



**Government of Puerto Rico**  
Puerto Rico Electric Power Authority

May 31, 2017

Governing Board

Ricardo L. Ramos Rodríguez  
Chief Executive Officer

**OPERATIONS REPORT – APRIL 2017**

Enclosed is the report on the operations of the Puerto Rico Electric Power Authority for April 2017.

Enclosure

**Chief Executive Officer**

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PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	APRIL		Increase (Decrease) %
	2016-17	2015-16	
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	952,539	1,057,935	(10.0)
PREPA - Hydro	6,229	1,970	*
Purchased power - gas	275,510	280,210	(1.7)
Purchased power - coal	310,975	314,884	(1.2)
Renewable Energy	34,752	20,040	73.4
Total	1,580,005	1,675,039	(5.7)
Fiscal year-to-date:			
PREPA - Steam and gas	10,730,295	11,627,786	(7.7)
PREPA - Hydro	74,098	48,023	54.3
Purchased power - gas	2,817,536	2,704,188	4.2
Purchased power - coal	2,804,940	2,650,840	5.8
Renewable Energy	295,546	264,873	11.6
Total	16,722,415	17,295,710	(3.3)
Twelve months:			
PREPA - Steam and gas	13,180,248	13,962,399	(5.6)
PREPA - Hydro	80,701	54,371	48.4
Purchased power - gas	3,340,794	3,254,551	2.6
Purchased power - coal	3,368,808	3,297,322	2.2
Renewable Energy	356,294	330,630	7.8
Total	20,326,845	20,899,273	(2.7)
2. Maximum hourly peak load (in MW)			
Month		2,751	(100.0)
Fiscal year-to-date		3,080	(100.0)
Twelve months		3,080	(100.0)
3. Sales (kWh in thousands)			
Month:			
Billed	1,317,987	1,352,802	(2.6)
Days billed	31.0	30.0	3.3
Fiscal year-to-date:			
Billed	14,180,601	14,362,391	(1.3)
Days billed	304.0	304.0	0.0
Twelve months:			
Billed	17,091,588	17,282,221	(1.1)
Days billed	364.0	364.0	0.0
4. System efficiency (%)			
Month	83.8	80.2	4.5
Fiscal year-to-date	84.3	82.8	1.9
Twelve months	84.3	82.9	1.7
5. Average cost per barrel (\$)			
Month	61.01	43.84	39.2
Fiscal year-to-date	57.04	52.98	7.7
Twelve months	55.42	55.47	(0.1)
6. kWh/Barrel			
Month	621.76	632.36	(1.7)
Fiscal year-to-date	612.39	603.79	1.4
Twelve months	614.01	605.32	1.4
7. Heat rate (BTU/kWh)**			
Month	10,598	10,426	1.6
Fiscal year-to-date	10,737	10,705	0.3
Twelve months	10,704	10,819	(1.1)

\*100% or over

\*\* Revised prior year

8. Fuel consumption  
(in thousands)

	2016-2017		2015-2016		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
Month:						
Steam	792	45,928	803	29,170	(1.4)	57.4
Gas	356	27,177	321	21,221	10.9	28.1
Natural Gas	384	20,372	549	22,948	(30.1)	(11.2)
Total	<u>1,532</u>	<u>93,477</u>	<u>1,673</u>	<u>73,339</u>	<u>(8.4)</u>	<u>27.5</u>
Fiscal year-to-date:						
Steam	8,684	470,931	10,040	479,117	(13.5)	(1.7)
Gas	4,375	311,037	4,359	304,503	0.4	2.1
Natural Gas	4,463	217,506	4,859	236,677	(8.1)	(8.1)
Total	<u>17,522</u>	<u>999,474</u>	<u>19,258</u>	<u>1,020,297</u>	<u>(9.0)</u>	<u>(2.0)</u>
Twelve months:						
Steam	10,694	558,294	12,180	616,430	(12.2)	(9.4)
Gas	5,277	370,516	5,049	367,501	4.5	0.8
Natural Gas	5,495	260,874	5,837	295,653	(5.9)	(11.8)
Total	<u>21,466</u>	<u>1,189,684</u>	<u>23,066</u>	<u>1,279,584</u>	<u>(6.9)</u>	<u>(7.0)</u>

## APRIL

			Increase (Decrease) %	
	2017	2016		
B. Client Service				
1. Service complaints per thousand clients		2.93		(100.0)
2. Disconnections for nonpayment per thousand clients		7.62		(100.0)
C. Distribution System				
1. Interruption frequency index				
Total interruptions per thousand clients served	0.402	0.395		1.8
2. Interruption duration index				
Average interruption time per clients served (minutes)	62.50	59.58		4.9
3. Clients per interruption	234	249		(6.1)
4. Time per interruption (minutes)	326	308		5.9

D. Personnel

		APRIL		
		<u>2017</u>	<u>2016</u>	<u>Increase (Decrease)</u>
Management Conf. / Carr.	Reg.	1,850	1,924	(74)
	Temp.	28	7	21
U.T.I.E.R.	Reg.	3,564	3,733	(169)
	Temp.	13	13	0
	Emerg.			
U.I.T.I.C.E.	Reg.	611	648	(37)
	Temp.			
U.E.P.I.	Reg.	306	315	(9)
	Temp.			
U.P.A.E.E.	Reg.	4	4	0
	Temp.			
Total		<u><u>6,376</u></u>	<u><u>6,644</u></u>	<u><u>(268)</u></u>

## II. FINANCIAL HIGHLIGHTS

## A. Revenue data

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

	APRIL					
	Month			Fiscal Year-to-Date		
	2017	2016	Increase (Decrease) %	2016-17	2015-16	Increase (Decrease) %
kWh sales:						
Residential	492,136	504,444	(2.4)	5,277,786	5,291,933	(0.3)
Commercial	619,575	633,224	(2.2)	6,690,193	6,762,590	(1.1)
Industrial	184,641	175,653	5.1	1,820,284	1,945,304	(6.4)
Others	27,823	30,589	(9.0)	316,570	313,721	0.9
Total	<u>1,324,175</u>	<u>1,343,910</u>	(1.5)	<u>14,104,833</u>	<u>14,313,548</u>	(1.5)
Basic revenues:						
Residential	26,898	30,302	(11.2)	293,673	304,717	(3.6)
Commercial	43,282	41,841	3.4	446,179	451,511	(1.2)
Industrial	8,359	8,246	1.4	85,092	88,093	(3.4)
Others	4,999	5,185	(3.6)	51,866	51,664	0.4
Total	<u>83,538</u>	<u>85,574</u>	(2.4)	<u>876,810</u>	<u>895,985</u>	(2.1)
Provisional rate:						
Residential	5,991	0	*	58,910	0	*
Commercial	8,152	0	*	78,111	0	*
Industrial	2,350	0	*	21,078	0	*
Others	384	0	*	3,699	0	*
Total	<u>16,877</u>	<u>0</u>	*	<u>161,798</u>	<u>0</u>	*
Fuel adjustment:						
Residential	39,572	30,011	31.9	426,743	428,860	(0.5)
Commercial	49,855	41,790	19.3	539,458	554,834	(2.8)
Industrial	13,720	9,498	44.5	134,959	141,764	(4.8)
Others	2,294	1,554	47.6	26,516	25,659	3.3
Total	<u>105,441</u>	<u>82,853</u>	27.3	<u>1,127,676</u>	<u>1,151,117</u>	(2.0)
Purchased power:						
Residential	26,165	24,911	5.0	252,455	238,873	5.7
Commercial	32,897	31,293	5.1	320,158	300,718	6.5
Industrial	9,107	7,764	17.3	80,573	79,345	1.5
Others	1,445	1,679	(13.9)	15,817	14,647	8.0
Total	<u>69,614</u>	<u>65,647</u>	6.0	<u>669,003</u>	<u>633,583</u>	5.6
Total revenues:						
Residential	98,626	85,224	15.7	1,031,781	972,450	6.1
Commercial	134,186	114,924	16.8	1,383,906	1,307,063	5.9
Industrial	33,536	25,508	31.5	321,702	309,202	4.0
Others	9,122	8,418	8.4	97,898	91,970	6.4
Total	<u>275,470</u>	<u>234,074</u>	17.7	<u>2,835,287</u>	<u>2,680,685</u>	5.8

APRIL						
Month			Fiscal Year-to-Date			
2017	2016	Increase (Decrease) %	2016-17	2015-16	Increase (Decrease) %	
2. Cents per kWh						
Basic revenues:						
Residential	5.47	6.01	(9.0)	5.56	5.76	(3.5)
Commercial	6.99	6.61	5.7	6.67	6.68	(0.1)
Industrial	4.53	4.69	(3.4)	4.67	4.53	3.1
Others	17.97	16.95	6.0	16.38	16.47	(0.5)
Total	6.31	6.37	(0.9)	6.22	6.26	(0.6)
Provisional rate:						
Residential	1.22	0.00	*	1.12	0.00	*
Commercial	1.32	0.00	*	1.17	0.00	*
Industrial	1.27	0.00	*	1.16	0.00	*
Others	1.38	0.00	*	1.17	0.00	*
Total	1.27	0.00	*	1.15	0.00	*
Fuel adjustment:						
Residential	8.03	5.94	35.2	8.09	8.11	(0.2)
Commercial	8.04	6.60	21.8	8.06	8.20	(1.7)
Industrial	7.43	5.41	37.3	7.41	7.28	1.8
Others	8.25	5.08	62.4	8.37	8.18	2.3
Total	7.96	6.17	29.0	7.99	8.04	(0.6)
Purchased power:						
Residential	5.32	4.94	7.7	4.78	4.51	6.0
Commercial	5.31	4.94	7.5	4.79	4.45	7.6
Industrial	4.93	4.42	11.5	4.43	4.08	8.6
Others	5.19	5.49	(5.5)	5.00	4.67	7.1
Total	5.26	4.88	7.8	4.74	4.43	7.0
Total revenues:						
Residential	20.04	16.89	18.7	19.55	18.38	6.4
Commercial	21.66	18.15	19.3	20.69	19.33	7.0
Industrial	18.16	14.52	25.1	17.67	15.89	11.2
Others	32.79	27.52	19.1	30.92	29.32	5.5
Total	20.80	17.42	19.4	20.10	18.73	7.3
3. Clients:						
Residential	1,337,149	1,331,140	0.5	1,335,042	1,327,351	0.6
Commercial	123,741	123,857	(0.1)	123,833	123,808	0.0
Industrial	619	634	(2.4)	626	641	(2.3)
Others	3,344	3,380	(1.1)	3,363	3,369	(0.2)
Total	<u>1,464,853</u>	<u>1,459,011</u>	0.4	<u>1,462,864</u>	<u>1,455,169</u>	0.5
4. Average kWh per client:						
Residential	368	379	(2.9)	3,953	3,987	(0.8)
Commercial	5,007	5,113	(2.1)	54,026	54,622	(1.1)
Industrial	298,289	277,055	7.7	2,907,802	3,034,796	(4.2)
Others	8,320	9,050	(8.1)	94,133	93,120	1.1
Total	904	921	(1.9)	9,642	9,836	(2.0)

\*100% or over

## II. FINANCIAL HIGHLIGHTS

## A. Revenue data

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

	APRIL					
	Month			Fiscal Year-to-Date		
	2017	2016	Increase (Decrease) %	2016-17	2015-16	Increase (Decrease) %
kWh sales:						
Residential	10	7	42.9	112	104	7.7
Commercial	188,194	201,709	(6.7)	2,053,895	2,030,875	1.1
Industrial						
Others	27,208	28,136	(3.3)	293,092	292,802	0.1
Total	215,412	229,852	(6.3)	2,347,099	2,323,781	1.0
Basic revenues:						
Residential				6	5	20.0
Commercial	13,289	11,478	15.8	131,391	131,970	(0.4)
Industrial						
Others	4,976	5,025	(1.0)	50,062	50,530	(0.9)
Total	18,265	16,503	10.7	181,459	182,505	(0.6)
Provisional rate:						
Residential				1	0	*
Commercial	2,490	0	*	24,100	0	*
Industrial						
Others	354	0	*	3,392	0	*
Total	2,844	0	*	27,493	0	*
Fuel adjustment:						
Residential	1	1	0.0	9	9	0.0
Commercial	14,416	17,903	(19.5)	159,873	183,096	(12.7)
Industrial						
Others	2,197	1,861	18.1	24,167	24,990	(3.3)
Total	16,614	19,765	(15.9)	184,049	208,095	(11.6)
Purchased power:						
Residential	1	0	*	5	5	0.0
Commercial	10,627	8,937	18.9	94,820	88,002	7.7
Industrial						
Others	1,604	1,327	20.9	14,317	13,507	6.0
Total	12,232	10,264	19.2	109,142	101,514	7.5
Total revenues:						
Residential	2	1	*	21	19	10.5
Commercial	40,822	38,318	6.5	410,184	403,068	1.8
Industrial						
Others	9,131	8,213	11.2	91,938	89,027	3.3
Total	49,955	46,532	7.4	502,143	492,114	2.0
Clients:						
Residential	14	14	0.0	15	14	7.1
Commercial	21,420	25,158	(14.9)	23,850	24,468	(2.5)
Industrial						
Others	2,920	26,444	(89.0)	3,196	5,425	(41.1)
Total	24,354	51,616	(52.8)	27,061	29,907	(9.5)

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

\* 100% or Over

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

	APRIL 2017					
	Month			Fiscal Year-to-Date		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Basic charges	87.2	83.5	(4.2)	901.7	876.8	(2.8)
Fuel adjustment	68.2	105.4	54.5	686.1	1,127.7	64.4
Purchased power	83.7	69.6	(16.8)	765.0	669.0	(12.5)
Provisional rate	11.8	16.9	43.2	71.0	161.8	*
Revenues from sales	250.9	275.4	9.8	2,423.8	2,835.3	17.0
Other	(1.9)	(3.3)	73.7	(19.8)	(26.2)	32.3
Total revenues	249.0	272.1	9.3	2,404.0	2,809.1	16.9
Fuel	51.5	93.5	81.6	517.5	999.5	93.1
Purchased power	74.5	62.3	(16.4)	680.8	598.9	(12.0)
Other expenses	52.2	47.5	(9.0)	522.0	539.5	3.4
Total current expenses	178.2	203.3	14.1	1,720.3	2,137.9	24.3
1974 - sinking fund appropriations	17.7	55.7	*	176.9	541.6	*
Reserve Account			0.0			0.0
Rate Stabilization Fund			0.0			0.0
Interest on notes	3.3	4.3	30.3	33.1	44.0	32.9
Internal funds	31.8	0.0	*	291.3	0.8	(99.7)
Contribution to municipalities	4.3	(1.8)	*	43.0	(30.4)	*
Other appropriations	13.7	10.6	(22.6)	139.4	115.2	(17.4)
Total	249.0	272.1	9.3	2,404.0	2,809.1	16.9

EXPLANATION OF MAJOR VARIATIONS

1. The increase in the fuel adjustment and expense for the fiscal year-to-date was due to higher cost of fuel than budgeted.
2. Purchased power revenue and expenses decreased for the fiscal year-to-date due to a lower availability from cogenerators than budgeted.
3. On July 24, 2016, the Energy Commission approved the provisional rate.
4. The other revenues for the fiscal year-to-date increased due to a higher non operating income than budgeted.
5. The 1974 Sinking Fund appropriation have been accrued but not paid nor transferred.
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. Contribution to municipalities for the fiscal year-to-date decreased due to the application of ceiling limits and the annual saving of 5% in accordance with Act 4-2016.

\* 100% or Over

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

	APRIL					
	Month			Fiscal Year-to-Date		
	2017	2016	Increase (Decrease) %	2016-17	2015-16	Increase (Decrease) %
Basic charges	83.5	85.6	(2.5)	876.8	896.0	(2.1)
Fuel adjustment	105.4	82.9	27.1	1,127.7	1,151.1	(2.0)
Purchased power	69.6	65.6	6.1	669.0	633.6	5.6
Provisional rate	16.9	0.0	*	161.8	0.0	*
Revenues from sales	275.4	234.1	17.6	2,835.3	2,680.7	5.8
Other	(3.3)	2.0	*	(26.2)	22.3	*
Total revenues	<u>272.1</u>	<u>236.1</u>	15.2	<u>2,809.1</u>	<u>2,703.0</u>	3.9
Fuel	93.5	73.3	27.6	999.5	1,020.3	(2.0)
Purchased power	62.3	58.3	6.9	598.9	565.8	5.9
Other expenses	<u>47.5</u>	<u>54.0</u>	(12.0)	<u>539.5</u>	<u>548.3</u>	(1.6)
Total current expenses	203.3	185.6	9.5	2,137.9	2,134.4	0.2
1974 - sinking fund appropriations	55.7	52.9	5.3	541.6	534.9	1.3
Reserve Account	0.0	0.0	0.0	0.0	0.0	0.0
Rate Stabilization Fund	0.0	0.0	0.0	0.0	0.0	0.0
Interest on notes	4.3	4.3	0.0	44.0	44.8	(1.8)
Internal funds	0.0	0.0	0.0	0.8	0.0	*
Contribution to municipalities	(1.8)	(8.9)	(79.8)	(30.4)	(39.1)	(22.3)
Other appropriations	<u>10.6</u>	<u>2.2</u>	*	<u>115.2</u>	<u>28.0</u>	*
Total	<u>272.1</u>	<u>236.1</u>	15.2	<u>2,809.1</u>	<u>2,703.0</u>	3.9

## EXPLANATION OF MAJOR VARIATIONS

1. The decrease in the fuel adjustment and expense for the fiscal year-to-date was due to lower cost of fuel than prior year.
2. Purchased power revenue and expenses increased for the fiscal year-to-date due to a higher availability from cogenerators than prior year.
3. On July 24, 2016, the Energy Commission approved the provisional rate, which it is an increase to all classes of clients by 1.299 cents per kWh.
4. The other revenues for the fiscal year-to-date decreased due to a lower non operating income than prior year.
5. The 1974 Sinking Fund appropriation for current fiscal year have been accrued but not paid nor transferred.
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. Contribution to municipalities for the fiscal year-to-date decreased due to the application of ceiling limits and the annual saving of 5% in accordance with Act 4-2016.
8. Other appropriations for the fiscal year-to-date increased due a reclass of public lighting from Contribution to municipalities to other appropriation (subsidies) per Act 4-2016.

D. Notes Payable  
(in thousand dollars)

APRIL

**Construction Financing**

	2017	2016
1. Rehabilitation Isabela Dam (GDB):		
Line of credit	25,354	25,354
Amount received	713	713
Available balance	<u>24,641</u>	<u>24,641</u>
Debt outstanding balance	713	713
Maturity Date	June 30, 2018	
2. State Revolving Fund Program Aguirre & San Juan Plant (AFICA):		
Line of credit	27,023	27,023
Amount received	4,939	0
Available balance	<u>22,084</u>	<u>27,023</u>
Debt outstanding balance	4,939	0
Maturity Date	June 30, 2033	

**Operational Financing**

	2017	2016
1. Municipalities Settlement Agreement :		
Line of credit	64,208	64,208
Amount received	64,208	64,208
Available balance	<u>0</u>	<u>0</u>
Debt outstanding balance	0	0
Maturity Date	June 30, 2014	
2. Fuel Financing (Scotiabank) :		
Line of credit	550,000	550,000
Amount received	549,950	549,950
Available balance	<u>50</u>	<u>50</u>
Debt outstanding balance	549,950	549,950
Maturity Date	August 14, 2014	
3. Fuel Financing (Citibank) :		
Line of credit	150,000	150,000
Amount received	146,042	146,042
Available amount	<u>3,958</u>	<u>3,958</u>
Debt outstanding balance	146,042	146,042
Maturity Date	January 10, 2014	
4. Collateral SWAP - (GDB)		
Line of credit	100,000	100,000
Amount received	35,133	35,133
Available balance	<u>64,867</u>	<u>64,867</u>
Debt outstanding balance	35,133	35,133
Maturity Date	December 31, 2014	

E. Capital Improvements Program  
(in thousand dollars)

APRIL 2017						
	Month **			Fiscal Year-to-Date***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	6,936	3,165	(54.4)	69,363	56,530	(18.5)
Transmission	6,772	2,530	(62.6)	67,724	29,365	(56.6)
Distribution	6,161	3,283	(46.7)	61,613	37,227	(39.6)
Other	8,177	376	(95.4)	81,766	12,239	(85.0)
Total	<u>28,046</u>	<u>9,354</u>	(66.6)	<u>280,466</u>	<u>135,361</u>	(51.7)
Internal Funds	31,776	-	****	291,254	837	(99.7)
Percentage of Internal Funds to Investment in Capital Improvements Programs*	113%	0%		104%	1%	
Contribution AID for Construction		127			1,990	

	2017	2016
F. Highest debt coverage as of April 30	0.99	1.03

G. REA Projects

	Month	Fiscal Year-to-Date
Total investment	\$9,991	\$42,854
Families served	2	13

\*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.

\* \*\*\*\*100% or Over

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

	APRIL		Increase (Decrease) %
	2017	2016	
General clients	856,830	817,635	4.8
Government (State and federal agencies and public corporations)	213,873	274,428	(22.1)
Total Accounts Receivable	1,070,703	1,092,063	(2.0)
Uncollectibles Reserve	(513,893)	(491,339)	4.6
Accounts Receivable after Reserve	556,810	600,724	(7.3)
Sales of electric energy (12 months)			
Revenues from sales	3,153,319	3,250,276	(3.0)
Indicators:			
A/R to Sales	17.7%	18.5%	(4.5)
Sales Days in A/R	64	67	(4.5)
Ratio of collections to sales:			
General clients:			
Sales	2,748,822	2,696,617	1.9
Collections	2,677,860	2,782,407	(3.8)
%Collection to Sales	97.4	103.2	(5.6)
Government:			
Sales net of municipalities, public lightning and exclusions	404,497	553,659	(26.9)
Collections	468,417	380,110	23.2
% Collection to Sales	115.80	68.65	68.7
Total:			
Sales net of municipalities, public lightning and exclusions	3,153,319	3,250,276	(3.0)
Collections	3,146,277	3,162,517	(0.5)
%Collection to Sales	99.8	97.3	2.5

## PUERTO RICO ELECTRIC POWER AUTHORITY

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

	April 30 2017	June 30 2016
Current assets:		
Cash and cash equivalents		
General fund	\$ 60,558	\$ 60,558
Reserve for current expenses	321,917	235,221
Revenue fund	13	13
Working funds	1,100	1,033
Total cash and cash equivalents	<u>383,588</u>	<u>296,825</u>
Accounts receivable (Exhibit A)	1,959,215	1,845,977
Fuel oil inventory	123,315	71,473
Materials and supplies inventory	170,719	172,431
Prepayments and other (Exhibit B)	27,256	26,306
Total current assets	<u>2,664,093</u>	<u>2,413,012</u>
Non current receivables (Exhibit A)	<u>132,588</u>	<u>132,588</u>
Restricted Assets		
Cash held by trustees	<u>1</u>	<u>(1,908)</u>
Investments held by trustees		
Sinking funds - Interest	30	1,934
Non current restricted deposits held by trustees	8,027	8,024
Total investment held by trustees	<u>8,057</u>	<u>9,958</u>
Construction fund and other		
Construction fund	33,695	96,712
Investment held by REA	1,112	1,108
Reserve maintenance fund	16,150	16,083
Other restricted fund	5,124	5,116
Total construction fund and other	<u>56,081</u>	<u>119,019</u>
Total restricted assets	<u>64,139</u>	<u>127,069</u>
Utility Plant		
Electric plant in service	12,841,262	12,750,472
Less: accumulated depreciation	7,376,250	7,076,126
Net electric plant in service	5,465,012	5,674,346
Construction work in progress, including preliminary surveys of 16,919 and 16,876	827,617	776,948
Total utility plant	<u>6,292,629</u>	<u>6,451,294</u>
Deferred debits:		
Unamortized debt expense	(2,003)	(310)
Other	37,786	37,273
Total deferred debits	<u>35,783</u>	<u>36,963</u>
Total assets	<u>9,189,232</u>	<u>9,160,926</u>
Deferred outflows of resources	<u>113,076</u>	<u>120,648</u>
Total Assets and Deferred Outflows	<u>\$ 9,302,308</u>	<u>\$ 9,281,574</u>

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

	April 30 2017	June 30 2016
Liabilities and net position		
Current Liabilities		
Notes payable to banks	\$ 736,777	\$ 731,838
Accounts payable and accrued liabilities (Exhibit C)	1,859,567	1,775,067
Customer deposits, including accrued interest	43,841	31,830
Total current liabilities	<u>2,640,185</u>	<u>2,538,735</u>
Current liabilities payable from restricted assets		
Current portion of long-term debt	248,126	234,394
Accrued interest payable on bonds and notes	150,768	11,881
Other current liabilities (Exhibit C)	39,962	44,203
Total current liabilities from restricted assets	<u>438,856</u>	<u>290,478</u>
Non current liabilities		
Power revenue bonds, net of unamortized debt discount of (43,306) and (46,259)	8,178,380	8,202,235
Net pension liability	1,704,640	1,704,640
Non current portion, accounts payable and accrued sick leave	114,518	114,518
Accrued unfunded OPEB	134,857	134,857
Customer deposits - noncurrent	171,396	171,396
Total noncurrent liabilities	<u>10,303,791</u>	<u>10,327,646</u>
Total liabilities	<u>13,382,832</u>	<u>13,156,859</u>
Deferred inflows of resources:		
Deferred gain on pension valuation	65,946	65,946
Total net position (Deficit)	<u>(4,146,470)</u>	<u>(3,941,231)</u>
Total Liabilities and Net Position	<u>\$ 9,302,308</u>	<u>\$ 9,281,574</u>



## PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget April 2017	Actual April 2017	Actual April 2016
Operating revenues:			
Sales of electric energy	\$ 250,981	\$ 275,470	\$ 234,074
Total operating revenues	250,981	275,470	234,074
Other income	(1,897)	(3,318)	2,101
Total revenues	249,084	272,152	236,175
Expenses:			
Fuel cost	51,547	93,477	73,339
Purchased power	74,482	62,328	58,287
Other production	3,531	4,443	4,834
Transmission and distribution	10,978	11,157	11,485
Maintenance	14,298	12,277	12,627
Customer accounting and collection	8,342	7,734	7,639
Administrative and general	15,050	11,858	17,422
Subtotal expenses by function	178,228	203,274	185,633
Other post - employment benefits	-	-	653
Depreciation	29,742	30,544	30,833
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	11,858	40,223	38,602
Contribution to municipalities	4,279	7,379	13,887
Other appropriations	13,720	10,640	2,219
Bond discount and defeasance amortization	-	136	399
Total expenses	237,827	292,196	272,226
Contributed capital	792	141	474
Changes in net position	\$ 12,049	\$ (19,903)	\$ (35,577)

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

	FISCAL YEAR		
	Budget April 2017	Actual April 2017	Actual April 2016
Operating revenues:			
Sales of electric energy	\$ 2,423,759	\$ 2,835,287	\$ 2,680,686
Total operating revenues	2,423,759	2,835,287	2,680,686
Other income	(18,966)	(25,771)	23,081
Total revenues	2,404,793	2,809,516	2,703,767
Expenses:			
Fuel cost	517,473	999,475	1,020,297
Purchased power	680,845	598,909	565,807
Other production	35,313	46,335	47,363
Transmission and distribution	109,784	121,567	122,978
Maintenance	142,976	130,554	135,277
Customer accounting and collection	83,419	80,201	78,029
Administrative and general	150,504	160,890	164,612
Subtotal expenses by function	1,720,314	2,137,931	2,134,363
Other post - employment benefits	-	-	6,530
Depreciation	297,417	306,253	307,649
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	118,585	402,825	388,193
Contribution to municipalities	43,028	59,372	160,873
Other appropriations	139,383	115,156	27,975
Bond discount and defeasance amortization	-	904	6,553
Total expenses	2,318,727	3,022,441	3,032,136
Contributed capital	7,917	6,150	7,552
Changes in net position	\$ 93,983	\$ (206,775)	\$ (320,817)

## PUERTO RICO ELECTRIC POWER AUTHORITY

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

	MONTH		
	Budget April 2017	Actual April 2017	Actual April 2016
Revenues:			
Sales of electric energy (Exhibit D)	\$ 250,981	\$ 275,470	\$ 234,075
Total operating revenues	250,981	275,470	234,075
Other income	(1,897)	(3,318)	2,101
Total revenues	249,084	272,152	236,176
Less: 1974 construction fund investment income and gain on sale of properties	84	30	27
Revenues - net	249,000	272,122	236,149
Current expenses:			
Fuel cost	51,547	93,477	73,339
Purchased power	74,482	62,328	58,287
Other production	3,531	4,443	4,834
Transmission and distribution	10,978	11,157	11,485
Maintenance	14,298	12,277	12,627
Customer accounting and collection	8,342	7,734	7,639
Administrative and general	15,050	11,858	17,422
Total current expenses	178,228	203,274	185,633
Net revenues (as defined)	70,772	68,848	50,516
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds (1)	8,552	35,888	34,267
Bond redemption account (1)	9,139	19,780	18,670
Interest on notes	3,306	4,335	4,335
Capital Improvements fund	31,776	-	-
Total contractual obligations	52,773	60,003	57,272
Balance	17,999	8,845	(6,756)
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	4,279	(1,795)	(8,975)
Other	13,720	10,640	2,219
Total provision for contribution and other	17,999	8,845	(6,756)
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.

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

	FISCAL YEAR - TO DATE			TWELVE MONTHS ENDED		
	Budget April 2017	Actual April 2017	Actual April 2016	Budget June 2017	Actual April 2017	Actual April 2016
Revenues:						
Sales of electric energy (Exhibit D)	\$ 2,423,759	\$ 2,835,287	\$ 2,680,686	\$ 2,970,682	\$ 3,367,562	\$ 3,295,553
Total operating revenues	2,423,759	2,835,287	2,680,686	2,970,682	3,367,562	3,295,553
Other income	(18,966)	(25,771)	23,081	(22,759)	(24,771)	(147,263)
Total revenues	2,404,793	2,809,516	2,703,767	2,947,923	3,342,791	3,148,290
Less: 1974 construction fund investment						
income and gain on sale of properties	839	472	781	1,007	528	1,101
Revenues - net	2,403,954	2,809,044	2,702,986	2,946,916	3,342,263	3,147,189
Current expenses:						
Fuel cost	517,473	999,475	1,020,297	647,482	1,189,684	1,279,585
Purchased power	680,846	598,909	565,807	828,393	715,335	695,527
Other production	35,313	46,335	47,363	42,376	56,541	59,717
Transmission and distribution	109,784	121,567	122,978	131,741	146,941	154,964
Maintenance	142,975	130,554	135,277	171,571	157,087	175,088
Customer accounting and collection	83,419	80,201	78,029	100,103	95,510	95,604
Administrative and general	150,504	160,890	164,612	180,604	197,223	216,308
Total current expenses	1,720,314	2,137,931	2,134,363	2,102,270	2,558,321	
Net revenues (as defined)	683,640	671,113	568,623	844,646	783,942	470,395
Contractual obligations:						
Sinking fund appropriations -						
Interest on power revenue bonds (1)	85,522	358,877	323,006	102,626	428,199	385,655
Bond redemption account (1)	91,391	182,713	211,894	109,669	220,052	247,629
Reserve Account Fund (1)	-	-	-	-	-	(236,786)
Rate Stabilization Account	-	-	-	-	-	8,713
Interest on notes	33,062	43,948	44,800	39,675	52,710	53,615
Capital Improvements fund	291,254	837	-	366,779	837	2,960
Total contractual obligations	501,229	586,375	579,700	618,749	701,798	461,786
Balance	182,411	84,738	(11,077)	225,897	82,144	8,609
Provision for Contribution in Lieu of Taxes and other appropriations						
Contribution to municipalities	43,028	(30,418)	(39,052)	51,784	(51,641)	(29,637)
Other	139,383	115,156	27,975	174,113	133,785	38,246
Total provision for contribution and other	182,411	84,738	(11,077)	225,897	82,144	8,609
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.

## PUERTO RICO ELECTRIC POWER AUTHORITY

## NET POSITION

(in thousands)

	April 2017	June 2016
Net Position		
Invested in utility plant, net related debt	\$ (1,027,874)	\$ (686,162)
Restricted for capital activity and debt service	(665,444)	(659,345)
Unrestricted	<u>(2,453,152)</u>	<u>(2,595,724)</u>
Total net position	<u>\$ (4,146,470)</u>	<u>\$ (3,941,231)</u>

ACCOUNTS RECEIVABLE  
(in thousands)

Exhibit A

	April 2017	June 2016
Electric and related services:		
General clients	\$ 856,830	\$ 829,406
Recoveries under fuel adjustment and purchase power clause under or (over) billed	11,537	(14,191)
Unbilled services	162,676	167,574
Allowance for uncollectible accounts- General Client	<u>(455,396)</u>	<u>(434,755)</u>
Total General Clients	<u>575,647</u>	<u>548,034</u>
Government, including current and non current	1,529,050 <sup>(1)</sup>	1,418,851
Allowance for uncollectible accounts- Government	<u>(58,497)</u>	<u>(58,497)</u>
Total Government	1,470,553	1,360,354
Claims Receivable from Insurance Companies & Other	30,400	29,964
Advances to Irrigation Systems - net	5,478	9,098
Accrued interest	2,054	2,052
Other	<u>7,671</u>	<u>29,063</u>
Total Accounts Receivable	2,091,803	1,978,565
Less: Government Account Receivable, non current portion	<u>132,588</u>	<u>132,588</u>
Total Accounts Receivable, current portion	<u><u>\$ 1,959,215</u></u>	<u><u>\$ 1,845,977</u></u>

(1) Excludes CILT set aside during fiscal year 2016-2017 and 2015-2016.

PREPAYMENTS AND OTHER  
(in thousands)

Exhibit B

	April 2017	June 2016
Claims Outstanding Related to Property Damages	\$ 353	\$ 353
Prepayments and other	<u>26,903</u>	<u>25,953</u>
Total	<u>\$ 27,256</u>	<u>\$ 26,306</u>

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	April 2017	June 2016
Exhibit C		
Accounts payable - fuel oil and other	\$ 479,487	\$ 530,135
Accrued annual leave	47,478	50,302
Accrued sick leave	-	4,682
Accrued salaries and fringe benefits	2,845	3,867
Accrued Contribution in Lieu of Taxes	1,292,549	1,146,973
Accrued Actuarial Retirement	2,193	2,193
Reserve for injuries and damages	1,652	258
Accrued Contributions Federal Social Security	1,471	-
Income tax withheld at source	555	-
Health plan	10,404	20,060
Pension & Benefits Deferred Employer Contribution	9,342	9,342
Other	11,591	7,255
Sub total current liabilities	<u>1,859,567</u>	<u>1,775,067</u>
Other current payables from restricted assets		
Retention on Contract Work	5,901	5,672
Vouchered A/P construction	336	5,548
Contribution aid to construction	33,725	32,983
Total other current payables from restricted assets	<u>39,962</u>	<u>44,203</u>
Total current Liabilities	<u>1,899,529</u>	<u>1,819,270</u>
NON-CURRENT LIABILITIES		
Net Pension Liability	1,704,640	1,704,640
Accrued sick leave	114,518	114,518
Accrued Unfunded OPEB	134,857	134,857
Total non current liabilities	<u>1,954,015</u>	<u>1,954,015</u>
Total accounts payables and non current liabilities	<u>\$ 3,853,544</u>	<u>\$ 3,773,285</u>

(1) Excludes CILT set aside during fiscal year 2016-2017 and 2015-2016.



PUERTO RICO ELECTRIC POWER AUTHORITY  
SALES OF ELECTRIC ENERGY

April 2017

Exhibit D

Class of Service	CLIENTS		KWHRS (in thousands)				Total
	Billed	Total	Billed	Unbilled	MONTHLY Adjustment*		
Residential	1,337,149	1,337,149	483,027	330,900	(321,791)		492,136
Commercial	123,741	123,741	624,411	427,055	(431,891)		619,575
Industrial	619	619	181,023	125,107	(121,489)		184,641
Public lighting	2,153	2,153	24,769	9,245	(10,932)		23,082
Other public authorities	2	2	2,576	1,528	(1,543)		2,561
Agricultural	1,189	1,189	2,181	1,435	(1,435)		2,181
Subtotal	1,464,853	1,464,853	1,317,987	895,270	(889,081)		1,324,176
Fuel oil adjustment							
Purchased power							
Subtotal	1,464,853	1,464,853	1,317,987	895,270	(889,081)		1,324,176
Unrecovered fuel oil cost-net							
Unrecovered purchased power cost-net							
Total	1,464,853	1,464,853	1,317,987	895,270	(889,081)		1,324,176

FISCAL YEAR-TO-DATE					
Class of Service	Average Clients	Kwhrs. (thousands)	Revenue (thousand \$)	Kwhrs. per Client	Cents per Kwhr. Sold
Residential	1,335,042	5,277,786	352,583	3,953	6.68
Commercial	123,833	6,690,193	524,289	54,026	7.84
Industrial	626	1,820,284	106,170	2,907,802	5.83
Public lighting	2,168	266,830	52,377	123,077	19.63
Other public authorities	2	28,125	1,585	14,062,500	5.64
Agricultural	1,193	21,615	1,604	18,118	7.42
Subtotal	1,462,864	14,104,833	1,038,608	9,642	7.36
Fuel oil adjustment			1,111,664		7.99
Purchased Power			659,288		4.74
Subtotal	1,462,864	14,104,833	2,809,560	9,642	19.92
Unrecovered fuel oil cost-net			16,012		
Unrecovered purchased Power cost-net			9,715		
Total	1,462,864	14,104,833	2,835,287	9,642	20.10

SALES OF ELECTRIC ENERGY

April 2017

Exhibit D

	REVENUES (in thousands \$) MONTHLY			Kwhrs. per Client	Cents per Kwhr. Sold
	Billed	Unbilled	Adjustment*		
		Class of Service			
Residential	32,492	13,407	(13,010)	368	6.68
Commercial	51,296	27,915	(27,777)	5,007	8.30
Industrial	10,657	5,613	(5,561)	298,289	5.80
Public lighting	5,205	1,632	(1,771)	10,720	21.95
Other public authorities	152	70	(68)	1,280,557	6.01
Agricultural	164	77	(78)	1,834	7.49
Subtotal	99,966	48,714	(48,265)	904	7.58
Fuel oil adjustment	101,488	68,244	(65,456)		7.96
Purchased power	74,136	45,718	(47,410)		5.26
Subtotal	275,590	162,676	(161,131)	904	20.93
			1,165		
			(2,830)		
Total	275,590	162,676	(161,131)	904	20.80