
MONTHLY REPORT
TO THE GOVERNING BOARD
JUNE 2016

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PUERTO RICO ELECTRIC POWER AUTHORITY

I. OPERATIONS HIGHLIGHTS

A. Production

	JUNE		Increase (Decrease)
	2015-16	2014-15	%
1. Generation (kWh in thousands)			
Month:			
PREPA - Steam and gas	1,209,229	1,148,970	5.2
PREPA - Hydro	4,251	3,229	31.7
Purchased power - gas	235,824	296,409	(20.4)
Purchased power - coal	327,211	314,823	3.9
Renewable Energy	30,490	35,810	(14.9)
Total	1,807,005	1,799,241	0.4
Fiscal year:			
PREPA - Steam and gas	14,077,739	13,598,190	3.5
PREPA - Hydro	54,626	68,712	(20.5)
Purchased power - gas	3,227,497	3,342,130	(3.4)
Purchased power - coal	3,214,859	3,604,611	(10.8)
Renewable Energy	325,621	290,261	12.2
Total	20,900,342	20,903,904	(0.0)
2. Maximum hourly peak load (in MW)			
Month	3,042	2,897	5.0
Fiscal year	3,080	3,030	1.7
3. Sales (kWh in thousands)			
Month:			
Billed	1,493,010	1,464,239	2.0
Days billed	30.00	30.00	0.0
Fiscal year:			
Billed	17,273,377	17,226,230	0.3
Days billed	364.00	366.00	(0.5)
4. System efficiency (%)			
Month	84.9	82.0	3.6
Fiscal year	83.0	82.7	0.4
5. Average cost per barrel (\$)			
Month	50.31	67.52	(25.5)
Fiscal year	52.17	85.65	(39.1)
6. kWh/Barrel			
Month	618.22	615.74	0.4
Fiscal year	606.75	614.97	(1.3)
7. Heat rate (BTU/kWh) *			
Month	10,660	10,701	(0.4)
Fiscal year	10,809	10,764	0.4

PUERTO RICO ELECTRIC POWER AUTHORITY

JUNE

8. Fuel consumption
(in thousands)

	2015-16		2014-15		Increase (Decrease) %	
	BBL	Cost	BBL	Cost	BBL	Cost
Month:						
Steam	1,084	50,350	1,093	70,292	(0.8)	(28.4)
Gas	405	28,445	302	27,295	34.1	4.2
Natural Gas	467	19,599	471	28,391	(0.8)	(31.0)
Total	<u>1,956</u>	<u>98,394</u>	<u>1,866</u>	<u>125,978</u>	4.8	(21.9)
Fiscal year:						
Steam	12,050	566,480	13,289	1,077,239	(9.3)	(47.4)
Gas	5,261	363,982	3,578	396,796	47.0	(8.3)
Natural Gas	5,891	280,045	5,245	419,772	12.3	(33.3)
Total	<u>23,202</u>	<u>1,210,507</u>	<u>22,112</u>	<u>1,893,807</u>	4.9	(36.1)

JUNE

	2016	2015	Increase (Decrease) %
B. Client Service			
1. Service complaints per thousand clients	2.76	5.87	(53.0)
2. Disconnections for nonpayment per thousand clients	8.01	9.95	(19.5)
C. Distribution System			
1. Interruption frequency index			
Total interruptions per thousand clients served	0.432	0.312	38.4
2. Interruption duration index			
Average interruption time per clients served (minutes)	70.86	54.12	30.9
3. Clients per interruption	224	202	10.7
4. Time per interruption (minutes)	335	322	4.0

D. Personnel

		JUNE		Increase (Decrease)
		2016	2015	
Management Conf. / Carr.	Reg.	1,908	1,989	(81)
	Temp.	6	31	(25)
U.T.I.E.R.	Reg.	3,680	3,769	(89)
	Temp.	9	161	(152)
	Emerg.			
U.I.T.I.C.E.	Reg.	642	700	(58)
	Temp.			
U.E.P.I.	Reg.	313	321	(8)
	Temp.			
U.P.A.E.E.	Reg.	4	4	0
	Temp.	1	0	1
Total		<u>6,563</u>	<u>6,975</u>	<u>(412)</u>

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

	JUNE					
	Month			Fiscal Year		
	2016	2015	Increase (Decrease) %	2015-16	2014-15	Increase (Decrease) %
kWh sales:						
Residential	592,688	542,822	9.2	6,439,012	6,249,588	3.0
Commercial	712,878	693,280	2.8	8,187,002	8,331,186	(1.7)
Industrial	200,455	207,776	(3.5)	2,347,455	2,335,648	0.5
Others	28,346	31,098	(8.8)	375,597	363,655	3.3
Total	<u>1,534,367</u>	<u>1,474,976</u>	4.0	<u>17,349,066</u>	<u>17,280,077</u>	0.4
Basic revenues:						
Residential	33,154	29,499	12.4	367,093	347,541	5.6
Commercial	49,224	48,132	2.3	548,119	561,906	(2.5)
Industrial	9,143	9,380	(2.5)	106,405	107,013	(0.6)
Others	4,220	5,134	(17.8)	61,351	59,595	2.9
Total	<u>95,741</u>	<u>92,145</u>	3.9	<u>1,082,968</u>	<u>1,076,055</u>	0.6
Fuel adjustment:						
Residential	42,258	53,306	(20.7)	508,335	794,530	(36.0)
Commercial	53,612	66,937	(19.9)	660,175	1,023,483	(35.5)
Industrial	13,046	18,398	(29.1)	167,143	264,860	(36.9)
Others	2,198	3,282	(33.0)	30,324	46,961	(35.4)
Total	<u>111,114</u>	<u>141,923</u>	(21.7)	<u>1,365,977</u>	<u>2,129,834</u>	(35.9)
Purchased power:						
Residential	26,874	27,325	(1.7)	289,749	327,355	(11.5)
Commercial	30,700	34,247	(10.4)	361,728	428,113	(15.5)
Industrial	8,117	9,448	(14.1)	95,428	109,303	(12.7)
Others	993	1,612	(38.4)	17,110	19,440	(12.0)
Total	<u>66,684</u>	<u>72,632</u>	(8.2)	<u>764,015</u>	<u>884,211</u>	(13.6)
Total revenues:						
Residential	102,286	110,130	(7.1)	1,165,177	1,469,426	(20.7)
Commercial	133,536	149,316	(10.6)	1,570,022	2,013,502	(22.0)
Industrial	30,306	37,226	(18.6)	368,976	481,176	(23.3)
Others	7,411	10,028	(26.1)	108,785	125,996	(13.7)
Total	<u>273,539</u>	<u>306,700</u>	(10.8)	<u>3,212,960</u>	<u>4,090,100</u>	(21.4)

JUNE						
	Month		Increase (Decrease) %	Fiscal Year		Increase (Decrease) %
	2016	2015		2015-16	2014-15	
2. Cents per kWh						
Basic revenues:						
Residential	5.59	5.43	2.9	5.70	5.56	2.5
Commercial	6.90	6.94	(0.6)	6.69	6.74	(0.7)
Industrial	4.56	4.51	1.1	4.53	4.58	(1.1)
Others	14.89	16.51	(9.8)	16.33	16.39	(0.4)
Total	6.24	6.25	(0.2)	6.24	6.23	0.2
Fuel adjustment:						
Residential	7.14	9.83	(27.4)	7.90	12.71	(37.8)
Commercial	7.52	9.66	(22.2)	8.07	12.29	(34.3)
Industrial	6.51	8.86	(26.5)	7.12	11.34	(37.2)
Others	7.75	10.56	(26.6)	8.07	12.91	(37.5)
Total	7.24	9.62	(24.7)	7.88	12.32	(36.0)
Purchased power:						
Residential	4.53	5.03	(9.9)	4.50	5.24	(14.1)
Commercial	4.31	4.94	(12.8)	4.42	5.14	(14.0)
Industrial	4.05	4.55	(11.0)	4.07	4.68	(13.0)
Others	3.50	5.18	(32.4)	4.56	5.35	(14.8)
Total	4.35	4.92	(11.6)	4.40	5.12	(14.1)
Total revenues:						
Residential	17.26	20.29	(14.9)	18.10	23.51	(23.0)
Commercial	18.73	21.54	(13.0)	19.18	24.17	(20.6)
Industrial	15.12	17.92	(15.6)	15.72	20.60	(23.7)
Others	26.14	32.25	(18.9)	28.96	34.65	(16.4)
Total	17.83	20.79	(14.2)	18.52	23.67	(21.8)
3. Clients:						
Residential	1,332,712	1,326,204	0.5	1,328,193	1,327,748	0.0
Commercial	123,924	123,889	0.0	123,824	124,446	(0.5)
Industrial	634	646	(1.9)	640	654	(2.1)
Others	3,235	3,368	(3.9)	3,360	3,565	(5.8)
Total	<u>1,460,505</u>	<u>1,454,107</u>	0.4	<u>1,456,017</u>	<u>1,456,413</u>	(0.0)
4. Average kWh per client:						
Residential	445	409	8.7	4,848	4,707	3.0
Commercial	5,753	5,596	2.8	66,118	66,946	(1.2)
Industrial	316,175	321,635	(1.7)	3,667,898	3,571,327	2.7
Others	8,762	9,233	(5.1)	111,785	102,007	9.6
Total	1,051	1,014	3.6	11,915	11,865	0.4

II. FINANCIAL HIGHLIGHTS

A. Revenue data

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

JUNE					
Month			Fiscal Year		
		Increase (Decrease) %			Increase (Decrease) %
	2016	2015		2015-16	2014-15
kWh sales:					
Residential	10	11	(9.1)	124	123
Commercial	210,059	193,494	8.6	2,514,970	2,563,530
Industrial					
Others	27,776	29,039	(4.3)	348,914	332,233
Total	237,845	222,544	6.9	2,864,008	2,895,886
Basic revenues:					
Residential		1	*	6	6
Commercial	15,082	13,384	12.7	160,633	182,588
Industrial					
Others	4,498	5,005	(10.1)	59,786	56,864
Total	19,580	18,390	6.5	220,425	239,458
Fuel adjustment:					
Residential	1	1		10	17
Commercial	14,977	17,455	(14.2)	214,815	313,635
Industrial					
Others	1,687	2,906	(41.9)	28,495	44,629
Total	16,665	20,362	(18.2)	243,320	358,281
Purchased power:					
Residential	1	1		6	7
Commercial	11,247	9,561	17.6	108,245	132,829
Industrial					
Others	1,592	1,527	4.3	16,363	18,259
Total	12,840	11,089	15.8	124,614	151,095
Total revenues:					
Residential	2	3	(33.3)	22	30
Commercial	41,306	40,400	2.2	483,693	629,052
Industrial					
Others	7,777	9,438	(17.6)	104,644	119,752
Total	49,085	49,841	(1.5)	588,359	748,834
2. Clients:					
Residential	14	15	(6.7)	14	15
Commercial	24,065	23,964	0.4	24,688	24,378
Industrial					
Others	24,144	3,094	*	6,782	2,418
Total	48,223	27,073	78.1	31,484	26,811

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

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

	JUNE 2016						
	Month			Fiscal Year			
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %	
Basic charges	94.2	95.7	1.6	1,111.4	1,083.0	(2.6)	1
Fuel adjustment	210.0	111.1	(47.1)	2,507.0	1,366.0	(45.5)	2
Purchased power	89.4	66.7	(25.4)	979.7	764.0	(22.0)	
Revenues from sales	393.6	273.5	(30.5)	4,598.1	3,213.0	(30.1)	3
Other	2.7	(0.7)	*	32.6	23.2	(28.8)	
Total revenues	396.3	272.8	(31.2)	4,630.7	3,236.2	(30.1)	1
Fuel	186.4	98.4	(47.2)	2,225.3	1,210.5	(45.6)	2
Purchased power	79.6	59.5	(25.3)	872.0	682.2	(21.8)	
Other expenses	57.0	59.3	4.0	684.0	662.0	(3.2)	
Total current expenses	323.0	217.2	(32.8)	3,781.3	2,554.7	(32.4)	4
1974 - sinking fund appropriations	49.2	53.7	9.1	574.6	641.6	11.7	
Reserve Account	0.0	0.0	0.0	(172.2)	0.0	*	
Rate Stabilization Fund	6.0	0.0	*	69.7	0.0	*	
Interest on notes	4.3	4.3	0.0	51.7	53.6	3.7	5
Internal funds	(16.7)	0.0	*	21.4	0.0	*	6
Contribution to municipalities	27.2	(11.4)	*	264.2	(60.3)	*	
Other appropriations	3.3	9.0	*	40.0	46.6	16.5	
Total	396.3	272.8	(31.2)	4,630.7	3,236.2	(30.1)	

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 budgeted.
2. Purchased power revenue and expenses decreased for the fiscal year-to-date due to a lower availability from cogenerators than budgeted.
3. The other revenues for the fiscal year-to-date decreased due to a lower non operating income than budgeted.
4. The 1974 Sinking Fund appropriation have been accrued but not transferred. The Authority paid \$14.3 millions, \$173.8 millions, \$7.2 millions, \$191.5 millions in interest on Power Revenue Bonds for October 2015, January 2016, April 2016 and June 2016, respectively, from its operations; and \$224.0 millions on principal on June 2016.
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. 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 57-2014.

* 100% or Over

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

	JUNE					
	Month			Fiscal Year		
	2016	2015	Increase (Decrease) %	2015-16	2014-15	Increase (Decrease) %
Basic charges	95.7	92.2	3.8	1,083.0	1,076.1	0.6 ¹
Fuel adjustment	111.1	141.9	(21.7)	1,366.0	2,129.8	(35.9) ²
Purchased power	66.7	72.6	(8.1)	764.0	884.2	(13.6)
Revenues from sales	273.5	306.7	(10.8)	3,213.0	4,090.1	(21.4) ³
Other	(0.7)	0.2	*	23.2	21.7	6.9 ³
Total revenues	272.8	306.9	(11.1)	3,236.2	4,111.8	(21.3) ¹
Fuel	98.4	126.0	(21.9)	1,210.5	1,893.9	(36.1) ²
Purchased power	59.5	66.2	(10.1)	682.2	789.3	(13.6)
Other expenses	59.3	58.4	1.5	662.0	661.2	0.1
Total current expenses	217.2	250.6	(13.3)	2,554.7	3,344.4	(23.6) ⁴
1974 - sinking fund appropriations	53.7	49.2	9.1	641.6	574.6	11.7
Reserve Account	0.0	(236.8)	*	0.0	(407.3)	* ⁵
Rate Stabilization Fund	0.0	4.3	*	0.0	60.5	*
Interest on notes	4.3	4.3	0.0	53.6	55.1	(2.7) ⁶
Internal funds	0.0	211.0	*	0.0	209.8	* ⁷
Contribution to municipalities	(11.4)	19.0	*	(60.3)	233.7	* ⁸
Other appropriations	9.0	5.3	69.8	46.6	41.0	13.7
Total	272.8	306.9	(11.1)	3,236.2	4,111.8	(21.3)

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 decreased for the fiscal year-to-date due to a lower availability from cogenerators than prior year.
3. The other revenues for the fiscal year-to-date increased due to a higher non operating income than prior year.
4. The 1974 Sinking Fund appropriation for current fiscal year have been accrued but not paid nor transferred.
5. Until December 31, 2015, PREPA was obligated to set aside 2% out of the 11% surcharge of fuel and purchase power to a Rate Stabilization Account. Such fund was accrued but not paid.
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 57-2014.
8. Other appropriations for the fiscal year-to-date increased due to more funds assigned to residential clients' subsidy than prior year.

* 100% or Over

D. Notes Payable
(in thousand dollars)

JUNE

Construction Financing

	2016	2015
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 Plant (AFICA):		
Line of credit	17,560	17,560
Amount received	0	0
Available balance	<u>17,560</u>	<u>17,560</u>
Debt outstanding balance	0	0
Maturity Date	June 30, 2033	
2. State Revolving Fund Program San Juan Plant (AFICA):		
Line of credit	9,463	9,463
Amount received	0	0
Available balance	<u>9,463</u>	<u>9,463</u>
Debt outstanding balance	0	0
Maturity Date	June 30, 2033	

Operational Financing

	2016	2015
1. Municipalities Settlement Agreement :		
Line of credit	64,208	64,208
Amount received	<u>64,208</u>	<u>64,208</u>
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	<u>549,950</u>	<u>549,950</u>
Available amount	<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	<u>146,042</u>	<u>146,042</u>
Available balance	<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	<u>35,133</u>	<u>35,133</u>
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)

	JUNE 2016					
	Month **			Fiscal Year***		
	Budget	Actual	Increase (Decrease) %	Budget	Actual	Increase (Decrease) %
Production	6,720	7,362	9.6	80,635	49,275	(38.9)
Transmission	4,307	5,344	24.1	51,688	30,619	(40.8)
Distribution	7,114	4,467	(37.2)	85,362	67,182	(21.3)
Other	2,252	3,456	53.5	27,021	9,142	(66.2)
Total	<u>20,393</u>	<u>20,629</u>	1.2	<u>244,706</u>	<u>156,218</u>	(36.2)
Internal Funds	(16,719)	0	****	21,422	0	****
Percentage of Internal Funds to Investment in Capital Improvements Programs*	-82%	0%		9%	0%	
Contribution AID for Construction		406			2,447	

	<u>2016</u>	<u>2015</u>
F. Highest debt coverage as of June 30	1.03	1.16

G. REA Projects

	<u>Month</u>	<u>Fiscal Year</u>
Total investment	\$0	\$33,326
Families served	0	7

*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% and Over

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

	JUNE		Increase (Decrease) %
	2016	2015	
General clients	563,424	626,426	(10.1)
Government	1,347,403	1,031,375	30.6
Less: Accrued Contribution in Lieu of Taxes	<u>1,120,570</u>	<u>806,692</u>	38.9
Total Government, Net	<u>226,833</u>	<u>224,683</u>	1.0
Subtotal	<u>790,257</u>	<u>851,109</u>	(7.1)
Sales of electric energy (12 months)			
Revenues from sales	3,212,960	4,090,100	(21.4)
kWh (including subsidy)	17,349,066	17,280,077	0.4
Indicators:			
A. Ratio of accounts receivable to sales (%)	24.6	20.8	18.2
B. Ratio of accounts receivable to sales (%) (including subsidy)	24.4	20.7	18.1
C. Sales days in accounts receivable	90	76	18.2
D. Sales days in accounts receivable (including subsidy)	89	76	18.1
E. Ratio of collections to sales of electric energy:			
General clients:			
Sales*	2,624,603	3,341,266	(21.4)
Collections	2,675,114	3,507,703	(23.7)
Percent	101.9	105.0	(2.9)
Government:			
Sales	588,357	748,834	(21.4)
Collections	399,420	465,256	(14.2)
Percent	67.9	62.1	9.3
Percent of total sales	95.7	97.1	(1.5)

* Excludes residential clients' subsidy of \$19,513 and \$21,565 for the 12 months ended June 2016 and June 2015, respectively.

PUERTO RICO ELECTRIC POWER AUTHORITY

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

	June 30 2016	June 30 2015
Current assets:		
Cash and cash equivalents		
General fund	\$ 60,558	\$ 60,558
Reserve for current expenses	355,770	298,069
Revenue fund	13	13
Working funds	1,033	1,017
Total cash and cash equivalents	<u>417,374</u>	<u>359,657</u>
Accounts receivable (Exhibit A)	1,871,365	1,597,653
Fuel oil inventory	71,473	120,314
Materials and supplies inventory	172,431	183,809
Prepayments and other (Exhibit B)	26,306	3,793
Total current assets	<u>2,558,949</u>	<u>2,265,226</u>
Non current receivables (Exhibit A)	<u>108,959</u>	<u>108,959</u>
Restricted Assets		
Cash held by trustees	<u>(1,908)</u>	<u>-</u>
Investments held by trustees		
Sinking funds - Interest	1,934	53,842
Non current restricted deposits held by trustees	2,217	332,336
Total investment held by trustees	<u>4,151</u>	<u>386,178</u>
Construction fund and other		
Construction fund	127,012	163,380
Investment held by REA	1,108	1,106
Reserve maintenance fund	16,083	16,040
Other restricted fund	5,087	5,081
Total construction fund and other	<u>149,290</u>	<u>185,607</u>
Total restricted assets	<u>151,533</u>	<u>571,785</u>
Utility Plant		
Electric plant in service	12,654,565	12,495,368
Less: accumulated depreciation	<u>7,080,339</u>	<u>6,730,621</u>
Net electric plant in service	5,574,226	5,764,747
Construction work in progress, including preliminary surveys of 16,876 and 16,849	880,662	887,546
Total utility plant	<u>6,454,888</u>	<u>6,652,293</u>
Deferred debits:		
Unamortized debt expense	(3,938)	(3,627)
Other	35,204	34,078
Total deferred debits	<u>31,266</u>	<u>30,451</u>
Total assets	<u>9,305,595</u>	<u>9,628,714</u>
Deferred outflows of resources	<u>120,027</u>	<u>118,558</u>
Total Assets and Deferred Outflows	<u>\$ 9,425,622</u>	<u>\$ 9,747,272</u>

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

	June 30 2016	June 30 2015
Liabilities and net position		
Current Liabilities		
Notes payable to banks	\$ 731,838	\$ 731,838
Accounts payable and accrued liabilities (Exhibit C)	1,747,918	1,456,042
Customer deposits, including accrued interest	34,371	15,695
Total current liabilities	<u>2,514,127</u>	<u>2,203,575</u>
Current liabilities payable from restricted assets		
Current portion of long-term debt	235,630	452,119
Accrued interest payable on bonds and notes	11,881	211,192
Other current liabilities (Exhibit C)	44,203	42,255
Total current liabilities from restricted assets	<u>291,714</u>	<u>705,566</u>
Non current liabilities		
Power revenue bonds, net of unamortized debt discount of (45,023) and (46,493)	8,199,904	8,048,536
Non current portion, accounts payable and accrued sick leave	114,518	114,518
Accrued unfunded OPEB	134,857	127,016
Customer deposits - noncurrent	<u>168,855</u>	<u>168,855</u>
Total noncurrent liabilities	<u>8,618,134</u>	<u>8,458,925</u>
Total liabilities	<u>11,423,975</u>	<u>11,368,066</u>
Total net position (Deficit)	<u>(1,998,353)</u>	<u>(1,620,794)</u>
Total Liabilities and Net Position	<u>\$ 9,425,622</u>	<u>\$ 9,747,272</u>

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

	MONTH		
	Budget June 2016	Actual June 2016	Actual June 2015
Operating revenues:			
Sales of electric energy	\$ 393,567	\$ 273,539	\$ 306,700
Total operating revenues	<u>393,567</u>	<u>273,539</u>	<u>306,700</u>
Other income	<u>3,014</u>	<u>(708)</u>	<u>328</u>
Total revenues	<u>396,581</u>	<u>272,831</u>	<u>307,028</u>
Expenses:			
Fuel cost	186,399	98,394	125,979
Purchased power	79,582	59,517	66,242
Other production	4,734	5,328	4,680
Transmission and distribution	11,431	12,394	10,264
Maintenance	16,377	13,514	13,887
Customer accounting and collection	8,600	8,608	1,576
Administrative and general	<u>15,863</u>	<u>19,411</u>	<u>27,983</u>
Subtotal expenses by function	322,986	217,166	250,611
Other post - employment benefits	658	658	658
Depreciation	28,787	30,764	30,511
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	38,083	39,337	44,613
Contribution to municipalities	20,420	6,091	18,975
Other appropriations	3,340	9,053	5,295
Bond discount and defeasance amortization	<u>137</u>	<u>128</u>	<u>137</u>
Total expenses	<u>414,411</u>	<u>303,197</u>	<u>350,800</u>
Contributed capital	<u>2,166</u>	<u>514</u>	<u>386</u>
Changes in net position	<u>\$ (15,664)</u>	<u>\$ (29,852)</u>	<u>\$ (43,386)</u>

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

	FISCAL YEAR		
	Budget June 2016	Actual June 2016	Actual June 2015
Operating revenues:			
Sales of electric energy	\$ 4,598,098	\$ 3,212,960	\$ 4,090,100
Total operating revenues	<u>4,598,098</u>	<u>3,212,960</u>	<u>4,090,100</u>
Other income	<u>36,166</u>	<u>24,083</u>	<u>23,929</u>
Total revenues	<u>4,634,264</u>	<u>3,237,043</u>	<u>4,114,029</u>
Expenses:			
Fuel cost	2,225,324	1,210,507	1,893,857
Purchased power	871,976	682,232	789,315
Other production	56,815	57,570	57,640
Transmission and distribution	137,171	148,352	147,034
Maintenance	196,524	161,810	162,406
Customer accounting and collection	103,202	93,338	97,892
Administrative and general	<u>190,307</u>	<u>200,945</u>	<u>196,290</u>
Subtotal expenses by function	3,781,319	2,554,754	3,344,434
Other post - employment benefits	7,841	7,841	7,841
Depreciation	345,440	369,249	358,516
Interest on bonds, capital improvement notes, general obligation notes, less allowance for funds used during construction	456,980	466,277	466,914
Contribution to municipalities	223,581	172,332	233,749
Other appropriations	40,014	46,604	40,968
Bond discount and defeasance amortization	<u>1,648</u>	<u>5,723</u>	<u>1,648</u>
Total expenses	<u>4,856,823</u>	<u>3,622,780</u>	<u>4,454,070</u>
Contributed capital	<u>25,984</u>	<u>8,179</u>	<u>19,926</u>
Changes in net position	<u>\$ (196,575)</u>	<u>\$ (377,558)</u>	<u>\$ (320,115)</u>

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

	MONTH		
	Budget June 2016	Actual June 2016	Actual June 2015
Revenues:			
Sales of electric energy (Exhibit D)	\$ 393,567	\$ 273,539	\$ 306,700
Total operating revenues	393,567	273,539	306,700
Other income	3,014	(708)	328
Total revenues	396,581	272,831	307,028
Less: 1974 construction fund investment income and gain on sale of properties	291	29	161
Revenues - net	396,290	272,802	306,867
Current expenses:			
Fuel cost	186,399	98,394	125,979
Purchased power	79,582	59,517	66,242
Other production	4,734	5,328	4,680
Transmission and distribution	11,431	12,394	10,264
Maintenance	16,377	13,514	13,887
Customer accounting and collection	8,600	8,608	1,576
Administrative and general	15,863	19,411	27,983
Total current expenses	322,986	217,166	250,611
Net revenues (as defined)	73,304	55,636	56,256
Contractual obligations:			
Sinking fund appropriations -			
Interest on power revenue bonds ⁽¹⁾	31,324	35,055	31,324
Bond redemption account ⁽¹⁾	17,868	18,670	17,867
Reserve Account -P.R.B.	-	-	(236,785)
Rate Stabilization Account ⁽¹⁾	5,987	-	4,291
Interest on notes	4,305	4,282	4,335
Capital Improvements fund ⁽²⁾	(16,719)	-	210,954
Total contractual obligations	42,765	58,007	31,986
Balance	30,539	(2,371)	24,270
Provision for Contribution in Lieu of Taxes and other appropriations			
Contribution to municipalities	27,199	(11,424)	18,975
Other	3,340	9,053	5,295
Total provision for contribution and other	30,539	(2,371)	24,270
Remainder	\$ -	\$ -	\$ -

Footnotes:

⁽¹⁾ The 1974 Sinking Fund appropriation have been accrued but not transferred. The Authority paid \$14.3 millions, \$173.8 millions, \$7.2 millions, \$191.5 millions in interest on Power Revenue Bonds for October 2015, January 2016, April 2016 and June 2016, respectively, from its operations; and \$224.0 millions on principal on June 2016.

⁽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 June 2016	Actual June 2016	Actual June 2015	Budget June 2016	Actual June 2016	Actual June 2015
Revenues:						
Sales of electric energy (Exhibit D)	\$ 4,598,098	\$ 3,212,960	\$ 4,090,100			
Total operating revenues	4,598,098	3,212,960	4,090,100			
Other income	36,166	24,083	23,929			
Total revenues	4,634,264	3,237,043	4,114,029			
Less: 1974 construction fund investment income and gain on sale of properties	3,536	837	2,184			
Revenues - net	4,630,728	3,236,206	4,111,845			
Current expenses:						
Fuel cost	2,225,324	1,210,507	1,893,857			
Purchased power	871,976	682,232	789,315			
Other production	56,815	57,570	57,640			
Transmission and distribution	137,171	148,352	147,034			
Maintenance	196,524	161,810	162,406			
Customer accounting and collection	103,202	93,338	97,892			
Administrative and general	190,307	200,945	196,290			
Total current expenses	3,781,319	2,554,754	3,344,434			
Net revenues (as defined)	849,409	681,452	767,411			
Contractual obligations:						
Sinking fund appropriations -						
Interest on power revenue bonds ⁽¹⁾	360,153	392,329	422,330			
Bond redemption account ⁽¹⁾	214,410	249,233	214,410			
Reserve Account Fund ⁽¹⁾	(172,207)	-	(407,346)			
Rate Stabilization Account	69,733	-	60,558			
Interest on notes	51,650	53,562	55,084			
Capital Improvements fund ⁽²⁾	21,421	-	209,835			
Total contractual obligations	545,160	695,124	492,694			
Balance	304,249	(13,672)	274,717			
Provision for Contribution in Lieu of Taxes and other appropriations						
Contribution to municipalities	264,235	(60,275)	233,749			
Other	40,014	46,604	40,968			
Total provision for contribution and other	304,249	(13,672)	274,717			
Remainder	\$ -	\$ -	\$ -			

Footnotes:

⁽¹⁾ The 1974 Sinking Fund Appropriation have been accrued but not transferred. The Authority paid \$14.3 million and \$173.8 million in interest on Power Revenue Bonds for October 2015 and January 2016, respectively, from its operations.

⁽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)

	June 2016	June 2015
Net Position		
Invested in utility plant, net related debt	\$ (687,432)	\$ (746,314)
Restricted for capital activity and debt service	(634,881)	(220,515)
Unrestricted	<u>(676,040)</u>	<u>(653,965)</u>
Total net position	<u>\$ (1,998,353)</u>	<u>\$ (1,620,794)</u>

PUERTO RICO ELECTRIC POWER AUTHORITY

ACCOUNTS RECEIVABLE
(in thousands)

Exhibit A

	June 2016	June 2015
Electric and related services:		
General clients	\$ 829,406	\$ 855,241
Recoveries under fuel adjustment and purchase power clause under or (over) billed	(14,191)	5,312
Unbilled services	167,574	176,611
Allowance for uncollectible accounts	<u>(419,365)</u>	<u>(410,738)</u>
Total General Clients	<u>563,424</u>	<u>626,426</u>
Government, including current and non current	1,347,402 (1)	1,031,375
Claims Receivable from Insurance Companies & Other	29,964	29,819
Advances to Irrigation Systems - net	9,058	16,274
Accrued interest	2,048	2,639
Other	<u>28,428</u>	<u>79</u>
Total Accounts Receivable	<u>1,980,324</u>	<u>1,706,612</u>
Less: Government Account Receivable, non current portion	<u>108,959</u>	<u>108,959</u>
Total Accounts Receivable, current portion	<u>\$ 1,871,365</u>	<u>\$ 1,597,653</u>

(1) Excludes CILT set aside during fiscal year 2015-2016 and 2014-2015.

PREPAYMENTS AND OTHER
(in thousands)

Exhibit B

	June 2016	June 2015
Claims Outstanding Related to Property Damages	\$ 353	\$ 352
Prepayments and other	<u>25,953</u>	<u>3,441</u>
Total	<u>\$ 26,306</u>	<u>\$ 3,793</u>

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES
(in thousands)

Exhibit C

	June 2016	June 2015
Accounts payable - fuel oil and other	\$ 524,759	\$ 521,779
Accrued annual leave	50,302	55,329
Accrued sick leave	4,682	22,962
Accrued salaries and fringe benefits	3,867	4,175
Accrued Contribution in Lieu of Taxes	1,120,570	806,692
Reserve for injuries and damages	4,557	6,704
Accrued Contributions Federal Social Security	-	1,526
Income tax withheld at source	-	872
Pension & Benefits Deferred Employer Contribution	15,014	15,014
Other	22,454	20,989
Sub total current liabilities	<u>1,747,918</u>	<u>1,456,042</u>
Other current payables from restricted assets		
Retention on Contract Work	5,672	5,734
Vouchered A/P construction	5,548	6,316
Contribution aid to construction	32,983	30,205
Total other current payables from restricted assets	<u>44,203</u>	<u>42,255</u>
Total current Liabilities	<u>1,792,121</u>	<u>1,498,297</u>
NON-CURRENT LIABILITIES		
Accrued sick leave	114,518	114,518
Accrued Unfunded OPEB	134,857	127,016
Total non current liabilities	<u>249,375</u>	<u>241,534</u>
Total accounts payables and non current liabilities	<u>\$ 2,041,496</u>	<u>\$ 1,739,831</u>

(1) Excludes CILT set aside during fiscal year 2015-2016 and 2014-2015.

SALES OF ELECTRIC ENERGY

JUNE 2016

Exhibit D

Class of Service	CLIENTS		KWHRS (in thousands)			
	Billed	Total	MONTHLY			Total
			Billed	Unbilled	Adjustment*	
Residential	1,332,712	1,332,712	565,773	381,028	(354,113)	592,688
Commercial	123,924	123,924	699,523	452,653	(439,298)	712,878
Industrial	634	634	197,660	125,514	(122,719)	200,455
Public lighting	2,037	2,037	24,838	8,773	(10,517)	23,094
Other public authorities	2	2	3,108	1,658	(1,607)	3,159
Agricultural	1,196	1,196	2,108	1,413	(1,428)	2,093
Subtotal	1,460,505	1,460,505	1,493,010	971,039	(929,682)	1,534,367
Fuel oil adjustment						
Purchased power						
Subtotal	1,460,505	1,460,505	1,493,010	971,039	(929,682)	1,534,367
Unrecovered fuel oil cost-net						
Unrecovered purchased power cost-net						
Total	1,460,505	1,460,505	1,493,010	971,039	(929,682)	1,534,367

Class of Service	FISCAL YEAR-TO-DATE				
	Average Clients	Kwhrs. (thousands)	Revenue (thousand \$)	Kwhrs. per Client	Cents per Kwhr. Sold
Residential	1,328,193	6,439,012	367,093	4,848	5.70
Commercial	123,824	8,187,002	548,119	66,118	6.69
Industrial	640	2,347,455	106,405	3,667,898	4.53
Public lighting	2,164	312,516	58,072	144,416	18.58
Other public authorities	2	36,846	1,628	18,423,000	4.42
Agricultural	1,194	26,235	1,651	21,972	6.29
Subtotal	1,456,017	17,349,066	1,082,968	11,915	6.24
Fuel oil adjustment			1,372,516		7.88
Purchased Power			776,984		4.40
Subtotal	1,456,017	17,349,066	3,232,468	11,915	18.63
Unrecovered fuel oil cost-net			(6,539)		
Unrecovered purchased Power cost-net			(12,969)		
Total	1,456,017	17,349,066	3,212,960	11,915	18.52

SALES OF ELECTRIC ENERGY

JUNE 2016

Exhibit D

Class of Service	REVENUES (in thousand \$)				Kwhrs per Client	Cents per Kwhr. Sold
	MONTHLY			Total		
	Billed	Unbilled	Adjustment*			
Residential	31,868	15,759	(14,473)	33,154	445	5.59
Commercial	48,240	29,393	(28,409)	49,224	5,753	6.90
Industrial	9,043	5,707	(5,607)	9,143	316,175	4.56
Public lighting	4,388	1,432	(1,866)	3,954	11,338	17.12
Other public authorities	136	72	(70)	138	1,579,706	4.37
Agricultural	129	76	(77)	128	1,750	6.12
Subtotal	93,804	52,439	(50,502)	95,741	1,051	6.24
Fuel oil adjustment	92,721	70,226	(56,686)	106,261		7.24
Purchased power	80,411	44,909	(43,161)	82,159		4.35
Subtotal	266,936	167,574	(150,349)	284,161	1,051	17.83
Unrecovered fuel oil cost-net				4,854		
Unrecovered purchased power cost-net				(15,475)		
Total	266,936	167,574	0	273,540	1,051	17.83