
MONTHLY REPORT
TO THE GOVERNING BOARD
MARCH 2019

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PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	MARCH		Increase (Decrease) %
	2018-19	2017-18	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	890,786	803,251	10.9
PREPA - Hydro	1,306	3,367	(61.2)
Purchased power - gas	261,969	314,642	(16.7)
Purchased power - coal	291,387	199,812	²
Renewable Energy	35,833	3,505	²
Total	1,481,281	1,324,577	11.8
Fiscal year-to-date:			
PREPA - Steam and gas	8,651,474	7,496,246	15.4
PREPA - Hydro	24,868	26,824	(7.3)
Purchased power - gas	2,338,142	1,725,860	35.5
Purchased power - coal	2,430,951	902,503	²
Renewable Energy	251,653	100,546	150.3
Total	13,697,088	10,251,979	33.6
Twelve months:			
PREPA - Steam and gas	11,519,294	10,663,155	8.0
PREPA - Hydro	34,209	46,178	(25.9)
Purchased power - gas	3,197,622	2,520,696	26.9
Purchased power - coal	3,076,539	1,860,118	65.4
Renewable Energy	293,443	219,306	33.8
Total	18,121,107	15,309,453	18.4
2. Maximum hourly peak load (in MW)			
Month	n/a ¹	n/a	¹
Fiscal year-to-date	n/a	3,087	¹
Twelve months	n/a	3,087	¹
3. Sales (kWh in thousands)			
Month:			
Billed	1,219,695	1,031,904	18.2
Days billed	30.0	30.0	0.0
Fiscal year-to-date:			
Billed	11,938,346	8,623,983	38.4
Days billed	273.0	273.0	0.0
Twelve months:			
Billed	16,026,110	12,837,155	24.8
Days billed	365.0	363.0	0.6
4. System efficiency (%)			
Month	82.3	81.4	1.2
Fiscal year-to-date	87.2	84.1	3.6
Twelve months	88.4	83.9	5.5
5. Average cost per barrel (\$)			
Month	73.10	71.06	2.9
Fiscal year-to-date	75.81	67.45	12.4
Twelve months	75.81	68.51	10.6
6. kWh/Barrel			
Month	618.60	641.57	(3.6)
Fiscal year-to-date	637.17	580.70	9.7
Twelve months	641.39	592.79	8.2
7. Heat rate (BTU/kWh)			
Month	10,797	10,864	(0.6)
Fiscal year-to-date	10,730	10,844	(1.1)
Twelve months	10,669	11,228	(5.0)

¹ Report prepared by Generation Directorate, unavailable for month.

MARCH

8. Fuel consumption (in thousands)	2018-19		2017-18		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
Month:						
Steam	469	\$ 38,465	636	\$ 43,903	(26.3)	(12.4)
Gas	293	27,006	349	31,436	(16.0)	(14.1)
Natural Gas	678	39,788	267	13,634	153.9	191.8
Total	<u>1,440</u>	<u>\$ 105,259</u>	<u>1,252</u>	<u>\$ 88,973</u>	15.0	18.3
Fiscal year-to-date:						
Steam	5,481	440,361	5,497	341,437	(0.3)	29.0
Gas	2,911	282,676	4,580	380,618	(36.4)	(25.7)
Natural Gas	5,186	306,280	2,832	148,674	83.1	106.0
Total	<u>13,578</u>	<u>\$ 1,029,317</u>	<u>12,909</u>	<u>\$ 870,729</u>	5.2	18.2
Twelve months:						
Steam	7,272	571,747	7,958	536,517	(8.6)	6.6
Gas	4,278	414,243	5,920	479,324	(27.7)	(13.6)
Natural Gas	6,410	375,560	4,110	216,599	56.0	73.4
Total	<u>17,960</u>	<u>\$ 1,361,550</u>	<u>17,988</u>	<u>\$ 1,232,440</u>	(0.2)	10.5

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B. Client Service ¹	2019	2018	Increase (Decrease) %
	1. Service complaints per thousand clients	0.54	n/a
2. Disconnections for nonpayment per thousand clients	4.50	n/a	²
C. Distribution System ^d			
1. Interruption frequency index			
Total interruptions per thousand clients served	0.293	0.561	(47.8) ²
2. Interruption duration index			
Average interruption time per clients served (minutes)	39.84	66.79	(40.4) ²
3. Clients per interruption	296	564	(47.5) ²
4. Time per interruption (minutes)	306	276	10.7 ²

¹ Report provided by Customer Service Directorates, unavailable for March 2018, due to emergency caused by Hurricanes Irma and Maria, no disconnections have been processed since September 2017.

² Difference due to effect of persistent widespread outages and grid construction after Hurricanes Maria and Irma.

D. Personnel

		MARCH		
		<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>
Management Conf. / Carr.	Reg.	1,611	1,694	(83)
	Temp.	8	12	(4)
U.T.I.E.R.	Reg.	3,076	3,327	(251)
	Temp.	177	13	164
	Emerg.	21	252	(231)
U.I.T.I.C.E.	Reg.	538	585	(47)
	Temp.			
U.E.P.I.	Reg.	250	281	(31)
	Temp.			
U.P.A.E.E.	Reg.	6	4	2
	Temp.	0	1	(1)
Total		<u><u>5,687</u></u>	<u><u>6,169</u></u>	<u><u>(482)</u></u>

Interim Operational and Financial Information Subject to Material Change

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	MARCH					
	Month			Fiscal Year-to-Date		
	2019	2018	Increase (Decrease) %	2018-19	2017-18	Increase (Decrease) %
kWh sales:						
Residential	442,225	446,085	(0.9)	4,547,967	3,238,780	40.4 ¹
Commercial	619,156	496,732	24.6 ¹	5,598,953	4,341,354	29.0 ¹
Industrial	179,999	98,406	82.9 ¹	1,546,092	1,098,605	40.7 ¹
Others	30,531	34,132	(10.6)	279,875	273,838	2.2
Total	<u>1,271,911</u>	<u>1,075,355</u>	18.3	<u>11,972,887</u>	<u>8,952,577</u>	33.7 ¹
Basic revenues:						
Residential	\$ 25,363	\$ 25,789	(1.7)	\$ 247,345	\$ 178,477	38.6 ¹
Commercial	43,157	40,343	7.0	382,514	324,639	17.8 ¹
Industrial	8,291	4,527	83.1 ¹	69,112	56,856	21.6 ¹
Others	5,107	6,043	(15.5)	46,965	47,437	(1.0)
Total	<u>\$ 81,918</u>	<u>\$ 76,702</u>	6.8	<u>\$ 745,936</u>	<u>\$ 607,409</u>	22.8 ¹
Provisional rate:						
Residential	\$ 5,260	\$ 5,117	2.8	\$ 56,225	\$ 37,916	48.3 ¹
Commercial	7,731	6,227	24.2 ¹	72,360	54,668	32.4 ¹
Industrial	2,165	1,382	56.7 ¹	19,995	14,049	42.3 ¹
Others	399	402	(0.7)	3,612	3,507	3.0
Total	<u>\$ 15,555</u>	<u>\$ 13,128</u>	18.5	<u>\$ 152,192</u>	<u>\$ 110,140</u>	38.2 ¹
Fuel adjustment:						
Residential	\$ 42,280	\$ 42,253	0.1	\$ 432,099	\$ 382,504	13.0
Commercial	60,606	47,886	26.6 ¹	537,466	454,453	18.3 ¹
Industrial	16,755	8,379	100.0	139,422	113,555	22.8 ¹
Others	3,266	1,614	102.4	27,882	31,223	(10.7)
Total	<u>\$ 122,907</u>	<u>\$ 100,132</u>	22.7 ¹	<u>\$ 1,136,869</u>	<u>\$ 981,735</u>	15.8 ¹
Purchased power:						
Residential	\$ 23,789	\$ 35,807	(33.6) ¹	\$ 214,873	\$ 179,712	19.6 ¹
Commercial	34,224	42,776	(20.0) ¹	268,287	208,702	28.6 ¹
Industrial	9,383	7,772	20.7 ¹	69,970	50,060	39.8 ¹
Others	1,672	3,246	(48.5) ¹	13,791	14,021	(1.6)
Total	<u>\$ 69,068</u>	<u>\$ 89,601</u>	(22.9) ¹	<u>\$ 566,921</u>	<u>\$ 452,495</u>	25.3 ¹
Total revenues:						
Residential	\$ 96,692	\$ 108,966	(11.3)	\$ 950,542	\$ 778,609	22.1 ¹
Commercial	145,718	137,232	6.2	1,260,627	1,042,462	20.9 ¹
Industrial	36,594	22,060	65.9 ¹	298,499	234,520	27.3 ¹
Others	10,444	11,305	(7.6)	92,250	96,188	(4.1)
Total	<u>\$ 289,448</u>	<u>\$ 279,563</u>	3.5 ¹	<u>\$ 2,601,918</u>	<u>\$ 2,151,779</u>	20.9 ¹

¹ Changes due to comparison with March 2018 and previous fiscal year, when billing policy and systems were affected by after effects of Hurricanes Irma and Maria. For purchased power revenue, decrease in current fiscal year due to a \$23.7 million revenue catch for March 2018.

	MARCH					
	Month			Fiscal Year-to-Date		
	2019	2018	Increase (Decrease) %	2018-19	2017-18	Increase (Decrease) %
2. Cents per kWh						
Basic revenues:						
Residential	5.74	5.78	(0.7)	5.44	5.51	(1.3)
Commercial	6.97	8.12	(14.2)	6.83	7.48	(8.7)
Industrial	4.61	4.60	0.2	4.47	5.18	(13.7)
Others	16.73	17.70	(5.5)	16.78	17.32	(3.1)
Total	6.44	7.13	(9.7)	6.23	6.78	(8.1)
Provisional rate:						
Residential	1.19	1.15	3.5	1.24	1.17	6.0
Commercial	1.25	1.25	0.0	1.29	1.26	2.4
Industrial	1.20	1.40	(14.3)	1.29	1.28	0.8
Others	1.31	1.18	11.0	1.29	1.28	0.8
Total	1.22	1.22	0.0	1.27	1.23	3.3
Fuel adjustment:						
Residential	9.55	9.47	0.8	9.50	12.98	(26.8) ¹
Commercial	9.78	9.65	1.3	9.61	11.72	(18.0)
Industrial	9.31	8.52	9.3	9.02	11.61	(22.3) ¹
Others	10.69	4.73	126.0	9.96	12.69	(21.5) ¹
Total	9.67	9.32	3.8	9.49	12.21	(22.3) ¹
Purchased power:						
Residential	5.38	8.03	(33.0)	4.72	5.55	(15.0)
Commercial	5.53	8.61	(35.8)	4.79	4.81	(0.4)
Industrial	5.21	7.90	(34.1)	4.53	4.56	(0.7)
Others	5.48	9.51	(42.4)	4.93	5.12	(3.7)
Total	5.43	8.33	(34.8)	4.74	5.05	(6.1)
Total revenues:						
Residential	21.86	24.43	(10.5)	20.90	24.04	(13.1)
Commercial	23.53	27.63	(14.8)	22.52	24.01	(6.2)
Industrial	20.33	22.42	(9.3)	19.31	21.35	(9.6)
Others	34.21	33.12	3.3	32.96	35.13	(6.2)
Total	22.76	26.00	(12.5)	21.73	24.04	(9.6)
3. Clients:						
Residential	1,348,854	1,338,960	0.7	1,344,801	1,338,290	0.5
Commercial	122,906	123,029	(0.1)	122,976	123,469	(0.4)
Industrial	602	613	(1.8)	603	613	(1.6)
Others	3,254	3,338	(2.5)	3,281	3,349	(2.0)
Total	<u>1,475,616</u>	<u>1,465,940</u>	0.7	<u>1,471,661</u>	<u>1,465,721</u>	0.4
4. Average kWh per client:						
Residential	328	333	(1.6)	3,382	2,420	39.7 ¹
Commercial	5,038	4,038	24.8	45,529	35,161	29.5 ¹
Industrial	299,002	160,532	86.3	2,564,000	1,792,178	43.1 ¹
Others	9,383	10,225	(8.2)	85,302	81,767	4.3
Total	862	734	17.5	8,136	6,108	33.2 ¹

¹ Changes due to comparison with March 2018 and previous fiscal year, when billing policy and systems were affected by after effects of Hurricanes Irma and María.

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	MARCH					
	Month		Increase (Decrease) %	Fiscal Year-to-Date		Increase (Decrease) %
	2019	2018		2018-19	2017-18	
kWh sales:						
Residential	14	9	²	113	81	39.5
Commercial	184,544	103,719	77.9 ¹	1,512,594	1,523,138	(0.7)
Industrial						
Others	28,511	29,955	(4.8)	254,135	259,992	(2.3)
Total	<u>213,069</u>	<u>133,683</u>	59.4 ¹	<u>1,766,842</u>	<u>1,783,211</u>	(0.9)
Basic revenues:						
Residential	\$ 1	\$ 1		\$ 6	\$ 4	50.0
Commercial	12,878	11,031	16.7	109,770	117,453	(6.5)
Industrial						
Others	5,023	5,386	(6.7)	45,329	46,153	(1.8)
Total	<u>\$ 17,902</u>	<u>\$ 16,418</u>	9.0	<u>\$ 155,105</u>	<u>\$ 163,610</u>	(5.2)
Provisional rate:						
Residential	\$ -	\$ -		\$ 1	\$ 1	0.0
Commercial	2,391	1,347	77.5 ¹	19,616	19,774	(0.8)
Industrial						
Others	370	389	(4.9)	3,353	3,379	(0.8)
Total	<u>\$ 2,761</u>	<u>\$ 1,736</u>	59.0 ¹	<u>\$ 22,970</u>	<u>\$ 23,154</u>	(0.8)
Fuel adjustment:						
Residential	\$ 1	\$ 1		\$ 12	\$ 8	50.0
Commercial	16,532	10,135	63.1 ¹	144,934	141,946	2.1
Industrial						
Others	2,644	3,073	(14.0)	25,891	25,662	0.9
Total	<u>\$ 19,177</u>	<u>\$ 13,209</u>	45.2 ¹	<u>\$ 170,837</u>	<u>\$ 167,616</u>	1.9
Purchased power:						
Residential	\$ 1	\$ 1		\$ 6	\$ 4 ¹	50.0
Commercial	9,730	4,753	104.7 ¹	70,364	70,253	0.2
Industrial						
Others	1,564	1,443	8.4	12,532	12,607	(0.6)
Total	<u>\$ 11,295</u>	<u>\$ 6,197</u>	82.3 ¹	<u>\$ 82,902</u>	<u>\$ 82,864</u>	0.0
Total revenues:						
Residential	\$ 3	\$ 3		\$ 25	\$ 17 ¹	47.1
Commercial	41,531	27,266	52.3 ¹	344,684	349,426	(1.4)
Industrial						
Others	9,601	10,291	(6.7)	87,105	87,801	(0.8)
Total	<u>\$ 51,135</u>	<u>\$ 37,560</u>	36.1 ¹	<u>\$ 431,814</u>	<u>\$ 437,244</u>	(1.2)
2. Service Agreements:						
Residential	13	14		14	13	7.7
Commercial	20,294	20,701	(2.0)	20,507	18,683	9.8
Industrial						
Others	2,827	2,851	(0.8)	2,823	2,558	10.4
Total	<u>23,134</u>	<u>23,566</u>	(1.8)	<u>23,344</u>	<u>21,254</u>	9.8

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

Changes due to comparison with March 2018 and previous fiscal year, when billing policy and systems were affected by after effects of Hurricanes Irma and Maria.

¹ Over 100%

Interim Operational and Financial Information Subject to Material Change

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

	MARCH					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	\$ 75.9	\$ 81.9	7.9	\$ 690.8	\$ 745.9	8.0
Fuel adjustment	108.4	122.9	13.4	1,072.5	1,136.9	6.0
Purchased power	67.6	69.1	2.2	591.0	566.9	(4.1)
Provisional rate	<u>15.3</u>	<u>15.6</u>	2.0	<u>141.1</u>	<u>152.2</u>	7.9
Revenues from sales	\$ 267.2	289.5	8.3	2,495.40	2,601.90	4.3
Other	<u>(3.7)</u>	<u>60.2</u>	¹	<u>(33.6)</u>	<u>81.5</u>	¹ ⁷
Total revenues	<u>\$ 263.5</u>	<u>\$ 349.7</u>	32.7 ¹	<u>\$ 2,461.9</u>	<u>\$ 2,683.4</u>	9.0
Fuel	\$ 96.5	\$ 103.3	7.0	\$ 954.6	\$ 1,028.7	7.8
Purchased power	60.1	59.4	(1.2)	526.0	499.8	(5.0)
Other expenses	<u>65.0</u>	<u>45.0</u>	(30.8) ²	<u>585.0</u>	<u>468.4</u>	(19.9)
Total current expenses	\$ 221.6	\$ 207.7	(6.3)	\$ 2,065.6	\$ 1,996.8	(3.3)
1974 - sinking fund appropriations ³	33.5	58.3	74.0	301.5	524.3	73.9
Interest on notes ⁴	5.6	4.5	(19.6)	49.9	45.5	(8.8)
Internal funds ⁵	(21.2)	62.1	⁷	(159.9)	116.8 ⁶	⁷
Contribution to municipalities	6.2	6.3	1.6	57.2	0.0 ⁶	⁷
Other appropriations	<u>17.8</u>	<u>10.8</u>	(39.3)	<u>147.5</u>	<u>0.0</u> ⁶	⁷
Total	<u>\$ 263.5</u>	<u>\$ 349.7</u>	32.7	<u>\$ 2,461.8</u>	<u>\$ 2,683.4</u>	9.0

EXPLANATION OF MAJOR VARIATIONS

¹ During month, a \$57.3 million portion of the impairment loss with the Government Development Bank was recovered, composed of \$15.2 million in cash and \$42.1 in cancelled notes payable. As gain was fully realized during month, it was not amortized.

² Other expenses lower than budgeted for the following: Maintenance expenses for \$6.8 million, customer service and collection expenses for \$2.7 million, and administrative and general expenses for \$9.9 million.

³ The 1974 Sinking Fund appropriation have been accrued but not paid nor transferred.

⁴ Interest on notes budgeted was projected assuming a debt restructuring process.

⁵ Internal funds have been accrued but not paid nor transferred to the Construction Fund. Actual amounts are maintained as part of the General Fund, to provide a reserve for current expenses.

⁶ Fiscal year operational deficiency of \$124.7 million, which represents uncovered losses, was charged against Other Appropriation for \$103.2 million, against CILT for \$16.5 million, and against Internal Funds for \$5.0 million.

⁷ 100% or Over.

Interim Operational and Financial Information Subject to Material Change

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

	MARCH					
	Month			Fiscal Year-to-Date		
	2019	2018	Increase (Decrease) %	2018-19	2017-18	Increase (Decrease) %
Basic charges	\$ 81.9	\$ 76.7	6.8	\$ 745.9	\$ 607.4	22.8 ¹
Fuel adjustment	122.9	100.1	22.8 ¹	1,136.9	981.7	15.8
Purchased power	69.1	89.6	(22.9) ¹	566.9	452.6	25.3 ¹
Provisional rate	15.6	13.2	18.2	152.2	110.1	38.2 ¹
Revenues from sales	\$ 289.5	279.6	3.5	\$2,601.9	\$ 2,151.8	20.9 ¹
Other	60.2	0.4	²	81.5	(9.8)	²
Total revenues	<u>\$ 349.7</u>	<u>\$280.0</u>	24.9 ^{1,2}	<u>\$2,683.4</u>	<u>\$2,142.0</u>	25.3 ^{1,2}
Fuel	\$ 103.3	\$ 89.0	16.1	\$ 1,028.7	\$ 870.7	18.1
Purchased power	59.4	56.8	4.6	499.8	377.0	32.6 ³
Other expenses	45.0	54.8	(17.9)	468.4	499.4	(6.2)
Total current expenses	\$ 207.7	\$200.6	3.5	\$1,996.9	\$1,747.1	14.3
1974 - sinking fund appropriations ⁴	58.3	63.5	(8.2)	524.3	571.7	(8.3)
Interest on notes ⁵	4.5	4.5	0.0	45.5	39.7	14.6
Internal funds ⁶	62.1	1.6	⁸	116.8	8.2	^{7,8}
Contribution to municipalities	6.3	(2.8)	⁸	0.0	(326.4)	^{7,8}
Other appropriations	10.8	12.6	(14.3)	0.0	101.7	^{7,8}
Total	<u>\$ 349.7</u>	<u>\$280.0</u>		<u>\$2,683.5</u>	<u>\$2,142.0</u>	

EXPLANATION OF MAJOR VARIATIONS

¹ Changes due to comparison with March 2018 and previous fiscal year, when billing policy and systems were affected by after effects of Hurricanes Irma and Maria.

² During month, a \$57.3 million portion of the impairment loss with the Government Development Bank was recovered, composed of \$15.2 million in cash and \$42.1 in cancelled notes payable. As gain was fully realized during month, it was not amortized.

³ For past fiscal year to date, kWh production for purchased power was 2,726 mWh, a 45.7 percent decrease when compared to current fiscal year.

⁴ The 1974 Sinking Fund appropriation have been accrued but not paid nor transferred.

⁵ Interest on notes budgeted was projected assuming a debt restructuring process.

⁶ Internal funds have been accrued but not paid nor transferred to the Construction Fund. Actual amounts are maintained as part of the General Fund, to provide a reserve for current expenses.

⁷ Fiscal year operational deficiency of \$124.7 million, which represents uncovered losses, was charged against Other Appropriation for \$103.2 million, against CILT for \$16.5 million, and against Internal Funds for \$5.0 million.

⁸ 100% or Over.

Interim Operational and Financial Information Subject to Material Change

D. Notes Payable
(in thousand dollars)

MARCH

<u>Construction Financing</u>			<u>Operational Financing</u>		
	<u>2019</u>	<u>2018</u>		<u>2019</u>	<u>2018</u>
1. Rehabilitation Isabela Dam (GDB):			1. Government Emergency Line		
Line of credit	\$ 25,354	\$ 25,354	Line of credit	\$ 300,000	\$ -
Amount received	<u>713</u>	<u>713</u>	Amount received	<u>0</u>	<u>0</u>
Available balance	<u>\$ 24,641</u>	<u>\$ 24,641</u>	Available balance	<u>\$ 300,000</u>	<u>\$ -</u>
Debt outstanding balance	\$ 713	\$ 713	Debt outstanding balance	\$ -	\$ -
Maturity Date	June 30, 2018		Maturity Date	June 30, 2018	
2. State Revolving Fund Program Aguirre & San Juan Plant (AFICA):			2. Fuel Financing (Scotiabank):		
Line of credit	\$ 27,023	\$ 27,023	Line of credit	\$ 550,000	\$ 550,000
Amount received	<u>11,914</u>	<u>5,750</u>	Amount received	<u>549,950</u>	<u>549,950</u>
Available balance	<u>\$ 15,109</u>	<u>\$ 21,273</u>	Available balance	<u>\$ 50</u>	<u>\$ 50</u>
Debt outstanding balance	\$ 11,914	\$ 6,214	Debt outstanding balance	\$ 549,950	\$ 549,950
Maturity Date	June 30, 2033		Maturity Date	August 14, 2014	
			3. Fuel Financing (Citibank):		
			Line of credit	\$ 150,000	\$ 150,000
			Amount received	<u>146,042</u>	<u>146,042</u>
			Available amount	<u>\$ 3,958</u>	<u>\$ 3,958</u>
			Debt outstanding balance	\$ 146,042	\$ 146,042
			Maturity Date	January 10, 2014	

Interim Operational and Financial Information Subject to Material Change

PUERTO RICO ELECTRIC POWER AUTHORITY

E. Necessary Maintenance Expenses ¹
(in thousand dollars)

	MARCH					
	Month ²			Fiscal Year-to-Date ³		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	\$ 7,438	\$ 10,830	45.6	\$ 66,942	\$ 36,255	(45.8) #
Transmission	1,064	(1,777)	(267.0)	9,576	(17,590)	(283.7) #
Distribution	5,952	2,796	(53.0)	53,568	65,677	22.6 #
Other	3,747	599	(84.0)	33,723	1,906	(94.3) #
Total	\$ 18,201	\$ 12,448	(31.6)	\$ 163,809	\$ 86,248	(47.3) #

	2018	2019
F. Highest debt coverage as of June 30	0.85	1.33

G. REA Projects

	Month	Fiscal Year-to-Date
Total investment	\$0	\$0
Families served	1	4,363

¹ Capital Improvement Program was suspended after filing of Title III of PROMESA. Only the necessary maintenance expenses will be presented.

² 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.

³ Includes monthly overhead allocation.

Interim Operational and Financial Information Subject to Change

STATISTICS OF ACCOUNTS RECEIVABLE FROM SALES OF ELECTRIC ENERGY ¹
(in thousand dollars)

	MARCH		Increase (Decrease) %
	2019	2018	
General clients	954,277	1,070,380	(10.8)
Government (State and federal agencies and public corporations)	255,018	229,794	11.0
Total Accounts Receivable	<u>1,209,295</u>	<u>1,300,174</u>	(7.0)
Uncollectibles Reserve from state and federal and public corporations	<u>(739,063)</u>	<u>(719,542)</u>	2.7
Accounts Receivable after Reserve	<u>470,232</u>	<u>580,632</u>	(19.0)
Sales of electric energy (12 months)			
Revenues from sales	2,762,155	2,586,380	6.8
Indicators:			
A/R to Sales	17.0%	22.4%	(24.2)
Sales Days in A/R	62	82	(24.2)
Ratio of collections to sales:			
General clients:			
Sales	2,390,038	2,195,336	8.9
Collections	2,911,930	2,002,236	45.4
%Collection to Sales	121.8	91.2	33.6
Government:			
Sales net of municipalities, public lightning and exclusions	372,117	391,044	(4.8)
Collections	366,613	328,351	11.7
% Collection to Sales	98.52	84.0	17.3
Total:			
Sales net of municipalities, public lightning and exclusions	2,762,155	2,586,380	6.8
Collections	3,278,543	2,330,587	40.7
%Collection to Sales	118.7	90.1	31.7

¹ Source of Information: Customer Service Department

PUERTO RICO ELECTRIC POWER AUTHORITY

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STATEMENT OF NET POSITION
ASSETS AND DEFERRED OUTFLOWS
(in thousands)

	March 31 2019	June 30 2018
Current assets:		
Cash and cash equivalents		
General fund	\$ 60,558	\$ 65,779
Reserve for current expenses	237,127	266,245
Revenue fund	13	13
Working funds	1,787	1,726
Total cash and cash equivalents	<u>299,485</u>	<u>333,763</u>
Accounts receivable (Exhibit A)	1,583,500	1,553,654
Fuel oil inventory	162,944	169,852
Materials and supplies inventory	142,538	112,522
Prepayments and other (Exhibit B)	944,188	371,789
Total current assets	<u>3,132,655</u>	<u>2,541,580</u>
Non current receivables (Exhibit A)	<u>97,195</u>	<u>97,195</u>
Restricted Assets		
Cash held by trustees	<u>(193,935)</u>	<u>(3)</u>
Investments held by trustees		
Sinking funds - Interest	3,343	3,388
Non current restricted deposits held by trustees	5,433	5,427
Total investment held by trustees	<u>8,776</u>	<u>8,815</u>
Construction fund and other		
Construction fund	61,810	56,720
Investment held by REA	1,135	1,124
Reserve maintenance fund	16,516	16,364
Other restricted fund	5,223	5,174
Total construction fund and other	<u>84,684</u>	<u>79,382</u>
Total restricted assets	<u>(100,475)</u>	<u>88,194</u>
Utility Plant		
Electric plant in service	13,176,455	13,100,626
Less: accumulated depreciation	7,944,786	7,671,223
Net electric plant in service	<u>5,231,669</u>	<u>5,429,403</u>
Construction work in progress, including preliminary surveys of 4 and 77	569,980	555,317
Total utility plant	<u>5,801,649</u>	<u>5,984,720</u>
Deferred debits:		
Unamortized debt expense	(4,080)	(4,080)
Other	1,563,472	1,560,188
Total deferred debits	<u>1,559,392</u>	<u>1,556,108</u>
Total assets	<u>10,490,416</u>	<u>10,267,797</u>
Deferred outflows of resources	<u>96,556</u>	<u>96,556</u>
Total Assets and Deferred Outflows	<u>\$ 10,586,972</u>	<u>\$ 10,364,353</u>

Interim Operational and Financial Information Subject to Material Change

STATEMENT OF NET POSITION
LIABILITIES AND NET POSITION
(in thousands)

	March 31 2019	June 30 2018
Liabilities and net position		
Current Liabilities		
Notes payable to banks	\$ 707,907	\$ 739,006
Accounts payable and accrued liabilities (Exhibit C)	2,114,212	1,674,710
Customer deposits, including accrued interest	35,808	29,634
Unearned revenue- Federal Grant	7,200	7,200
Total current liabilities	<u>2,865,127</u>	<u>2,450,550</u>
Current liabilities payable from restricted assets		
Current portion of long-term debt	605,013	599,441
Notes payable from restricted assets	65,789	300,000
Accrued interest payable on bonds and notes	839,461	702,407
Other current liabilities (Exhibit C)	14,805	14,801
Total current liabilities from restricted assets	<u>1,525,068</u>	<u>1,616,649</u>
Non current liabilities		
Power revenue bonds, net of unamortized debt discount of (36,484) and (36,484)	7,809,754	7,809,754
Net pension liability	4,666,535	4,666,535
Non current portion, accounts payable and accrued sick leave	91,898	91,898
Accrued unfunded OPEB	123,813	123,813
Customer deposits - noncurrent	198,046	198,046
Total noncurrent liabilities	<u>12,890,046</u>	<u>12,890,046</u>
Total liabilities	<u>17,280,241</u>	<u>16,957,245</u>
Deferred inflows of resources:		
Deferred gain on pension valuation	47,343	47,343
Total net position (Deficit)	<u>(6,740,612)</u>	<u>(6,640,235)</u>
Total Liabilities and Net Position	<u>\$ 10,586,972</u>	<u>\$ 10,364,353</u>

Interim Operational and Financial Information Subject to Material Change

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

	MONTH		
	Budget March 2019	Actual March 2019	Actual March 2018
Operating revenues:			
Sales of electric energy	\$ 254,546	\$ 279,034	\$ 267,302
Total operating revenues	254,546	279,034	267,302
Other income	(3,687)	60,243	434
Total revenues	250,859	339,277	267,736
Expenses:			
Fuel cost	\$ 96,452	103,259	88,973
Purchased power	60,127	59,386	56,780
Other production	4,307	3,672	4,234
Transmission and distribution	9,985	9,950	13,346
Maintenance	15,650	8,894	16,478
Customer accounting and collection	8,713	6,051	8,098
Administrative and general	26,345	16,463	12,643
Subtotal expenses by function	221,579	207,675	200,552
Other post - employment benefits	653	-	-
Depreciation	31,237	31,343	30,224
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	39,048	38,020	39,304
Contribution to municipalities	6,176	6,259	4,407
Other appropriations	5,180	354	346
Bond discount and defeasance amortization	-	619	117
Total expenses	303,873	284,270	274,950
Contributed capital	983	333	-
Changes in net position	\$ (52,031)	\$ 55,340	\$ (7,214)

Interim Operational and Financial Information Subject to Material Change

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

	FISCAL YEAR		
	Budget March 2019	Actual March 2019	Actual March 2018
Operating revenues:			
Sales of electric energy	\$ 2,397,229	\$ 2,504,774	\$ 2,056,065
Total operating revenues	2,397,229	2,504,774	2,056,065
Other income	(33,184)	77,127	(9,759)
Total revenues	2,364,045	2,581,901	2,046,306
Expenses:			
Fuel cost	954,572	1,028,661	870,713
Purchased power	526,039	499,824	377,030
Other production	38,762	38,138	39,766
Transmission and distribution	89,869	94,112	118,953
Maintenance	140,851	109,860	143,117
Customer accounting and collection	77,924	61,455	74,586
Administrative and general	237,596	164,797	104,691
Subtotal expenses by function	2,065,613	1,996,847	1,728,856
Other post - employment benefits	5,877	-	-
Depreciation	281,130	273,528	273,061
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	351,434	347,018	352,999
Contribution to municipalities	57,238	56,105	56,878
Other appropriations	49,289	6,081	3,114
Bond discount and defeasance amortization	-	5,572	1,049
Total expenses	2,810,581	2,685,151	2,415,957
Contributed capital	8,849	2,873	453
Changes in net position	\$ (437,687)	\$ (100,377)	\$ (369,198)

Interim Operational and Financial Information Subject to Material Change

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

	MONTH		
	Budget March 2019	Actual March 2019	Actual March 2018
Revenues:			
Sales of electric energy (Exhibit D)	\$ 267,187	\$ 289,448	\$ 279,564
Total operating revenues	267,187	289,448	279,564
Other income	(3,687)	60,243	434
Total revenues	263,500	349,691	279,998
Less: 1974 construction fund investment income and gain on sale of properties	42	68	3
Revenues - net	263,458	349,623	279,995
Current expenses:			
Fuel cost	96,452	103,259	88,973
Purchased power	60,127	59,386	56,780
Other production	4,307	3,672	4,234
Transmission and distribution	9,985	9,950	13,346
Maintenance	15,650	8,894	16,478
Customer accounting and collection	8,713	6,051	8,098
Administrative and general	26,345	16,463	12,643
Total current expenses	221,579	207,675	200,552
Net revenues (as defined)	41,879	141,948	79,443
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds ⁽¹⁾	33,500	33,500	34,815
Bond redemption account ⁽¹⁾	-	24,753	28,711
Interest on notes	5,548	4,520	4,488
Capital Improvements fund	(21,166)	62,148	1,630
Total contractual obligations	17,882	124,921	69,644
Balance	23,997	17,027	9,799
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	6,176	6,259	-
Other	17,821	10,768	(2,809)
Total provision for contribution and other	23,997	17,027	(2,809)
Deficiency from Operations	-	-	12,608
Remainder	\$ -	\$ -	\$ -

Footnotes:

⁽¹⁾ The 1974 Sinking Fund appropriation have been accrued but not transferred.

⁽²⁾ Internal funds have been accrued but not paid, nor transferred to Construction Fund. Actual amounts are maintained as part of General Fund, to provide a Reserve for Current Expenses.

Interim Operational and Financial Information Subject to Material Change

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

	FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
	Budget March 2019	Actual March 2019	Actual March 2018	Budget June 2018	Actual March 2019	Actual March 2018
Revenues:						
Sales of electric energy (Exhibit D)	\$ 2,495,465	\$ 2,601,918	\$ 2,151,776	\$ 3,357,633	\$ 3,471,284	\$ 3,028,282
Total operating revenues	2,495,465	2,601,918	2,151,776	3,357,633	3,471,284	3,028,282
Non operating revenues:						
Federal Grants					156	
Other income	(33,184)	77,127	(9,759)	25,034	81,240	40,960
Total revenues	2,462,281	2,679,045	2,142,017	3,382,667	3,552,680	3,069,242
Less: 1974 construction fund investment income and gain on sale of properties	375	592	18	567	827	29
Revenues - net	2,461,906	2,678,453	2,141,999	3,382,100	3,551,853	3,069,213
Current expenses:						
Fuel cost	954,572	1,028,661	870,713	1,068,641	1,357,892	1,182,241
Purchased power	526,039	499,824	377,030	820,324	656,319	570,330
Other production	38,762	38,138	39,766	57,658	49,659	109,115
Transmission and distribution	89,869	94,112	118,953	151,495	107,417	358,353
Maintenance	140,851	109,860	143,117	197,310	125,692	376,978
Customer accounting and collection	77,924	61,455	74,586	107,690	78,654	243,170
Administrative and general	237,596	164,797	104,691	234,501	228,161	440,582
Natural disaster expense	-	-	-	-	4,629	-
Total current expenses	2,065,613	1,996,847	1,728,856	2,637,619	2,608,423	3,280,769
Net revenues (as defined)	396,293	681,606	413,143	744,481	943,430	(211,556)
Contractual obligations:						
Sinking fund appropriations -						
Interest on power revenue bonds (1)	301,502	301,502	313,336	-	405,947	420,999
Bond redemption account (1)	-	222,776	258,401	-	308,910	317,742
Interest on notes	49,933	45,516	39,663	126,351	62,214	52,929
Capital Improvements fund	(159,905)	116,793	8,157	360,236	121,284	9,137
Total contractual obligations	191,530	686,587	619,557	486,587	898,355	800,807
Balance	204,764	(4,981)	(206,414)	257,894	45,075	(1,012,363)
Provision for Contribution in Lieu of Taxes and other appropriations						
Contribution to municipalities	57,238	16,500	(326,387)	72,474	27,253	(297,765)
Other	147,526	103,224	98,825	185,420	146,566	29,243
Total provision for contribution and other	204,764	119,724	(227,562)	257,894	173,819	(268,522)
Deficiency from Operations	0	(124,705)	-	-	(124,705)	(764,989)
Remainder	\$ -	\$ -	\$ 21,148	\$ -	\$ (4,039)	\$ 21,148

(1) The 1974 Sinking Fund Appropriation have been accrued but not transferred.

(2) Internal funds have been accrued but not paid, nor transferred to Construction Fund. Actual amounts are maintained as part of General Fund, to provide a Reserve for Current Expenses.

Interim Operational and Financial Information Subject to Material Change

PUERTO RICO ELECTRIC POWER AUTHORITY

NET POSITION
(in thousands)

	March 2019	June 2018
Net Position		
Invested in utility plant, net related debt	\$ (2,281,998)	\$ (2,328,280)
Restricted for capital activity and debt service	(1,569,500)	(1,243,772)
Unrestricted	<u>(2,889,114)</u>	<u>(3,068,183)</u>
Total net position	<u>\$ (6,740,612)</u>	<u>\$ (6,640,235)</u>

Interim Operational and Financial Information Subject to Material Change

INTERIM OPERATIONAL AND FINANCIAL INFORMATION SUBJECT TO CHANGE

ACCOUNTS RECEIVABLE
(in thousands)

Exhibit A

	March 2019	June 2018
Electric and related services:		
General clients	\$ 1,072,773	\$ 1,082,619
Recoveries under fuel adjustment and purchase power clause under or (over) billed	77,811	79,759
Unbilled services	303,638	298,170
Allowance for uncollectible accounts- General Client	<u>(706,409)</u>	<u>(704,363)</u>
Total General Clients	<u>747,813</u>	<u>756,185</u>
Government, including current and non current	1,051,473 ⁽¹⁾	1,005,534
Allowance for uncollectible accounts- Government	<u>(129,850)</u>	<u>(129,850)</u>
Total Government	921,623	875,684
Claims Receivable from Insurance Companies & Other	(178)	(178)
Advances to Irrigation Systems - net	10,736	13,241
Accrued interest	180	141
Other	471	5,726
Natural Disaster- Federal Grants Receivable	50	50
Total Accounts Receivable	<u>1,680,695</u>	<u>1,650,849</u>
Less: Government Account Receivable, non current portion	97,195	97,195
Total Accounts Receivable, current portion	<u>\$ 1,583,500</u>	<u>\$ 1,553,654</u>

(1) Excludes CILT set aside during fiscal year 2018-2019 and 2017-2018.

Interim Operational and Financial Information Subject to Material Change

PREPAYMENTS AND OTHER
(in thousands)

Exhibit B

	March 2019	June 2018
Claims Outstanding Related to Property Damages	\$ 907,782	\$ 361,361
Prepayments and other	36,406	10,428
Total	\$ 944,188	\$ 371,789

Interim Operational and Financial Information Subject to Material Change

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	March 2019	June 2018
Exhibit C		
Accounts payable - fuel oil and other	\$ 1,092,589	\$ 690,777
Accrued annual leave	38,902	40,404
Accrued sick leave	5,409	5,301
Accrued salaries and fringe benefits	3,484	3,983
Accrued Contribution in Lieu of Taxes	749,602	709,997
Accrued Actuarial Retirement	3,497	3,497
Reserve for injuries and damages	190,459	187,069
Accrued Contributions Federal Social Security	2,309	1,301
Income tax withheld at source	788	-
Health plan	-	4,478
Other	27,173	27,903
Sub total current liabilities	<u>2,114,212</u>	<u>1,674,710</u>
Other current payables from restricted assets		
Retention on Contract Work	4,896	2,831
Vouchered A/P construction	2,847	6,437
Contribution aid to construction	7,062	5,533
Total other current payables from restricted assets	<u>14,805</u>	<u>14,801</u>
Total current Liabilities	<u>2,129,017</u>	<u>1,689,511</u>
NON-CURRENT LIABILITIES		
Net Pension Liability	4,666,535	4,666,535
Accrued sick leave	91,898	91,898
Accrued Unfunded OPEB	123,813	123,813
Total non current liabilities	<u>4,882,246</u>	<u>4,882,246</u>
Total accounts payables and non current liabilities	<u>\$ 7,011,263</u>	<u>\$ 6,571,757</u>

(1) Excludes CILT set aside during fiscal year 2018-2019 and 2017-2018.

Interim Operational and Financial Information Subject to Material Change

PUERTO RICO ELECTRIC POWER AUTHORITY
SALES OF ELECTRIC ENERGY
MARCH 2019

Class of Service	Clients		Khrs (in thousands)			
	Billed	Total	Monthly			Total
			Billed	Unbilled	Adjustment ¹	
Residential	1,348,854	1,348,854	426,390	248,799	(232,964)	442,225
Commercial	122,906	122,906	595,888	329,376	(306,108)	619,156
Industrial	602	602	166,660	103,665	(90,326)	179,999
Public Lighting	2,121	2,121	25,697	5,726	(6,029)	25,394
Other Public Authorities	2	2	2,865	1,119	(1,179)	2,805
Agricultural	1,131	1,131	2,195	1,163	(1,026)	2,332
Subtotal	1,475,616	1,475,616	1,219,695	689,848	(637,632)	1,271,911
Fuel Oil Adjustment						
Purchased Power						
Purchased Power						
Unrecovered Fuel Oil Cost-net						
Unrecovered Purchased Power Cost-net						
Total	1,475,616	1,475,616	1,219,695	689,848	(637,632)	1,271,911

FISCAL YEAR-TO-DATE

Class of Service	Average Clients	KWHRS (thousands)	Revenues (thousands)	Kwhrs. per Client	Cents per KWHRS Sold
Residential	1,344,801	4,547,967	303,570	3,382	6.68
Commercial	122,976	5,598,953	454,874	45,529	8.12
Industrial	603	1,546,092	89,106	2,564,000	5.76
Public Lighting	2,127	232,067	47,513	109,105	20.47
Other Public Authorities	2	28,623	1,581	14,311,500	5.52
Agricultural	1,152	19,185	1,484	16,654	7.74
Subtotal	1,471,661	11,972,887	898,128	8,136	7.50
Fuel Oil Adjustment			1,144,267		9.49
Purchased Power			561,471		4.74
Subtotal	1,471,661	11,972,887	2,603,866	8,136	21.75
Unrecovered Fuel Oil Cost-net			(7,398)		
Unrecovered Purchased Power Cost-net			5,450		
Subsidies			(97,144)		
Total	1,471,661	11,972,887	2,504,774	8,136	20.92

Interim Operational and Financial Information Subject to Change

PUERTO RICO ELECTRIC POWER AUTHORITY
SALES OF ELECTRIC ENERGY
MARCH 2019

Exhibit D

REVENUES
(in thousand \$)

Class of Service	Billed	Unbilled	Adjustment	Total	Kwhrs. per Client	Cents per Kwlr. Sold	
Residential	29,960	9,974	(9,311)	30,623	328	6.93	
Commercial	49,183	22,748	(21,043)	50,888	5,038	8.22	
Industrial	9,917	4,822	(4,283)	10,456	299,002	5.81	
Public Lighting	5,244	989	(1,051)	5,182	11,973	20.41	
Other Public Authorities	163	48	(53)	158	1,402,735	5.63	
Agricultural	159	62	(55)	166	2,062	7.12	
Subtotal	94,626	38,643	(35,796)	97,473	862	7.66	
Fuel Oil Adjustment	108,894	54,312	(49,247)	113,959		9.66	122,907.00
Purchased Power	64,422	35,444	(33,067)	66,799		5.43	69,068.00
Unrecovered Fuel Oil Cost-net				8,948			
Unrecovered Purchased Power Cost-net				2,269			
Subsidies				(10,414.00)			
Total	<u>267,942</u>	<u>128,399</u>	<u>(118,110)</u>	<u>279,034</u>	<u>863</u>	<u>21.94</u>	

*Unbilled kwhrs from prior month