	3.0	75.3	74.6	(0.9)
Other appropriations	<u>3.0</u>	<u>3.2</u>	6.7	<u>12.6</u>	<u>11.5</u>	(8.7)
Total	<u>404.1</u>	<u>423.4</u>	4.8	<u>1,573.7</u>	<u>1,656.3</u>	5.2

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 fiscal year-to-date increased due to 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.

*Over 100%

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

	OCTOBER					
	Month			Fiscal Year-to-Date		
	2013	2012	Increase (Decrease) %	2013-14	2012-13	Increase (Decrease) %
Basic charges	96.5	99.2	(2.7)	388.8	397.8	(2.3) ¹
Fuel adjustment	253.1	258.2	(2.0)	959.5	1,060.2	(9.5) ¹
Purchased power	67.4	68.8	(2.0)	291.7	276.0	5.7
Revenues from sales	417.0	426.2	(2.2)	1,640.0	1,734.0	(5.4) ²
Other	6.4	1.7	*	16.3	6.9	*
Total revenues	423.4	427.9	(1.1)	1,656.3	1,740.9	(4.9) ¹
Fuel	225.5	240.6	(6.3)	854.7	984.0	(13.1)
Purchased power	60.6	61.5	(1.5)	260.2	246.2	5.7
Other expenses	64.6	70.6	(8.5)	260.0	269.6	(3.6)
Total current expenses	350.7	372.7	(5.9)	1,374.9	1,499.8	(8.3)
1974 - sinking fund appropriations	47.0	41.0	14.6	188.0	163.9	14.7 ³
Interest on notes	0.2			0.5	0.1	* ⁴
Internal funds	1.5	0.4	*	6.8	15.3	(55.6) ⁴
Contribution to municipalities	20.8	10.6	96.2	74.6	47.9	55.7 ⁵
Other appropriations	3.2	3.2		11.5	13.9	(17.3) ⁶
Total	423.4	427.9	(1.1)	1,656.3	1,740.9	(4.9)

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 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 last year.

*Over 100%

D. Notes Payable
(in thousand dollars)

OCTOBER

<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>24,611</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. Fondo Rotatorio JCA AFICA Complejo Aguirre:			2. Municipalities Settlement Agreement :		
Line of credit	9,463	0	Line of credit	64,208	64,208
Amount received	<u>0</u>	<u>0</u>	Amount received	<u>64,208</u>	<u>64,208</u>
Available balance	<u>9,463</u>	<u>0</u>	Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	0	0	Debt outstanding balance	5,229	14,929
Maturity Date	June 30, 2033		Maturity Date	June 30, 2014	
			3. Fuel Financing (Scotiabank) :		
			Line of credit	550,000	500,000
			Amount received	<u>492,950</u>	<u>489,845</u>
			Available amount	<u>57,050</u>	<u>10,155</u>
			Debt outstanding balance	492,950	489,845
			Maturity Date	October 31, 2013	
			4. 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	
			5. Fuel Financing (Citibank) :		
			Line of credit	250,000	250,000
			Amount received	<u>247,824</u>	<u>250,000</u>
			Available balance	<u>2,176</u>	<u>0</u>
			Debt outstanding balance	247,824	250,000
			Maturity Date	October 7, 2014	
			6. Collateral SWAP - (GDB):		
			Line of credit	100,000	0
			Amount received	<u>47,021</u>	<u>0</u>
			Available balance	<u>52,979</u>	<u>0</u>
			Debt outstanding balance	47,021	0
			Maturity Date	December 31, 2014	

E. Capital Improvements Program
(in thousand dollars)

OCTOBER 2013						
	Month **			Fiscal Year-to-Date***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	8,031	2,135	(73.4)	32,124	9,769	(69.6)
Transmission	5,529	3,492	(36.8)	22,116	21,878	(1.1)
Distribution	8,324	5,355	(35.7)	33,296	29,305	(12.0)
Other	3,116	1,569	(49.6)	12,464	3,177	(74.5)
Undistributed Overhead		9,030			9,030	
Total	25,000	21,581	(13.7)	100,000	73,159	(26.8)
 Internal Funds	 4,192	 1,518	 (63.8)	 14,858	 6,771	 (54.4)
 Percentage of Internal Funds to Investment in Capital Improvements Programs*	 17%	 7%		 15%	 9%	
 Contribution AID for Construction		 1,210			 2,032	

	2013	2012
F. Highest debt coverage as of October 31	1.17	1.08

G. REA Projects

	Month	Fiscal Year-to-Date
Total investment	\$14,651	\$46,394
Families served	4	9

*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.

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

	OCTOBER		Increase (Decrease) %
	2013	2012	
General clients	868,251	927,993	(6.4)
Government	614,580	484,116	26.9
Subtotal	1,482,831	1,412,109	5.0
Sales of electric energy (12 months)			
Revenues from sales *	4,728,919	4,969,551	(4.8)
kWh (including subsidy)	17,918,916	18,292,535	(2.0)
Indicators:			
A. Ratio of accounts receivable to sales (%)	31.4	28.4	10.4
B. Ratio of accounts receivable to sales (%) (including subsidy)	31.2	28.3	10.4
C. Sales days in accounts receivable	114	104	10.4
D. Sales days in accounts receivable (including subsidy)	114	103	10.4
E. Ratio of collections to sales of electric energy:			
General clients:			
Sales**	3,839,292	4,081,869	(5.9)
Collections	3,815,268	3,954,120	(3.5)
Percent	99.4	96.9	2.6
Government:			
Sales	889,627	887,682	0.2
Collections***	602,553	688,331	(12.5)
Percent	67.7	77.5	(12.7)
Percent of total sales	93.4	93.4	0.0

* Excludes residential clients' subsidy of \$24,616 and \$28,600 for the 12 months ended October 2013 and October 2012, respectively.

PUERTO RICO ELECTRIC POWER AUTHORITY

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BALANCE SHEETS
ASSETS
(in thousands)

	October 31 2013		June 30 2013
Current assets:			
Cash and cash equivalents			
General fund	\$ 104,286		\$ 82,836
Revenue fund	14		770
Working funds	793		807
Total cash and cash equivalents	105,093		84,413
Accounts receivable (Exhibit A)	1,441,580		1,419,331
Fuel oil inventory	232,507		323,730
Materials and supplies inventory	195,366		197,786
Prepayments and other (Exhibit B)	18,807		5,021
Total current assets	1,993,353		2,030,281
Non current receivables (Exhibit A)	103,030		103,030
Restricted Assets			
Cash held by trustees	854		385,119
Investments held by trustees			
Sinking funds - interest	266,369		46,606
Sinking funds - principal	68,742		569
Non current restricted deposits held by trustees	542,760		490,689
Total investment held by trustees	877,871		537,864
Construction fund and other			
Construction fund	486,806		49,370
Investment held by REA	1,103		1,103
Reserve maintenance fund	15,887		15,818
Other restricted fund	49,009		12,370
PREPA Client fund	4,762		4,759
Total construction fund and other	557,567		83,420
Total restricted assets	1,436,292		1,006,403
Utility Plant			
Electric plant in service	11,992,526		11,875,606
Less: accumulated depreciation	6,178,547		6,064,548
Net electric plant in service	5,813,979		5,811,058
Construction work in progress, including preliminary surveys of 20,813 and 20,817	964,006		999,697
Total utility plant	6,777,985		6,810,755
Deferred debits:			
Unamortized debt expense	56,853		55,810
Other	96,748		95,951
Total deferred debits	153,601		151,761
Total assets	\$ 10,464,261		\$ 10,102,230

BALANCE SHEETS
LIABILITIES
(in thousands)

	October 31 2013	June 30 2013
Liabilities and net assets		
Current Liabilities		
Notes payable to banks	\$ 746,746	\$ 754,823
Accounts payable and accrued liabilities (Exhibit C)	1,273,643	1,294,111
Customer deposits, including accrued interest	14,049	14,531
Total current liabilities	2,034,438	2,063,465
Current liabilities payable from restricted assets		
Current portion of long-term debt	204,381	399,215
Notes payable from restricted assets	47,021	6,100
Accrued interest payable on bonds and notes	129,681	187,432
Other current liabilities (Exhibit C)	39,749	39,594
Total current liabilities from restricted assets	420,832	632,341
Non current liabilities		
Power revenue bonds, net of unamortized debt discount of (78,149) and (78,149)	8,464,339	7,806,001
Non current portion, accounts payable and accrued sick leave	122,356	122,356
Accrued Unfunded OPEB	141,191	138,579
Customer deposits - Noncurrent	166,950	166,950
Total noncurrent liabilities	8,894,836	8,233,886
Total liabilities	11,350,106	10,929,692
Net assets	(885,845)	(827,462)
Total liabilities and Net assets	\$10,464,261	\$10,102,230

PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget October 2013	Actual October 2013	Actual October 2012
Operating revenues:			
Sales of electric energy	\$ 401,475	\$ 417,004	\$ 426,228
Total operating revenues	<u>401,475</u>	<u>417,004</u>	<u>426,228</u>
Other income	<u>2,605</u>	<u>6,957</u>	<u>1,722</u>
Total revenues	<u>404,080</u>	<u>423,961</u>	<u>427,950</u>
Expenses:			
Fuel cost	197,988	225,535	240,643
Purchased power	68,677	60,588	61,483
Other production	5,472	6,510	8,496
Transmission and distribution	13,227	15,533	14,832
Maintenance	19,452	16,919	21,822
Customer accounting and collection	9,614	9,876	10,691
Administrative and general	<u>14,625</u>	<u>15,814</u>	<u>14,732</u>
Subtotal expenses by function	329,055	350,775	372,699
Other Post employment benefits	653	653	610
Depreciation	31,172	29,042	35,626
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	32,972	35,254	28,064
Contribution to municipalities	20,243	21,200	23,475
Other appropriations	3,042	3,212	3,245
Bond Discount and Defeasance Amortization	<u>300</u>	<u>347</u>	<u>348</u>
Total expenses	<u>417,437</u>	<u>440,483</u>	<u>464,067</u>
Contributed capital	<u>2,015</u>	<u>3,626</u>	<u>738</u>
Changes in net assets	<u>\$ (11,342)</u>	<u>\$ (12,896)</u>	<u>\$ (35,379)</u>

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

	FISCAL YEAR		
	Budget October 2013	Actual October 2013	Actual October 2012
Operating revenues:			
Sales of electric energy	\$ 1,563,278	\$ 1,641,588	\$ 1,734,285
Total operating revenues	<u>1,563,278</u>	<u>1,641,588</u>	<u>1,734,285</u>
Other income	<u>10,418</u>	<u>15,187</u>	<u>6,602</u>
Total revenues	<u>1,573,696</u>	<u>1,656,775</u>	<u>1,740,887</u>
Expenses:			
Fuel cost	757,768	854,672	983,988
Purchased power	273,424	260,254	246,212
Other production	21,918	23,829	25,402
Transmission and distribution	52,902	61,310	60,794
Maintenance	77,783	73,230	79,467
Customer accounting and collection	38,456	39,636	43,147
Administrative and general	<u>58,502</u>	<u>61,996</u>	<u>60,773</u>
Subtotal expenses by function	1,280,753	1,374,927	1,499,783
Other post employment benefits	2,612	2,612	2,027
Depreciation	124,688	115,979	142,131
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	132,223	135,863	125,381
Contribution to municipalities	75,332	84,332	92,148
Other appropriations	12,562	11,509	13,886
Bond discount and defeasance amortization	<u>1,200</u>	<u>1,295</u>	<u>1,392</u>
Total expenses	<u>1,629,370</u>	<u>1,726,517</u>	<u>1,876,748</u>
Contributed capital	<u>8,062</u>	<u>11,359</u>	<u>4,830</u>
Changes in net assets	<u>\$ (47,612)</u>	<u>\$ (58,383)</u>	<u>\$ (131,031)</u>

PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget October 2013	Actual October 2013	Actual October 2012
Revenues:			
Sales of electric energy (Exhibit D)	\$ 401,475	\$ 417,004	\$ 426,228
Total operating revenues	401,475	417,004	426,228
Other income	2,604	6,957	1,722
Total revenues	404,079	423,961	427,950
Less: 1974 construction fund investment income and gain on sale of properties	6	513	1
Revenues - net	404,073	423,448	427,949
Current expenses:			
Fuel cost	197,988	225,535	240,643
Purchased power	68,676	60,588	61,483
Other production	5,472	6,510	8,496
Transmission and distribution	13,227	15,534	14,832
Maintenance	19,452	16,919	21,822
Customer accounting and collection	9,614	9,875	10,691
Administrative and general	14,625	15,814	14,732
Total current expenses	329,054	350,775	372,699
Net revenues (as defined)	75,019	72,673	55,250
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds	29,872	29,959	24,710
Bond redemption account	17,026	17,025	16,244
Reserve maintenance fund	-	-	-
Self Insurance Fund	-	-	-
Interest on notes	644	180	32
Capital Improvements fund	4,192	1,518	432
Total contractual obligations	51,734	48,682	41,418
Balance	23,285	23,991	13,832
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	20,243	20,779	10,587
Other	3,042	3,212	3,245
Total provision for contribution and other	23,285	23,991	13,832
Remainder	\$ -	\$ -	\$ -

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

	FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
	Budget October 2013	Actual October 2013	Actual October 2012	Budget June 2014	Actual October 2013	Actual October 2012
Revenues:						
Sales of electric energy (Exhibit D)	\$ 1,563,278	\$ 1,639,971	\$ 1,734,285	\$ 4,463,032	\$ 4,728,920	\$ 4,969,551
Total operating revenues	1,563,278	1,639,971	1,734,285	4,463,032	4,728,920	4,969,551
Other income	10,418	16,805	6,602	55,440	38,752	21,377
Total revenues	1,573,696	1,656,776	1,740,887	4,518,472	4,767,672	4,990,928
Less: 1974 construction fund investment income and gain on sale of properties	25	522	27	24,261	1,461	633
Revenues - net	1,573,671	1,656,254	1,740,860	4,494,211	4,766,211	4,990,295
Current expenses:						
Fuel cost	757,768	854,672	983,988	2,145,911	2,474,261	2,852,497
Purchased power	273,424	260,254	246,212	805,414	769,728	704,306
Other production	21,918	23,829	25,402	65,699	70,082	76,675
Transmission and distribution	52,902	61,310	60,794	158,731	172,834	171,982
Maintenance	77,783	73,231	79,467	233,373	207,654	211,470
Customer accounting and collection	38,456	39,636	43,147	115,370	112,839	116,912
Administrative and general	58,502	61,995	60,773	175,510	193,135	252,006
Total current expenses	1,280,753	1,374,927	1,499,783	3,700,008	4,000,533	4,385,848
Net revenues (as defined)	292,918	281,327	241,077	794,203	765,678	604,447
Contractual obligations:						
Sinking fund appropriations -						
Interest on power revenue bonds	119,488	119,888	98,843	358,463	353,549	183,193
Bond redemption account	68,101	68,102	64,973	204,305	198,048	146,527
Reserve maintenance fund	-	-	-	-	-	-
Self Insurance Fund	-	-	-	-	-	5,000
Interest on notes	2,577	498	141	7,731	815	4,040
Capital Improvements fund	14,858	6,771	15,349	22,677	8,409	6,694
Total contractual obligations	205,024	195,259	179,306	593,176	560,821	345,454
Balance	87,894	86,068	61,771	201,027	204,857	258,993
Provision for Contribution in Lieu of Taxes and other appropriations						
Contribution to municipalities	75,332	74,559	47,885	164,703	164,873	214,860
Other	12,562	11,509	13,886	36,324	39,984	44,133
Total provision for contribution and other	87,894	86,068	61,771	201,027	204,857	258,993
Remainder	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PUERTO RICO ELECTRIC POWER AUTHORITY

STATEMENT OF NET ASSETS
(in thousands)

	October 2013	June 2013
Net Assets		
Invested in utility plant, net related debt	\$ (428,350)	\$ 234,550
Restricted for capital activity and debt service	368,887	(245,345)
Unrestricted	<u>(826,382)</u>	<u>(816,667)</u>
Balance at month end	<u>\$ (885,845)</u>	<u>\$ (827,462)</u>

ACCOUNTS RECEIVABLE
(in thousands)

Exhibit A

	October 2013	June 2013
Electric and related services:		
Government	\$ 511,549	\$ 499,996
General clients	902,209	912,987
Recoveries under fuel adjustment and purchase power clause under or (over) billed	3,510	10,144
Unbilled services	219,110	195,278
Commonwealth Government subsidy for certain residential clients	1	1
Allowance for uncollectible accounts	(256,578)	(251,283)
Claims Receivable from Insurance Companies & Other	37,819	37,819
Advances to Irrigation Systems - net	20,586	9,785
Accrued interest	3,374	2,857
Other	-	1,747
Total	\$ 1,441,580	\$ 1,419,331
NON-CURRENT RECEIVABLES		
Total	\$ 103,030	\$ 103,030

PREPAYMENTS AND OTHER
(in thousands)

Exhibit B

	October 2013	June 2013
Claims Outstanding Related to Property Damages	\$ 352	\$ 385
Prepayments and other	<u>18,455</u>	<u>4,636</u>
Total	<u>\$ 18,807</u>	<u>\$ 5,021</u>

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES
(in thousands)

Exhibit C

	October 2013	June 2013
Accounts payable - fuel oil and other	744,617	\$ 799,869
Accrued annual leave	55,031	56,179
Accrued sick leave	29,198	31,576
Accrued salaries and fringe benefits	28,023	4,326
Accrued Contribution in Lieu of Taxes	336,662	323,622
Reserve for injuries and damages	21,695	20,400
Accrued Contributions Federal Social Security	887	1,477
Income tax withheld at source	750	1,285
Health plan	21,226	6,275
Pension & Benefits Deferred Employer Contribution	15,014	15,014
Other	18,764	31,048
Sub total current liabilities	1,273,643	1,294,111
Other current payables from restricted assets		
Retention on Contract Work	7,225	7,173
Vouchered A/P construction	6,758	7,052
Contribution aid to construction	25,766	25,369
Total other current payables from restricted assets	39,749	39,594
Total current Liabilities	\$ 1,313,392	\$ 1,333,705
NON-CURRENT LIABILITIES		
Accrued sick leave	\$ 122,356	\$ 122,356
Accrued Unfunded OPEB	141,191	138,579
Total non current liabilities	\$ 263,547	\$ 260,935
Total accounts payables and non current liabilities	\$ 1,576,939	\$ 1,594,640