



**Puerto Rico  
Electric Power  
Authority**

# **Puerto Rico Electric Power Authority**

---

**13-Week Cash Flow Update**

January 2, 2019

## Disclaimer

---

The information contained herein (the "**Information**") has been provided and prepared by the Puerto Rico Power Authority ("PREPA" or the "**Company**") and is in draft form subject to further discussions and revisions. No representation or warranty, express or implied, is made by the Company or its advisors as to the accuracy or completeness of the Information, that has not been independently verified. The Company and its advisors shall have no responsibility or liability for the accuracy or completeness of the Information, any errors, inaccuracies or omissions in the Information or the consequences of any reliance upon the Information. Without limitation of the foregoing, no representation or warranty, express or implied, is made by the Company or its advisors as to the accuracy or completeness of any forecasts or projections contained in the Information. Nothing contained in the Information may be relied upon as a promise or representation as to the future. The Information does not constitute an offer or solicitation to sell or purchase securities. Neither the Company or its advisors shall have any liability, whether direct or indirect, in contract or tort or otherwise, to any person in connection with the Information.

Projections are included in the Information. Such projections have not been examined by auditors. The projections and other material set forth herein contain certain statements that are "forward- looking statements". These statements are subject to a number of assumptions, risks, and uncertainties, many of which are and will be beyond the control of the Company including, among others, availability and timing of liquidity sources, availability of supplies and supplier financing, changes in general economic, political, governmental and business conditions globally and in Puerto Rico, the Company's ability to achieve cost savings, changes in interest rates, changes in inflation rates, changes in exchange rates, changes in fuel prices, changes in business strategy and various other factors. These statements speak as of the date indicated and are not guarantees of future performance. Actual results or developments may differ materially from the expectations expressed or implied in the forward-looking statements, and the Company undertakes no obligation to update any such statements whether as a result of new information, future events or otherwise.

Recipients of the Information agree to keep the Information strictly confidential. The Information is highly confidential and contains proprietary and confidential information about the Company, its subsidiaries and its operations. This document material is being presented solely for your information and may not be copied, reproduced or redistributed to any other person in any manner. At the request of the Company, the recipient will promptly return all non-public material received from the Company (including this document) without retaining any copies thereof. For the avoidance of doubt, Information includes the nature, substance, status, and terms of any discussions related to the Information discussed herein.

The Information does not constitute an offer or invitation to purchase or subscribe for any shares or other securities of the Company and neither any part of this document nor any information or statement contained therein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. By receiving the Information, you agree to be bound by the foregoing limitations.



## Table of Contents

---

- General Overview
- December 14<sup>th</sup> Approved Budget updated for actuals through 12/28/18 “Current Forecast”
- December 14<sup>th</sup> Approved Budget
- Current Forecast vs December 14<sup>th</sup> Approved Budget Cash Bridge

## General Overview

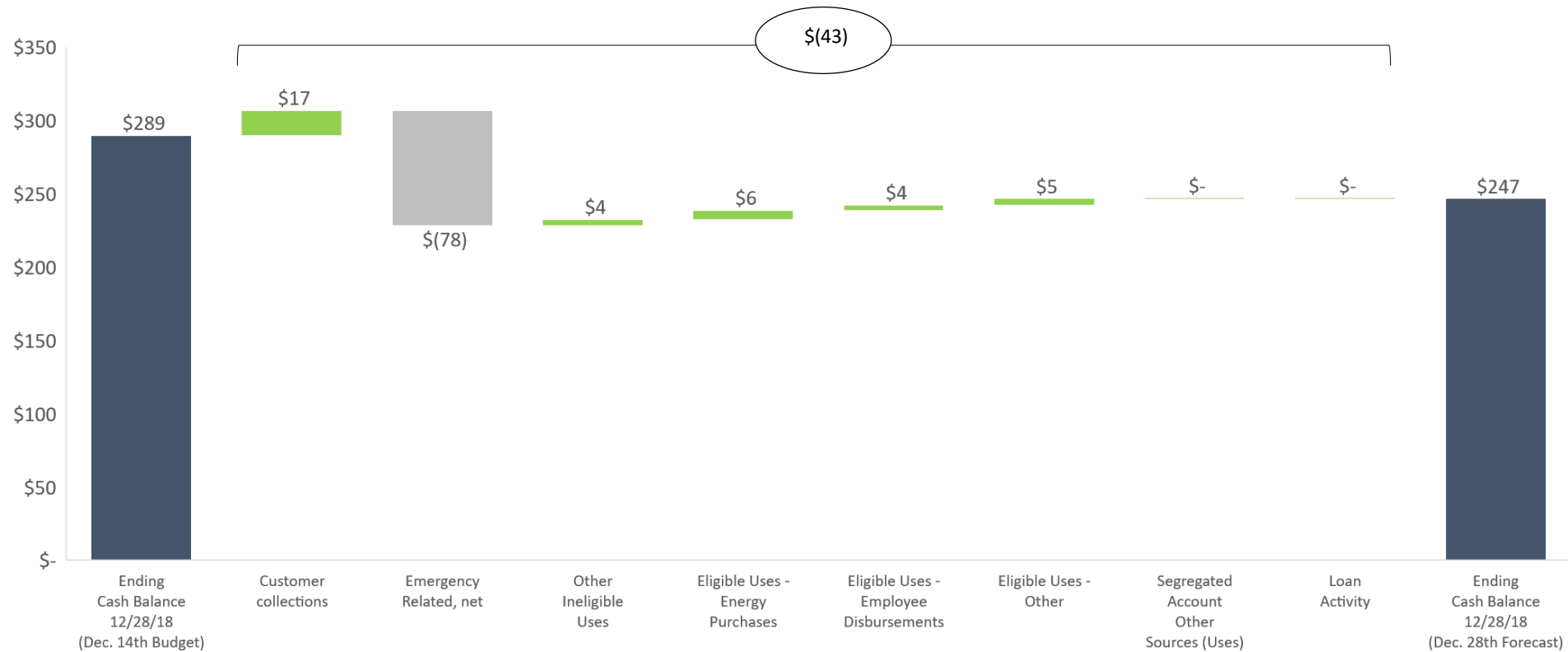
---

- The Current Forecast included in this report has been updated for actuals through 12/28/18; the forecast period is based on the December 14<sup>th</sup> Approved Budget
- The Current Forecast vs December 14<sup>th</sup> Approved Budget Cash Bridge captures the cumulative variance from 12/8/18 through 12/28/18
- Any timing related variances from actual weeks have not been re-timed into future periods for purposes of this analysis





# Current Forecast vs December 14<sup>th</sup> Approved Budget Cash Bridge as of December 28, 2018



- Ending cash balance includes Operating Accounts, Operating Reserve Fund and the Segregated Account
- “Customer collections” variance primarily due to timing and slightly positive cash collection activities over the three week period
- “Emergency Related, net” variance due to timing of payments to restoration contractors and the projection of a \$70 million FEMA reimbursement related to Cobra which has not been received
- “Eligible Uses – Energy Purchases” variance primarily due to lower diesel payments
- “Eligible Uses – Other” variance primarily due to the timing of maintenance expenditures

**PUERTO RICO ELECTRIC POWER AUTHORITY**

**Cash in bank and time deposit accounts**

Name	Account Number	Description	Notes	Date
Banco Popular		Revenue Deposit Account	ZBA to Popular	12/28/18
Banco Popular		Revenue Deposit Account (Credit Cards)	ZBA to Popular	-
Banco Popular		Concentration Account	Active Concentration Account	76,161,351.61
Banco Popular		Disbursement Account	Per Diem & Small Local Vendors	1,120,500.40
Banco Popular		Revenue Deposit Account (Corp. Clients)	ZBA to Popular	-
Banco Popular		Revenue Deposit Account (Gov't Clients)	ZBA to Popular	-
Banco Popular		Concentration Account	Old Concentration Account	162,119.41
Banco Popular		Revenue Deposit Account	ZBA to Popular	-
Banco Popular		Project Guavate (related to mitigation work performed in Guavate; construction of underground lines)	Old FEMA Reimbursement Account	2,460,266.00
Oriental		Concentration Account	Active Concentration Account	72,596,724.10
Oriental		Revenue Deposit Account	ZBA to Oriental	-
Oriental		Revenue Deposit Account - Lockbox	ZBA to Oriental	-
Banco Santander		Revenue Deposit Account	Revenue Deposit Account and used for certain payments	7,324,556.69
Scotiabank		Revenue Deposit Account	Manual Transfer to Popular or Citi	855,230.71
Firstbank		Revenue Deposit Account	Manual Transfer to Popular or Citi	2,408,018.52
GDB		PREPA Deposit Account at GDB	No longer used	-
GDB		PREPA Deposit Account at GDB	No longer used	-
Citibank		Disbursement Fuel Oil & Power Purchase	No longer used	-
Citibank		Concentration Account	Active Concentration Account	82,980,820.81
Citibank		Revenue Deposit Account	ZBA to Citi	-
Citibank		CWL Segregated Account	CWL Segregated Account	-
<b>Total General Fund and CWL Segregated Accounts</b>				<b>\$ 246,069,588.25</b>

Banco Popular		Payroll Account	Disbursement account to pay PREPA payroll	423,585.97
<b>Total Working Funds</b>				<b>\$ 423,585.97</b>

Citibank		Disbursement	Debt Service Related	13,114.62
<b>Total Revenue Fund Account</b>				<b>\$ 13,114.62</b>

Banco Popular		FEMA EM PR Irma	FEMA Irma	2,024,827.91
Banco Popular		FEMA DR PR Irma	FEMA Irma	-
Banco Popular		FEMA DR PR Maria	FEMA Maria	788,402.67
<b>Total Emergency Fund Accounts</b>				<b>\$ 2,813,230.58</b>

**TOTAL CASH AND CASH EQUIVALENT**

**\$ 249,319,519.42**

**General Fund Accounts By Depository Institution**

Banco Popular de Puerto Rico				\$ 83,141,053.97
Citibank N.A.				82,993,935.43
Oriental Bank				72,596,724.10
First Bank				2,408,018.52
Banco Santander				7,324,556.69
Scotia Bank				855,230.71
Government Development Bank for Puerto Rico (GDB)				-
				<b>\$ 249,319,519.42</b>

Name	Account Number	Description	Notes	12/28/18
Citibank		Remaining funds related 2013 Series Bond Issuance	Construction Fund Accounts	1,298,551.97
Banco Popular		Funds used for project to rehabilitate San Juan generating unit	Construction Fund Accounts	2,123,184.88
GDB		PREPA Deposit Account at GDB	Construction Fund Accounts	-
Citibank		Special federal assignments to fund sponsored projects by the Environmental Quality Board ("JCA" in Spanish)	Construction Fund Accounts	5,983,826.27
Banco Popular		Legacy accounts (consider for closure)	Construction Fund Accounts	0.01
Banco Popular		2016 A Bond - Used for specific projects identified at the time of bond issuance process	Construction Fund Accounts	254,450.42
Citibank		2016 D Bond - Used for specific projects identified at the time of bond issuance process	Construction Fund Accounts	216,281.16
Citibank		PREPA Insurance	Insurance proceeds account related specifically to Hurricane Maria substation repair	50,560,379.78
<b>Total Construction Fund Accounts</b>				<b>\$ 60,436,674.49</b>

Citibank		Funds received from federal contributions or bond issuances used to finance the construction of infrastructure to provide electricity to rural areas in Puerto Rico	Investment Held By REA	1,130,613.64
<b>Total Investment Held By REA</b>				<b>\$ 1,130,613.64</b>

Citibank		Funds used to cover the cost of unusual or extraordinary maintenance or repairs, including major items of equipment as stipulated in the Trust Agreement	Reserve Maintenance Fund	16,452,305.72
<b>Total Reserve Maintenance Fund</b>				<b>\$ 16,452,305.72</b>

Banco Popular		Land Acquisition Project	Other Restricted Fund	1,948,273.89
Citibank		PREPA Trust Investment Clearing	PREPA Trust Investment Clearing	754.46
<b>Total Other Restricted Fund</b>				<b>\$ 1,949,028.35</b>

Citibank		One-time transaction	Invested funds regarding EcoElectrica transaction	3,251,240.26
<b>Total PREPA Client Fund</b>				<b>\$ 3,251,240.26</b>

US Bank		Sinking Fund Interest		13,429,949.32
US Bank		Sinking Fund Reserve		59,634.54
US Bank		Self Insurance		941.89
US Bank		Self Insurance Sub A		5.13
US Bank		Self Insurance		35,004.08
US Bank		Sinking Fund Reserve Sub A		129.56
US Bank		Sinking Fund Reserve Sub B		249.68
US Bank		Sinking Fund Reserve Sub C		5.03
US Bank		Sinking Fund Reserve Sub D		2,872,130.19
US Bank		Ser VV Escrow Dep		9.96
US Bank		CAPI Series 2012A		9.32
US Bank		PREPA Rev Fund Ser 2013A		65,505.85
US Bank		CAPI Series 2013A		152.14
<b>Total Sinking and Self-Insurance Account Funds</b>				<b>\$ 16,463,726.69</b>

**TOTAL CONSTRUCTION FUND AND OTHER**

**\$ 99,683,589.15**





**Puerto Rico  
Electric Power  
Authority**

# **Puerto Rico Electric Power Authority**

---

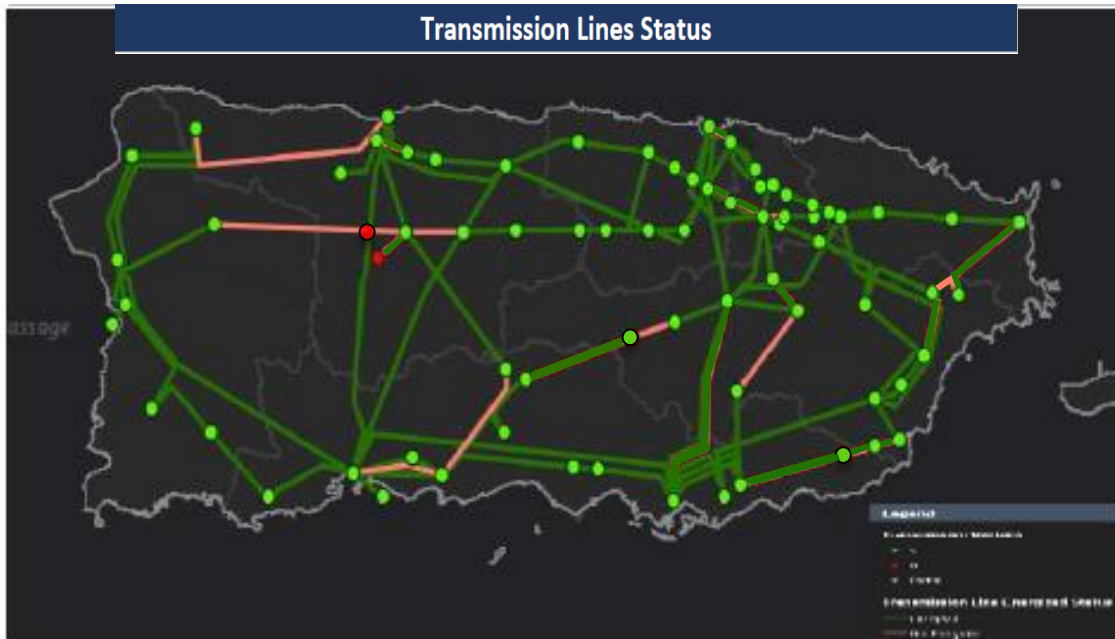
**Grid Status Update**

January 2, 2019

# Transmission Restoration Progress Report – As of January 2, 2019

- Overall progress on transmission line restoration is 91%, calculated as completed line segments divided by total line segments. 230 kV line segments remaining:
  - Mora to Cambalache
- Progress on structure and component repair is 88%

<b>91%</b>	OVERALL PROGRESS (As per completed Tasks)
------------	--



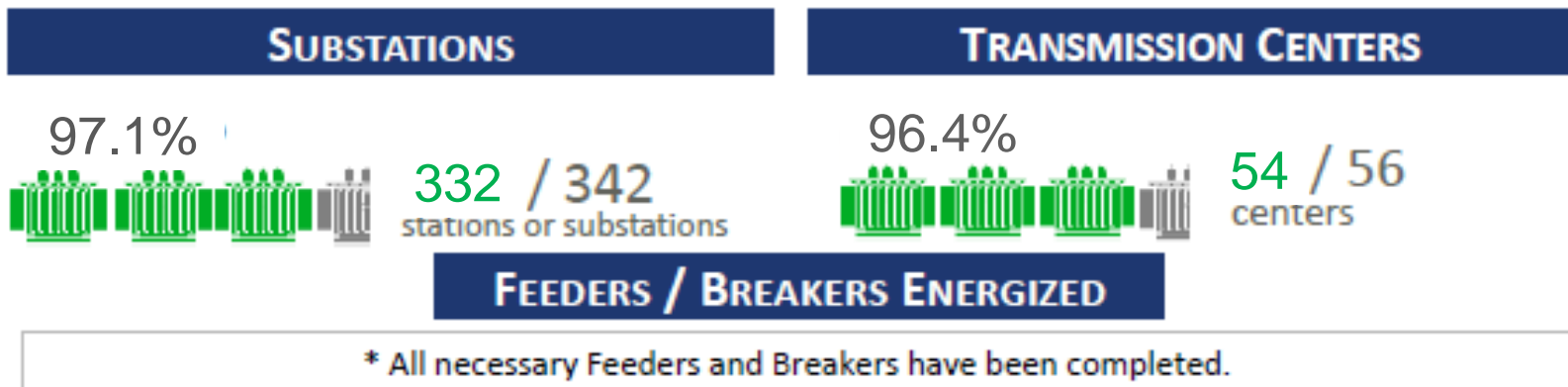
TOTALS BY kV		
(kV)	LINE SEGMENT	COMPLETED
230	<b>17</b>	<b>16</b>
115	<b>86</b>	<b>78</b>
Totals	<b>103</b>	<b>94</b>

TOTALS BY RESOURCE		
	LINE SEGMENT	COMPLETED
PREPA	<b>66</b>	<b>62</b>
WHITEFISH	<b>5</b>	<b>5</b>
COBRA	<b>18</b>	<b>14</b>
NYPA	<b>3</b>	<b>3</b>
Fluor/PIKE	<b>6</b>	<b>6</b>
Fluor/ARC	<b>1</b>	<b>1</b>
Fluor/MasTec	<b>0</b>	<b>0</b>
Fluor/SEC	<b>1</b>	<b>1</b>
USACE/PowerSecure	<b>2</b>	<b>2</b>
Pending-RFP	<b>1</b>	<b>0</b>
Totals	<b>103</b>	<b>94</b>

(kV)	STRUCTURES (Towers/Poles)		DAMAGES (Conductors/Insulators)		Overall Repairs/Restoration %
	DOWN	REPAIRED	DEFICIENCY	REPAIRED	
230	108	107	404	400	99%
115	639	528	831	700	84%
Totals	<b>747</b>	<b>635</b>	<b>1235</b>	<b>1100</b>	<b>88%</b>

# Distribution Restoration Progress Report – As of January 2, 2019

- Current load is 83% of comparable 2016 levels
- ~97% of the island's 342 substations and 96% of the 56 transmission centers are energized
- Current estimate of distribution customers who have been energized is approximately 99+%
  - This estimate assumes that weatherheads (which are owned by and are the responsibility of the customer) on residences are fully repaired and that the customer is still using the residence—which is not the case for all properties
- All linkages between substation Communication Remote Units (CRUs) and the central customer billing system have been restored for substations that are operational



**PREPA  
Fossil Generation Status Report  
2-Jan-19**

**Average Daily Peak Demand Over  
Prior 7 Days (MW)**

**2,109**

<u>Plant Name</u>	<u>Unit #</u>	<u>Summer Rating (MW)</u>	<u>Fuel</u>
<b><u>Available Units</u></b>			
AES		454	Coal
EcoElectrica		507	NG
Aguirre	1	450	FO6
Aguirre	2	450	FO6
Costa Sur	4	85	FO6
Costa Sur	5	410	NG/FO6
Costa Sur	6	410	NG/FO6
Palo Seco	1	85	FO6
Palo Seco	3	216	FO6
San Juan	5	220	FO2
San Juan	8	100	FO6
Mayaguez	GT1A	28	FO2
Mayaguez	GT3A	28	FO2
Mayaguez	GT4A	28	FO2
Mayaguez	GT4B	28	FO2

**Total Available Units**

**3,497**

**Suspended Operations due to Economics**

Aguirre	CC1	296	FO2
Aguirre	CC2	296	FO2
Cambalache	3	83	FO2

**Total Suspended Units**

**675**

**Units Out of Service**

Costa Sur	3	85	FO6	
Palo Seco	2	85	FO6	
Palo Seco	4	216	FO6	Scheduled Outage until late March
San Juan	6	220	FO2	Outage - Return date to be determined
San Juan	7	100	FO6	Scheduled Outage until mid-January
San Juan	9	100	FO6	Scheduled Outage until mid-April
San Juan	10	100	FO6	
Cambalache	1	83	FO2	
Cambalache	2	83	FO2	Scheduled Outage until late January
Mayaguez	GT1B	28	FO2	
Mayaguez	GT2A	28	FO2	
Mayaguez	GT2B	28	FO2	
Mayaguez	GT3B	28	FO2	

**Total Units Out of Service**

**1,181**

PREPA

Emergency Spend and Reimbursement Flash Report as of 12/28/2018

\$ In millions

Printed: 1/2/2019 13:23

Emergency Spend To Date			
Description	Paid	Unpaid (a)	Total
Whitefish	\$ 36.9	\$ 106.8	\$ 143.6 (b)
Cobra	1,000.1	190.6	1,190.7 (c)
XGL	26.3	-	26.3
PREPA Overtime	122.1	-	122.1 (d)
Local Contractors (Labor)	24.0	4.9	28.9
Potentially Insured Assets	15.3	0.1	15.5 (e)
POs for Emergency Materials	-	54.4	54.4 (f)
Other Payables	18.7	3.7	22.3
Mutual Aid Parties	100.3	226.2	326.5 (g)
<b>Total</b>	<b>\$ 1,343.7</b>	<b>\$ 586.6</b>	<b>\$ 1,930.3</b>

Notes:

- (a) Estimated and subject to change.
- (b) Based on project worksheet provided to FEMA as of 11/27/18.
- (c) Based on invoice values provided by Cobra as of 12/28/18.
- (d) Includes amounts from payroll for overtime for the period 9/10/17 through 8/11/18.
- (e) Represents invoice amounts associated with potentially insured assets through 12/21/18.
- (f) Represents value of purchase orders issued for emergency materials issued between 9/19/17 and 12/18/17.
- (g) Mutual Aid party invoices received through 12/28/18. PREPA anticipates receipt of additional invoices.

Submitted Project Worksheets Summary

Description	Amount	Obligated by FEMA	Funds Received by PREPA	Funds Transferred to PREPA Operating Account (a)	Funds Remaining in PREPA Emergency Account
PREPA Force Account - Irma	\$ 9.6	\$ 9.6	\$ 7.2	\$ 5.2	\$ 2.0
PREPA Force Account - Irma (Customer Service)	2.7	-	-	-	-
Peaking Units - Irma	7.1	7.1	-	-	-
Local Contractors - Irma	0.2	0.2	0.1	0.1	-
PREPA Force Account - Maria	45.0	45.0	45.0	45.0	-
Cobra Original Contract	200.0	200.0	200.0	200.0	-
Cobra Amendments - #4, #5	745.4	745.4	611.0	611.0	- (b)
Cobra Remaining Emergency Work	250.0	250.0	-	-	- (c)
Insured Assets	25.0	-	-	-	- (d)
Purchase Equipment	10.3	10.3	7.6	7.6	-
XGL	7.9	7.9	-	-	- (e)
Mutual Aid Parties	425.0	405.3	100.3	100.3	- (f)
Local Contractors - Maria	4.2	0.3	0.1	0.1	- (g)
Environics	0.4	0.4	0.4	0.4	-
Peaking Units - Maria	142.0	142.0	130.9	130.9	- (h)
Cidra Excavation	0.1	0.1	0.1	0.1	-
PREPA NET	0.0	-	-	-	-
RFP - Grid Hardening	500.0	-	-	-	-
Transient Recorders	0.6	-	-	-	-
Vieques and Culebra T&D	172.4	-	-	-	-
Del Valle Contract (Guajataca Dam Project)	10.4	10.4	0.8	-	0.8
Generators	58.5	58.5	-	-	-
Whitefish	143.6	-	-	-	-
<b>Total</b>	<b>\$ 2,760.6</b>	<b>\$ 1,892.5</b>	<b>\$ 1,103.4</b>	<b>\$ 1,100.6</b>	<b>\$ 2.8</b>

Notes:

- (a) Transfers to PREPA Operating Account cumulative through 12/28/18.
- (b) FEMA has obligated \$745.4M and funded \$611.0M to PREPA through 12/28/18. PW is officially in Emmie for \$745.4M.
- (c) FEMA repurposed \$650M of the underlying \$900M contract into restoration.
- (d) Amount represents insurance deductible. PW has now been separated into 7 PWs.
- (e) Amount paid to XGL less invoices referencing Whitefish. FEMA reduced amount from \$11.7M to \$7.9M in the PW.
- (f) Total of 31 PWs for an amount of \$423.2M submitted to FEMA for review. One PW included represents MOU Insurance for an amount of \$1.8M.
- (g) Amount based on initial version of local contractor PWs submitted to FEMA on 3/15/18.
- (h) PW has been versioned to include Peaking Unit use from March through May 2018 for an additional amount of \$11.1M.

In Process Project Worksheets Summary

Description	Count	Amount	Comments
Local Contractors	42	\$ 24.5	(a)
PREPA Distribution	26	TBD	
PREPA Transmission	1	TBD	(b)
Direct Administrative Costs	1	TBD	
Microgrid Management	1	TBD	
Circuit Breakers	1	TBD	
PREPA Force Account - Maria (Customer Service)	1	TBD	
RFP - Foreman	1	TBD	
<b>Total</b>	<b>74</b>	<b>\$ 24.5</b>	

Notes:

- (a) Amount represents local contractors which have been identified as of 12/28/18.
- (b) Approach for PREPA Transmission changed from one PW per line to one PW for all of Transmission.