

Report Date 2/6/20



PREPA - BUDGET TO ACTUAL FY2020

Contents:

Revenue - by quarter
Revenue - YTD
Expense - by quarter
Expense - YTD

Intructions :

Fill out cells in yellow with actual numbers for revenues and expenses for the relevant quarter
Quarter columns can be collapsed using the grouping feature on top
YTD tabs populate automatically
Add any new tabs with information to explain large variances, as required in the
PREPA Fiscal Plan Certified on June 27, 2019

Note:

Numbers may not sum due to rounding

Revenues	Q1					Q2					Q3					Q4					Budget Totals FY20	Actual Totals FY20	YTD Variance				
	Budget	Vertical %	Actual	Vertical %	Variance (\$)	Vertical Variance (%)	Horizontal Variance (\$)	Vertical Variance (%)	Actual	Vertical %	Variance (\$)	Vertical Variance (%)	Horizontal Variance (\$)	Vertical Variance (%)	Actual	Vertical %	Variance (\$)	Vertical Variance (%)	Horizontal Variance (\$)	Vertical Variance (%)							
Subtotal	1,807	100%	2,022	112%	215	12%	1,429	79%	1,603	88%	164	11%	1,229	68%	1,412	78%	605	34%	1,412	78%	1,417	79%	3,360	80%	1,947	55%	(1,413)
Residential	2,045	113%	2,022	100%	(23)	-1%	1,993	110%	1,991	100%	(2)	-0%	1,600	88%	1,564	98%	(36)	-2%	1,564	87%	(1,564)	-100%	1,564	87%	2,299	127%	(835)
Commercial	158	9%	158	100%	0	0%	158	9%	158	100%	0	0%	158	9%	158	100%	0	0%	158	9%	158	100%	158	9%	158	100%	0
Public Lighting	79	4%	79	100%	0	0%	79	4%	79	100%	0	0%	79	4%	79	100%	0	0%	79	4%	79	100%	79	4%	79	100%	0
Public Safety	17	1%	17	100%	0	0%	17	1%	17	100%	0	0%	17	1%	17	100%	0	0%	17	1%	17	100%	17	1%	17	100%	0
Agricultural	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	1	0%	1	100%	0
Other	9	0%	9	100%	0	0%	9	0%	9	100%	0	0%	9	0%	9	100%	0	0%	9	0%	9	100%	9	0%	9	100%	0
Total Base Revenue	4,225	100%	4,418	105%	193	5%	4,032	95%	4,154	98%	122	3%	3,965	94%	4,000	95%	35	1%	4,000	95%	(245)	-6%	4,000	95%	15,822	375%	(11,817)
Fuel Adjustment	114	3%	145	127%	31	27%	113	10%	147	130%	34	30%	114	10%	127	111%	13	12%	145	127%	31	27%	114	10%	145	127%	31
Residential	149	7%	186	125%	37	25%	149	7%	181	121%	32	21%	149	7%	127	85%	(22)	-15%	186	125%	37	25%	149	7%	186	125%	37
Commercial	29	1%	41	141%	12	41%	29	1%	40	138%	11	38%	29	1%	37	128%	8	27%	41	141%	12	41%	29	1%	41	141%	12
Public Lighting	6	0%	6	100%	0	0%	6	0%	6	100%	0	0%	6	0%	6	100%	0	0%	6	0%	6	100%	6	0%	6	100%	0
Public Safety	4	0%	4	100%	0	0%	4	0%	4	100%	0	0%	4	0%	4	100%	0	0%	4	0%	4	100%	4	0%	4	100%	0
Agricultural	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	1	0%	1	100%	0
Other	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	1	0%	1	100%	0
Total Fuel Adjustment	300	7%	359	120%	59	20%	292	10%	368	126%	76	26%	300	10%	327	109%	27	9%	359	120%	59	20%	300	10%	359	120%	59
Subtotal	72	2%	92	128%	20	28%	72	1%	88	122%	16	22%	72	1%	83	11%	11	15%	92	128%	20	28%	72	1%	92	128%	20
Residential	94	10%	105	112%	11	12%	94	10%	105	112%	11	12%	94	10%	105	112%	11	12%	105	112%	11	12%	94	10%	105	112%	11
Commercial	25	2%	27	108%	2	8%	25	2%	26	104%	1	4%	25	2%	27	108%	2	8%	27	108%	2	8%	25	2%	27	108%	2
Public Lighting	4	0%	4	100%	0	0%	4	0%	4	100%	0	0%	4	0%	4	100%	0	0%	4	0%	4	100%	4	0%	4	100%	0
Public Safety	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Agricultural	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Other	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	1	0%	1	100%	0
Total Purchased Power	165	2%	228	138%	63	38%	165	2%	181	110%	16	10%	165	2%	182	110%	17	10%	228	138%	63	38%	165	2%	228	138%	63
Subtotal	8	0%	12	150%	4	50%	8	0%	10	125%	2	25%	8	0%	9	11%	1	13%	12	150%	4	50%	8	0%	12	150%	4
Residential	10	1%	12	120%	2	20%	10	1%	11	110%	1	10%	10	1%	11	110%	1	10%	12	120%	2	20%	10	1%	12	120%	2
Commercial	3	0%	3	100%	0	0%	3	0%	3	100%	0	0%	3	0%	3	100%	0	0%	3	0%	3	100%	3	0%	3	100%	0
Public Lighting	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Public Safety	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Agricultural	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Other	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Total C&I	22	0%	29	132%	7	32%	22	0%	27	123%	5	23%	22	0%	23	105%	1	5%	29	132%	7	32%	22	0%	29	132%	7
Subtotal	23	2%	22	96%	(1)	-4%	23	2%	23	100%	0	0%	23	2%	21	91%	(2)	-9%	22	96%	(1)	-4%	23	2%	22	96%	(1)
Residential	38	3%	23	61%	(15)	-39%	38	3%	28	74%	(10)	-26%	38	3%	29	76%	(9)	-24%	22	58%	(16)	-42%	38	3%	23	61%	(15)
Commercial	8	0%	8	100%	0	0%	8	0%	8	100%	0	0%	8	0%	8	100%	0	0%	8	0%	8	100%	8	0%	8	100%	0
Public Lighting	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	0	0%	1	0%	1	100%	1	0%	1	100%	0
Public Safety	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Agricultural	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Other	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Total Subtotal	62	8%	62	100%	0	0%	62	8%	68	110%	6	10%	62	8%	62	100%	0	0%	62	100%	0	0%	62	8%	62	100%	0
Provisional Rate	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Residential	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Commercial	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Public Lighting	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Public Safety	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Agricultural	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Other	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Total Provisional Rate	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0
Subtotal	0	0%	(16)	-17%	(16)	-44%	0	0%	(12)	-13%	(4)	-11%	0	0%	0	0%	0	0%									

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As required by the June 2019 Certified Fiscal Plan, please include explanation for material variances (greater than 10% and \$30 million).

Other relevant detail, notes, or explanations can also be included in additional tabs of this file.

Details for each variance to be included in additional tabs of this file.

Variance #1
FOMB Category: Fuel & Purchased Power
Expense: Fuel

Expenses	Budget YTD	Vertical %	Actual YTD	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance YTD (%)	Budget Vertical Variance YTD (%)
Fuel	\$ 626	40.69%	\$ 780	36.17%	\$ (153)	24.88%	-24.51%	-5%

Variance Explanation
 The variance was driven primarily by higher than budget sales and demand, along with forced and planned outages at the San Juan and Palo Seco steam units, which burn bunker C / heavy fuel oil.

Root Cause
 At present, both San Juan and Palo Seco facilities have three (3) working steam units, six (6) total. During the second quarter, two (2) units at each facility, four (4) total, experienced forced or planned outages. SJ Unit #8 and PS Unit #1 had planned outages due to environmental maintenance. SJ Unit #9 and PS Unit #4 experienced forced outages due to age and lack of necessary maintenance. The generation deployed to offset these outages was generally from higher cost, lower efficiency peaking units that burn diesel fuel, which is costlier than bunker C.

Corrective Action
 Although PREPA had been addressing this variance by repairing certain units in order to normalize dispatch, given the effect of the earthquakes on Costar Sur, PREPA's optimized economic dispatch has been compromised. PREPA is now working towards mitigating the loss of Costa Sur by seeking relief from available insurance and FEMA post disaster assistance in order to offset higher dispatch costs

Certified Budget - PREPA

\$ Thousand	FY20 Budget
Residential	
Basic Revenue	\$344,348
F&PP	675,414
CILT	28,725
Subsidies	82,186
Total Residential	\$1,130,673
Commercial	
Basic Revenue	614,395
F&PP	934,076
CILT	39,712
Subsidies	113,621
Total Commercial	\$1,701,804
Industrial	
Basic Revenue	126,044
F&PP	242,685
CILT	10,329
Subsidies	29,554
Total Industrial	\$408,612
Public Lighting	
Basic Revenue	66,821
F&PP	37,889
CILT	1,610
Subsidies	4,606
Total Public Lighting	\$110,926
Agricultural	
Basic Revenue	2,100
F&PP	2,910
CILT	124
Subsidies	354
Total Agricultural	\$5,488
Others	
Basic Revenue	2,156
F&PP	4,230
CILT	180
Subsidies	515
Total Others	\$7,080
Total Gross Revenue	\$3,364,582
Other Income	10,106
Total Unconsolidated Revenue	\$3,374,689
Bad Debt Expense	-61,700
CILT & Subsidies	-311,515
RSA Settlement Charge	158,319
Total Consolidated Revenue	\$3,159,792

\$ Thousand	FY20 Budget
Fuel	(1,140,024)
Purchased Power - Conventional Power ^[1]	(671,266)
Purchased Power - Renewable Power ^[1]	(85,913)
Total Fuel & Purchased Power Expense	(1,897,203)
Salaries & Wages	(214,113)
Christmas Bonus ^[2]	-
Medical Benefits ^[2]	(32,220)
Other Benefits	(96,745)
Total Pension & Benefits	(128,965)
Overtime Pay	(54,916)
Overtime Benefits	(6,587)
Total Labor Operating Expense	(404,581)
Materials & Supplies	(27,672)
Transportation, Per Diem, and Mileage	(32,032)
Property & Casualty Insurance	(37,921)
Retiree Medical Benefits	(12,097)
Security	(21,920)
IT Service Agreements	(26,408)
Banking Services	(16,000)
Utilities & Rents	(16,660)
Legal Services	(12,590)
Communications Expenses	(6,576)
Professional & Technical Outsourced Services	(100,141)
Regulation and Environmental Inspection	(18,800)
Other Miscellaneous Expenses	(29,208)
PREPA Restructuring & Title III ^[4]	(74,530)
FOMB Advisor Costs allocated to PREPA	(31,800)
P3 Authority Transaction Costs	(9,500)
Other Expenses	26,907
Total Non-Labor / Other Operating Expense	(446,950)
Transmission & Distribution	(87,480)
Generation	(85,999)
Executive (General & Admin)	(21,165)
Customer Service	(25,190)
Planning and Environmental Protection	(1,990)
Total Maintenance Projects	(221,824)
Federal Funding Cost Share Allocation	(27,352)
Total Operating & Maintenance Expense	2,119,824
RSA Settlement Charge	(158,319)
Surplus / deficit before changes in working capital	3,564
Capital Expenditures^[3]	-

Updated Total for Maintenance projects to include Planning and Environmental Protection charges

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Supporting calculations to calculate prorated amounts

CILT and Subsidies

Fiscal Plan FY2020	296.72
Budget FY2020	311.53
Delta	(14.80)
Delta/Quarter	(3.70)
CILT as %	0.35
Subsidies	0.65
CILT added per quarter	1.29
Subsidies added per quarter	2.41

Total Other Revenue

FP FY2020	7.04
Budget FY2020	7.08
Delta	0.04
Delta/Quarter	0.0018583

Conventional and Renewable Purchased Power

Purchased Power - Conventional Power	(671,266.00)
Purchased Power - Renewable Power	(85,913.00)
Total	(757,179.00)
Conventional Power %	0.89
Renewable Power %	0.11

Materials & Supplies

Fiscal Plan FY2020 (monthly)	36.15
Budget FY2020	27.67
Delta	(8.48)
Delta/Quarter	(2.12)

Transportation, Per Diem, and Mileage

Fiscal Plan FY2020 (monthly)	39.57
Budget FY2020	32.03
Delta	(7.54)
Delta/Quarter	(1.88)

PREPA Restructuring & Title

Fiscal Plan FY2020 (monthly)	80.06
Budget FY2020	74.53
Delta	(5.53)
Delta/Quarter	(1.38)

RSA Settlement Charge

Budget FY2020	158,319.00
Basic Revenue	1,155,863.85
Delta/Quarter	13.70%

Pro-rating to account for new F&PP, CILT, and subsidies values in revenues

F&PP breakdown

Fuel Adjustment

Residential	120.20
Commercial	561.27
Industrial	145.92
Public Lighting	22.77
Agricultural	1.75
Others	2.54

Total Fuel Adjustment 1,140.02

Purchase Power

Residential	269.37
Commercial	372.89
Industrial	96.93
Public Lighting	15.14
Agricultural	1.16
Others	1.69

Total Purchase Power 757.18

Cilt

Residential	27.22
Commercial	37.63
Industrial	9.79
Public Lighting	1.53
Agricultural	0.12
Others	0.17

Total Cilt 76.45

Subsidies

Residential	78.42
Commercial	108.42
Industrial	28.20
Public Lighting	4.40
Agricultural	0.34
Others	0.49

Total Subsidies 220.27

Total costs provided by PREPA in prior model