

Report Date 8/14/2020



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

Budget to Actuals Revenue FY2020

(\$ million)

Revenues	Q4								Budget Totals FY2020	Actual Totals YTD	YTD Variance
	Budget Q4	Vertical %	Actual Q4	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance Q4 (%)	Budget Vertical Variance Q4 (%)			
Sales (kWh)											
Residential	1,412		1,778		367		26%		4,197	6,457	2,260
Commercial	1,956		1,509		(447)		-23%		7,239	7,209	(30)
Industrial	539		471		(68)		-13%		2,027	1,958	(69)
Public Lighting	78		73		(5)		-6%		316	313	(3)
Agricultural	6		6		0		2%		24	25	1
Others	9		10		1		15%		35	42	6
Total Sales	4,000		3,848		(152)		-4%		15,832	16,004	172
Basic Revenue											
Residential	\$ 86	10.40%	\$ 107	14.44%	\$ 21	-25.48%	24.81%	4.04%	\$ 344.35	\$ 395.55	\$ 51
Commercial	\$ 154	18.61%	\$ 102	13.72%	\$ (52)	62.09%	-33.77%	-4.90%	\$ 614.39	\$ 544.80	\$ (70)
Industrial	\$ 33	3.94%	\$ 26	3.45%	\$ (7)	8.29%	-21.30%	-0.49%	\$ 126.04	\$ 108.84	\$ (17)
Public Lighting	\$ 17	2.02%	\$ 14	1.95%	\$ (2)	2.66%	-13.34%	-0.07%	\$ 66.82	\$ 60.43	\$ (6)
Agricultural	\$ 1	0.06%	\$ 1	0.07%	\$ 0	-0.01%	1.95%	0.01%	\$ 2.10	\$ 2.15	\$ 0
Others	\$ 1	0.07%	\$ 0	0.06%	\$ (0)	0.08%	-12.38%	0.00%	\$ 2.16	\$ 2.02	\$ (0)
Total Basic Revenue	\$ 291	35.10%	\$ 251	33.69%	\$ (40)	47.62%	-13.74%	-1.41%	\$ 1,155.86	\$ 1,113.79	\$ (42)
Fuel Adjustment											
Residential	\$ 91	11.05%	\$ 135	18.19%	\$ 44	-52.38%	47.99%	7.14%	\$ 406.08	\$ 569.01	\$ 163
Commercial	\$ 127	15.31%	\$ 105	14.07%	\$ (22)	26.28%	-17.38%	-1.24%	\$ 561.22	\$ 642.96	\$ 82
Industrial	\$ 35	4.22%	\$ 36	4.89%	\$ 1	-1.75%	4.18%	0.67%	\$ 145.68	\$ 173.63	\$ 28
Public Lighting	\$ 5	0.61%	\$ 5	0.74%	\$ 0	-0.51%	8.49%	0.13%	\$ 22.75	\$ 28.96	\$ 6
Agricultural	\$ 0	0.05%	\$ 0	0.06%	\$ 0	-0.07%	14.62%	0.01%	\$ 1.75	\$ 2.21	\$ 0
Others	\$ 1	0.07%	\$ 1	0.11%	\$ 0	-0.24%	35.04%	0.04%	\$ 2.54	\$ 3.70	\$ 1
Total Fuel Adjustment	\$ 259	31.31%	\$ 283	38.06%	\$ 24	-28.67%	9.27%	6.76%	\$ 1,140.02	\$ 1,420.46	\$ 280
Purchased Power											
Residential	\$ 70	8.50%	\$ 74	10.01%	\$ 4	-4.94%	5.89%	1.51%	\$ 269.33	\$ 308.91	\$ 40
Commercial	\$ 97	11.78%	\$ 61	8.15%	\$ (37)	43.97%	-37.79%	-3.63%	\$ 372.86	\$ 347.48	\$ (25)
Industrial	\$ 27	3.25%	\$ 20	2.64%	\$ (7)	8.64%	-26.91%	-0.61%	\$ 97.00	\$ 94.00	\$ (3)
Public Lighting	\$ 4	0.47%	\$ 3	0.40%	\$ (1)	1.12%	-24.18%	-0.07%	\$ 15.14	\$ 14.91	\$ (0)
Agricultural	\$ 0	0.04%	\$ 0	0.03%	\$ (0)	0.06%	-17.76%	0.00%	\$ 1.16	\$ 1.20	\$ 0
Others	\$ 0	0.05%	\$ 0	0.06%	\$ (0)	0.01%	-2.22%	0.00%	\$ 1.69	\$ 2.01	\$ 0
Total Purchased Power	\$ 199	24.08%	\$ 158	21.29%	\$ (41)	48.86%	-20.54%	-2.79%	\$ 757.18	\$ 768.52	\$ 11
CLT											
Residential	\$ 7	0.87%	\$ 12	1.63%	\$ 5	-5.87%	68.35%	0.76%	\$ 28.72	\$ 46.45	\$ 18
Commercial	\$ 10	1.20%	\$ 11	1.48%	\$ 1	-1.26%	10.62%	0.28%	\$ 39.71	\$ 51.71	\$ 12
Industrial	\$ 3	0.33%	\$ 3	0.45%	\$ 1	-0.71%	21.58%	0.12%	\$ 10.33	\$ 14.26	\$ 4
Public Lighting	\$ 0	0.05%	\$ 1	0.07%	\$ 0	-0.14%	28.78%	0.02%	\$ 1.61	\$ 2.07	\$ 0
Agricultural	\$ 0	0.00%	\$ 0	0.01%	\$ 0	-0.01%	38.82%	0.00%	\$ 0.12	\$ 0.18	\$ 0
Others	\$ 0	0.01%	\$ 0	0.01%	\$ 0	-0.03%	57.13%	0.00%	\$ 0.18	\$ 0.28	\$ 0
Total CLT	\$ 20	2.46%	\$ 27	3.64%	\$ 7	-8.02%	32.97%	1.18%	\$ 80.68	\$ 114.95	\$ 34
Subsidies											
Residential	\$ 21	2.49%	\$ 25	3.30%	\$ 4	-4.75%	19.32%	0.81%	\$ 82.19	\$ 86.85	\$ 5
Commercial	\$ 29	3.44%	\$ 22	2.94%	\$ (7)	7.94%	-23.34%	-0.51%	\$ 113.62	\$ 94.50	\$ (19)
Industrial	\$ 8	0.95%	\$ 7	0.92%	\$ (1)	1.20%	-12.76%	-0.03%	\$ 29.55	\$ 25.59	\$ (4)
Public Lighting	\$ 1	0.14%	\$ 1	0.13%	\$ (0)	0.17%	-12.24%	0.00%	\$ 4.61	\$ 3.96	\$ (1)
Agricultural	\$ 0	0.01%	\$ 0	0.01%	\$ (0)	0.00%	-1.89%	0.00%	\$ 0.35	\$ 0.34	\$ (0)
Others	\$ 0	0.02%	\$ 0	0.02%	\$ 0	-0.02%	11.41%	0.00%	\$ 0.51	\$ 0.51	\$ (0)
Total Subsidies	\$ 58	7.04%	\$ 55	7.33%	\$ (4)	4.54%	-6.53%	0.28%	\$ 230.84	\$ 211.75	\$ (19)
Provisional Rate											
Residential	\$ -	0.00%	\$ (0)		\$ (0)	0.00%	0.00%		\$ -	\$ (0.08)	\$ (0)
Commercial	\$ -	0.00%	\$ (0)		\$ (0)	0.01%	0.00%		\$ 0.00	\$ (0.06)	\$ (0)
Industrial	\$ -	0.00%	\$ 0		\$ 0	0.00%	0.00%		\$ 0.00	\$ 0.04	\$ 0
Public Lighting	\$ -	0.00%	\$ (0)		\$ (0)	0.00%	0.00%		\$ 0.00	\$ 0.06	\$ 0
Agricultural	\$ -	0.00%	\$ 0		\$ 0	0.00%	0.00%		\$ 0.00	\$ 0.00	\$ 0
Others	\$ -	0.00%	\$ -		\$ -	0.00%	0.00%		\$ 0.00	\$ 0.00	\$ -
Total Provisional Rate	\$ -	0.00%	\$ (0)		\$ (0)	0.01%	0.00%		\$ -	\$ (0.04)	\$ (0)
True Up											
Residential	\$ -	0.00%	\$ (14)		\$ (14)	16.41%	0.00%		\$ -	\$ (52.34)	\$ (52)
Commercial	\$ -	0.00%	\$ (12)		\$ (12)	13.98%	0.00%		\$ 0.00	\$ (59.42)	\$ (59)
Industrial	\$ -	0.00%	\$ (4)		\$ (4)	4.43%	0.00%		\$ 0.00	\$ (15.96)	\$ (16)
Public Lighting	\$ -	0.00%	\$ (1)		\$ (1)	0.68%	0.00%		\$ 0.00	\$ (2.34)	\$ (2)
Agricultural	\$ -	0.00%	\$ (0)		\$ (0)	0.06%	0.00%		\$ 0.00	\$ (0.21)	\$ (0)
Others	\$ -	0.00%	\$ (0)		\$ (0)	0.10%	0.00%		\$ 0.00	\$ (0.34)	\$ (0)
Total True Up	\$ -	0.00%	\$ (30)		\$ (30)	35.64%	0.00%		\$ -	\$ (130.60)	\$ (131)
Total Revenue											
Residential	\$ 276	33.30%	\$ 340	45.73%	\$ 65	-77.00%	23.41%	12.42%	\$ 1,130.67	\$ 1,354.33	\$ 224
Commercial	\$ 417	50.35%	\$ 289	38.79%	\$ (128)	153.00%	-30.76%	-11.56%	\$ 1,701.80	\$ 1,621.97	\$ (80)
Industrial	\$ 105	12.69%	\$ 88	11.86%	\$ (17)	20.10%	-16.03%	-0.83%	\$ 408.61	\$ 400.41	\$ (8)
Public Lighting	\$ 27	3.28%	\$ 24	3.20%	\$ (3)	3.98%	-12.26%	-0.08%	\$ 110.93	\$ 108.05	\$ (3)
Agricultural	\$ 1	0.16%	\$ 1	0.18%	\$ (0)	0.03%	-1.73%	0.02%	\$ 5.49	\$ 5.89	\$ 0
Other	\$ 2	0.21%	\$ 2	0.25%	\$ 0	-0.10%	4.96%	0.04%	\$ 7.08	\$ 8.18	\$ 1
Total Gross Revenue	\$ 828	100.00%	\$ 744	100.00%	\$ (84)	100.00%	-10.12%	0.00%	\$ 3,364.58	\$ 3,498.82	\$ 134
Other Income	\$ 3	0.31%	\$ 7	0.96%	\$ 5	-5.49%	182.06%	0.65%	\$ 10.11	\$ 36.66	\$ 27
Total Unconsolidated Revenue	\$ 830	100.31%	\$ 751	100.96%	\$ (79)	94.51%	-9.54%	0.65%	\$ 3,374.69	\$ 3,535.48	\$ 161
Bad Debt Expense	\$ (15)	-1.86%	\$ (15)	-2.08%	\$ (0)	0.05%	0.25%	-0.22%	\$ (61.70)	\$ (62.27)	\$ (1)
CLT & Subsidies	\$ (79)	-9.51%	\$ (60)	-8.04%	\$ 19	-22.54%	-24.00%	1.47%	\$ (311.52)	\$ (272.64)	\$ 39
RSA Settlement Charge	\$ 40	4.81%	\$ 0	0.00%	\$ (40)	47.49%	-100.00%	-4.81%	\$ 158.32	\$ 0.00	\$ (158)
Total Consolidated Revenue	\$ 776	93.74%	\$ 676	90.84%	\$ (100)	119.51%	-12.91%	-2.90%	\$ 3,159.79	\$ 3,200.57	\$ 41

Budget to Actuals Revenue FY2020

(\$ million)

Revenues	Q4								Budget Totals FY2020	Actual Totals YTD	YTD Variance
	Budget YTD Q4	Vertical %	Actual YTD Q4	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance Q4 (%)	Budget Vertical Variance Q4 (%)			
Sales (kWh)											
Residential	5,637		6,457		820		15%		5,637	6,457	820
Commercial	7,793		7,209		(584)		-7%		7,793	7,209	(584)
Industrial	2,027		1,958		(69)		-3%		2,027	1,958	(69)
Public Lighting	316		313		(3)		-1%		316	313	(3)
Agricultural	24		25		1		5%		24	25	1
Others	35		42		6		18%		35	42	6
Total Sales	15,832		16,004		172		1%		15,832	16,004	172
Basic Revenue											
Residential	344	10.23%	396	11.31%	\$ 51	38.14%	14.87%	1.07%	\$ 344.35	\$ 395.55	\$ 51
Commercial	614	18.26%	545	15.57%	\$ (70)	-51.85%	-11.33%	-2.69%	614.39	544.80	\$ (70)
Industrial	126	3.75%	109	3.11%	\$ (17)	-12.81%	-13.65%	-0.64%	126.04	108.84	\$ (17)
Public Lighting	67	1.99%	60	1.73%	\$ (6)	-4.76%	-9.57%	-0.26%	66.82	60.43	\$ (6)
Agricultural	2	0.06%	2	0.06%	\$ 0	0.04%	2.57%	0.00%	2.10	2.15	\$ 0
Others	2	0.06%	2	0.06%	\$ (0)	-0.10%	-6.33%	-0.01%	2.16	2.02	\$ (0)
Total Basic Revenue	1,156	34.35%	1,114	31.83%	\$ (42)	-31.34%	-3.64%	-2.52%	\$ 1,155.86	\$ 1,113.79	\$ (42)
Fuel Adjustment											
Residential	406	12.07%	569	16.26%	\$ 163	121.37%	40.12%	4.19%	\$ 406.08	\$ 569.01	\$ 163
Commercial	561	16.68%	643	18.38%	\$ 82	60.89%	14.57%	1.70%	561.22	642.96	\$ 82
Industrial	146	4.33%	174	4.96%	\$ 28	20.82%	19.18%	0.63%	145.68	173.63	\$ 28
Public Lighting	23	0.68%	29	0.83%	\$ 6	4.63%	27.29%	0.15%	22.75	28.96	\$ 6
Agricultural	2	0.05%	2	0.06%	\$ 0	0.35%	26.62%	0.01%	1.75	2.21	\$ 0
Others	3	0.08%	4	0.11%	\$ 1	0.86%	45.27%	0.03%	2.54	3.70	\$ 1
Total Fuel Adjustment	1,140	33.88%	1,420	40.60%	\$ 280	208.91%	24.60%	6.72%	\$ 1,140.02	\$ 1,420.46	\$ 280
Purchased Power											
Residential	269	8.00%	309	8.83%	\$ 40	29.48%	14.69%	0.82%	\$ 269.33	\$ 308.91	\$ 40
Commercial	373	11.08%	347	9.93%	\$ (25)	-18.90%	-6.81%	-1.15%	372.86	347.48	\$ (25)
Industrial	97	2.88%	94	2.69%	\$ (3)	-2.23%	-3.09%	-0.20%	97.00	94.00	\$ (3)
Public Lighting	15	0.45%	15	0.43%	\$ (0)	-0.17%	-1.49%	-0.02%	15.14	14.91	\$ (0)
Agricultural	1	0.03%	1	0.03%	\$ 0	0.03%	3.36%	0.00%	1.16	1.20	\$ 0
Others	2	0.05%	2	0.06%	\$ 0	0.24%	19.46%	0.01%	1.69	2.01	\$ 0
Total Purchased Power	757	22.50%	769	21.97%	\$ 11	8.45%	1.50%	-0.54%	\$ 757.18	\$ 768.52	\$ 11
CILT											
Residential	29	0.85%	46	1.33%	\$ 18	13.20%	61.69%	0.47%	\$ 28.72	\$ 46.45	\$ 18
Commercial	40	1.18%	52	1.48%	\$ 12	8.94%	30.21%	0.30%	39.71	51.71	\$ 12
Industrial	10	0.31%	14	0.41%	\$ 4	2.93%	38.09%	0.10%	10.33	14.26	\$ 4
Public Lighting	2	0.05%	2	0.06%	\$ 0	0.34%	28.74%	0.01%	1.61	2.07	\$ 0
Agricultural	0	0.00%	0	0.01%	\$ 0	0.04%	47.58%	0.00%	0.12	0.18	\$ 0
Others	0	0.01%	0	0.01%	\$ 0	0.07%	54.05%	0.00%	0.18	0.28	\$ 0
Total CILT	81	2.40%	115	3.29%	\$ 34	25.53%	42.48%	0.89%	\$ 80.68	\$ 114.95	\$ 34
Subsidies											
Residential	82	2.44%	87	2.48%	\$ 5	3.48%	5.68%	0.04%	\$ 82.19	\$ 86.85	\$ 5
Commercial	114	3.38%	94	2.70%	\$ (19)	-14.25%	-16.83%	-0.68%	113.62	94.50	\$ (19)
Industrial	30	0.88%	26	0.73%	\$ (4)	-2.95%	-13.42%	-0.15%	29.55	25.59	\$ (4)
Public Lighting	5	0.14%	4	0.11%	\$ (1)	-0.48%	-14.01%	-0.02%	4.61	3.96	\$ (1)
Agricultural	0	0.01%	0	0.01%	\$ (0)	-0.01%	-3.41%	0.00%	0.35	0.34	\$ (0)
Others	1	0.02%	1	0.01%	\$ (0)	-0.01%	-1.54%	0.00%	0.51	0.51	\$ (0)
Total Subsidies	231	6.86%	212	6.05%	\$ (19)	-14.22%	-8.27%	-0.81%	\$ 230.84	\$ 211.75	\$ (19)
Provisional Rate											
Residential	-	0.00%	(0)	0.00%	\$ (0)	-0.06%	0.00%	0.00%	\$ -	\$ (0.08)	\$ (0)
Commercial	-	0.00%	(0)	0.00%	\$ (0)	-0.04%	0.00%	0.00%	0.00	(0.06)	\$ (0)
Industrial	-	0.00%	0	0.00%	\$ 0	0.03%	0.00%	0.00%	0.00	0.04	\$ 0
Public Lighting	-	0.00%	0	0.00%	\$ 0	0.04%	0.00%	0.00%	0.00	0.06	\$ 0
Agricultural	-	0.00%	0	0.00%	\$ 0	0.00%	0.00%	0.00%	0.00	0.00	\$ 0
Others	-	0.00%	-	0.00%	\$ -	0.00%	0.00%	0.00%	0.00	0.00	\$ -
Total Provisional Rate	-	0.00%	(0)	0.00%	\$ (0)	-0.03%	0.00%	0.00%	\$ -	\$ (0.04)	\$ (0)
True Up											
Residential	-	0.00%	(52)	-1.50%	\$ (52)	-38.99%	0.00%	-1.50%	\$ -	\$ (52.34)	\$ (52)
Commercial	-	0.00%	(59)	-1.70%	\$ (59)	-44.26%	0.00%	-1.70%	0.00	(59.42)	\$ (59)
Industrial	-	0.00%	(16)	-0.46%	\$ (16)	-11.89%	0.00%	-0.46%	0.00	(15.96)	\$ (16)
Public Lighting	-	0.00%	(2)	-0.07%	\$ (2)	-1.74%	0.00%	-0.07%	0.00	(2.34)	\$ (2)
Agricultural	-	0.00%	(0)	-0.01%	\$ (0)	-0.15%	0.00%	-0.01%	0.00	(0.21)	\$ (0)
Others	-	0.00%	(0)	-0.01%	\$ (0)	-0.25%	0.00%	-0.01%	0.00	(0.34)	\$ (0)
Total True Up	-	0.00%	(131)	-3.73%	\$ (131)	-97.29%	0.00%	-3.73%	\$ -	\$ (130.60)	\$ (131)
Total Revenue											
Residential	1,131	33.61%	1,354	38.71%	\$ 224	166.61%	19.78%	5.10%	\$ 1,130.67	\$ 1,354.33	\$ 224
Commercial	1,702	50.58%	1,622	46.36%	\$ (80)	-59.47%	-4.69%	-4.22%	1701.80	1621.97	\$ (80)
Industrial	409	12.14%	400	11.44%	\$ (8)	-6.11%	-2.01%	-0.70%	408.61	400.41	\$ (8)
Public Lighting	111	3.30%	108	3.09%	\$ (3)	-2.14%	-2.59%	-0.21%	110.93	108.05	\$ (3)
Agricultural	5	0.16%	6	0.17%	\$ 0	0.30%	7.32%	0.01%	5.49	5.89	\$ 0
Other	7	0.21%	8	0.23%	\$ 1	0.82%	15.48%	0.02%	7.08	8.18	\$ 1
Total Gross Revenue	\$ 3,365	100.00%	\$ 3,499	100.00%	\$ 134	100.00%	3.99%	0.00%	\$ 3,364.58	\$ 3,498.82	\$ 134
Other Income	10	0.30%	37	1.05%	\$ 27	19.78%	262.75%	0.75%	\$ 10.11	\$ 36.66	\$ 27
Total Unconsolidated Revenue	\$ 3,375	100.30%	\$ 3,535	101.05%	\$ 161	119.78%	4.76%	0.75%	\$ 3,374.69	\$ 3,535.48	\$ 161
Bad Debt Expense	(62)	-1.83%	(62)	-1.78%	\$ (1)	-0.43%	0.93%	0.05%	\$ (61.70)	\$ (62.27)	\$ (1)
CILT & Subsidies	(312)	-9.26%	(273)	-7.79%	\$ 39	28.96%	-12.48%	1.47%	(311.52)	(272.64)	\$ 39
RSA Settlement Charge	158	4.71%	-	0.00%	\$ (158)	-117.94%	-100.00%	-4.71%	158.32	0.00	\$ (158)
Total Consolidated Revenue	\$ 3,160	93.91%	\$ 3,201	91.48%	\$ 41	30.38%	1.29%	-2.44%	\$ 3,159.79	\$ 3,200.57	\$ 41

Budget to Actuals Expenses FY2020

(\$ million)

Expenses	Q4								Total Budget FY2020	YTD Spend FY2020	YTD Surplus/Deficit	Horizontal Variance
	Budget Q4	Vertical %	Actual Q4	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance Q4 (%)	Budget Vertical Variance Q4 (%)				
Fuel and Purchased Power												
Fuel	\$ 259	34.32%	\$ 278	38.55%	\$ (18)	-52.29%	-7.09%	4%	\$ 1,140	\$ 1,470	\$ (330)	-29%
Purchased Power - Conventional Power	\$ 177	23.40%	\$ 172	23.92%	\$ 5	12.81%	2.55%	1%	\$ 671	\$ 660	\$ 11	2%
Purchased Power - Renewable Power	\$ 23	3.00%	\$ 23	3.15%	\$ (0)	-0.13%	-0.20%	0%	\$ 86	\$ 74	\$ 12	14%
Total Fuel and Purchased Power	\$ 459	60.72%	\$ 472	65.62%	\$ (14)	-39.61%	-3.04%	5%	\$ 1,897	\$ 2,204	\$ (307)	-16%
Pensions and Benefits												
Salaries & Wages	\$ 58	7.63%	\$ 49	6.80%	\$ 9	24.81%	15.12%	-1%	\$ 214	\$ 199	\$ 16	7%
Pension & Benefits	\$ 35	4.60%	\$ 27	3.80%	\$ 7	20.99%	21.25%	-1%	\$ 129	\$ 110	\$ 18	14%
Overtime Pay	\$ 15	1.96%	\$ 13	1.76%	\$ 2	5.97%	14.18%	0%	\$ 55	\$ 55	\$ 0	0%
Overtime Benefits	\$ 2	0.23%	\$ 2	0.27%	\$ (0)	-0.51%	-10.08%	0%	\$ 7	\$ 6	\$ 1	10%
Total Labor Operating Expense	\$ 109	14.42%	\$ 91	12.63%	\$ 18	51.25%	16.54%	-2%	\$ 405	\$ 370	\$ 35	9%
Non-Labor/Other Operating Expense												
Materials & Supplies	\$ 7	0.92%	\$ 8	1.17%	\$ (1)	-4.22%	-21.44%	0%	\$ 28	\$ 30	\$ (2)	-8%
Transportation, Per Diem, and Mileage	\$ 8	1.06%	\$ 6	0.86%	\$ 2	5.16%	22.63%	0%	\$ 32	\$ 29	\$ 3	9%
Property & Casualty Insurance	\$ 9	1.26%	\$ 5	0.75%	\$ 4	11.51%	42.69%	-1%	\$ 38	\$ 35	\$ 3	8%
Retiree Medical Benefits	\$ 3	0.40%	\$ 2	0.31%	\$ 1	2.17%	25.19%	0%	\$ 12	\$ 9	\$ 3	25%
Security	\$ 5	0.73%	\$ 5	0.64%	\$ 1	2.55%	16.35%	0%	\$ 22	\$ 20	\$ 2	9%
IT Service Agreements	\$ 7	0.87%	\$ 7	1.00%	\$ (1)	-1.77%	-9.43%	0%	\$ 26	\$ 25	\$ 1	5%
Banking Services	\$ 4	0.53%	\$ 4	0.59%	\$ (0)	-0.65%	-5.71%	0%	\$ 16	\$ 16	\$ (0)	-2%
Utilities & Rents	\$ 4	0.55%	\$ 5	0.69%	\$ (1)	-2.25%	-18.98%	0%	\$ 17	\$ 16	\$ 0	2%
Legal Services	\$ 3	0.42%	\$ 0	0.00%	\$ 3	8.92%	99.66%	0%	\$ 13	\$ 1	\$ 12	92%
Communications Expenses	\$ 2	0.22%	\$ 2	0.21%	\$ 0	0.38%	8.14%	0%	\$ 7	\$ 6	\$ 1	15%
Professional & Technical Outsourced Services	\$ 25	3.32%	\$ 10	1.46%	\$ 15	41.42%	58.15%	-2%	\$ 100	\$ 45	\$ 55	55%
Regulation and Environmental Inspection	\$ 5	0.62%	\$ 1	0.10%	\$ 4	11.33%	84.75%	-1%	\$ 19	\$ 4	\$ 15	80%
Other Miscellaneous Expenses	\$ 7	0.97%	\$ 5	0.69%	\$ 2	6.72%	32.37%	0%	\$ 29	\$ 16	\$ 14	47%
PREPA Restructuring & Title III	\$ 19	2.47%	\$ 17	2.32%	\$ 2	5.57%	10.50%	0%	\$ 75	\$ 60	\$ 15	20%
FOMB Advisor Costs allocated to PREPA	\$ 8	1.05%	\$ 12	1.68%	\$ (4)	-11.73%	-51.85%	1%	\$ 32	\$ 28	\$ 4	13%
P3 Authority Transaction Costs	\$ 2	0.31%	\$ 2	0.22%	\$ 1	2.25%	33.33%	0%	\$ 10	\$ 7	\$ 2	25%
Other Expenses	\$ (7)	-0.89%	\$ (9)	-1.18%	\$ 2	5.13%	-26.81%	0%	\$ (27)	\$ (32)	\$ 5	-18%
Total Non-Labor/Other Operating Expense	\$ 112	14.80%	\$ 83	11.49%	\$ 29	82.50%	25.95%	-3%	\$ 447	\$ 315	\$ 132	30%
Maintenance Projects												
Generation	\$ 21	2.85%	\$ 43	5.96%	\$ (21)	-60.98%	-99.68%	3%	\$ 86	\$ 83	\$ 3	3%
Transmission and Distribution	\$ 22	2.90%	\$ 15	2.06%	\$ 7	20.07%	32.26%	-1%	\$ 87	\$ 72	\$ 15	17%
Executive (General & Admin)	\$ 5	0.70%	\$ 8	1.10%	\$ (3)	-7.57%	-50.32%	0%	\$ 21	\$ 10	\$ 11	51%
Customer Service	\$ 6	0.83%	\$ 8	1.11%	\$ (2)	-4.83%	-26.97%	0%	\$ 25	\$ 16	\$ 9	38%
Planning and Environmental Protection	\$ 0	0.07%	\$ 0	0.03%	\$ 0	0.80%	56.45%	0%	\$ 2	\$ 1	\$ 1	70%
Total Maintenance Projects	\$ 55	7.34%	\$ 74	10.27%	\$ (18)	-52.51%	-33.28%	3%	\$ 222	\$ 182	\$ 40	18%
Federal Funding Cost Share Allocation	\$ 21	2.72%		0.00%	\$ 21	58.36%	100.00%	-3%	\$ 27	\$ -	\$ 27	100%
Total Expenses	\$ 755	100.00%	\$ 720	100.00%	\$ 35	100.00%	4.65%	0%	\$ 2,998	\$ 3,070	\$ (72)	-2%

Budget to Actuals Expenses FY2020

(\$ million)

Expenses	Q4								Total Budget FY2020	YTD Spend FY2020	YTD Surplus/Deficit	Horizontal Variance
	Budget YTD Q4	Vertical %	Actual YTD Q4	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance	Budget Vertical Variance				
Fuel and Purchased Power												
Fuel	\$ 1,140	38.03%	\$ 1,470	47.87%	\$ (330)	455.63%	-28.91%	10%	\$ 1,140	\$ 1,470	\$ (330)	-29%
Purchased Power - Conventional Power	\$ 671	22.39%	\$ 660	21.51%	\$ 11	-15.08%	1.63%	-1%	\$ 671	\$ 660	\$ 11	2%
Purchased Power - Renewable Power	\$ 86	2.87%	\$ 74	2.41%	\$ 12	-16.53%	13.91%	0%	\$ 86	\$ 74	\$ 12	14%
Total Fuel and Purchased Power	\$ 1,897	63.28%	\$ 2,204	71.78%	\$ (307)	424.02%	-16.17%	8%	\$ 1,897	\$ 2,204	\$ (307)	-16%
Pensions and Benefits												
Salaries & Wages	\$ 214	7.14%	\$ 199	6.47%	\$ 16	-21.58%	7.29%	-1%	\$ 214	\$ 199	\$ 16	7%
Pension & Benefits	\$ 129	4.30%	\$ 110	3.60%	\$ 18	-25.54%	14.32%	-1%	\$ 129	\$ 110	\$ 18	14%
Overtime Pay	\$ 55	1.83%	\$ 55	1.78%	\$ 0	-0.31%	0.40%	0%	\$ 55	\$ 55	\$ 0	0%
Overtime Benefits	\$ 7	0.22%	\$ 6	0.19%	\$ 1	-0.90%	9.93%	0%	\$ 7	\$ 6	\$ 1	10%
Total Labor Operating Expense	\$ 405	13.50%	\$ 370	12.04%	\$ 35	-48.33%	8.64%	-1%	\$ 405	\$ 370	\$ 35	9%
Non-Labor/Other Operating Expense												
Materials & Supplies	\$ 28	0.92%	\$ 30	0.98%	\$ (2)	3.22%	-8.41%	0%	\$ 28	\$ 30	\$ (2)	-8%
Transportation, Per Diem, and Mileage	\$ 32	1.07%	\$ 29	0.95%	\$ 3	-3.98%	8.99%	0%	\$ 32	\$ 29	\$ 3	9%
Property & Casualty Insurance	\$ 38	1.26%	\$ 35	1.14%	\$ 3	-3.99%	7.62%	0%	\$ 38	\$ 35	\$ 3	8%
Retiree Medical Benefits	\$ 12	0.40%	\$ 9	0.30%	\$ 3	-4.17%	24.93%	0%	\$ 12	\$ 9	\$ 3	25%
Security	\$ 22	0.73%	\$ 20	0.65%	\$ 2	-2.61%	8.60%	0%	\$ 22	\$ 20	\$ 2	9%
IT Service Agreements	\$ 26	0.88%	\$ 25	0.82%	\$ 1	-1.89%	5.17%	0%	\$ 26	\$ 25	\$ 1	5%
Banking Services	\$ 16	0.53%	\$ 16	0.53%	\$ (0)	0.40%	-1.80%	0%	\$ 16	\$ 16	\$ (0)	-2%
Utilities & Rents	\$ 17	0.56%	\$ 16	0.53%	\$ 0	-0.51%	2.19%	0%	\$ 17	\$ 16	\$ 0	2%
Legal Services	\$ 13	0.42%	\$ 1	0.03%	\$ 12	-16.03%	92.08%	0%	\$ 13	\$ 1	\$ 12	92%
Communications Expenses	\$ 7	0.22%	\$ 6	0.18%	\$ 1	-1.41%	15.50%	0%	\$ 7	\$ 6	\$ 1	15%
Professional & Technical Outsourced Services	\$ 100	3.34%	\$ 45	1.47%	\$ 55	-75.91%	54.83%	-2%	\$ 100	\$ 45	\$ 55	55%
Regulation and Environmental Inspection	\$ 19	0.63%	\$ 4	0.12%	\$ 15	-20.83%	80.16%	-1%	\$ 19	\$ 4	\$ 15	80%
Other Miscellaneous Expenses	\$ 29	0.97%	\$ 16	0.51%	\$ 14	-18.82%	46.61%	0%	\$ 29	\$ 16	\$ 14	47%
PREPA Restructuring & Title III	\$ 75	2.49%	\$ 60	1.94%	\$ 15	-20.73%	20.12%	-1%	\$ 75	\$ 60	\$ 15	20%
FOMB Advisor Costs allocated to PREPA	\$ 32	1.06%	\$ 28	0.90%	\$ 4	-5.59%	12.72%	0%	\$ 32	\$ 28	\$ 4	13%
P3 Authority Transaction Costs	\$ 10	0.32%	\$ 7	0.23%	\$ 2	-3.28%	25.00%	0%	\$ 10	\$ 7	\$ 2	25%
Other Expenses	\$ (27)	-0.90%	\$ (32)	-1.03%	\$ 5	-6.65%	-17.86%	0%	\$ (27)	\$ (32)	\$ 5	-18%
Total Non-Labor/Other Operating Expense	\$ 447	14.91%	\$ 315	10.25%	\$ 132	-182.78%	29.58%	-5%	\$ 447	\$ 315	\$ 132	30%
Maintenance Projects												
Generation	\$ 86	2.87%	\$ 83	2.71%	\$ 3	-4.03%	3.39%	0%	\$ 86	\$ 83	\$ 3	3%
Transmission and Distribution	\$ 87	2.92%	\$ 72	2.35%	\$ 15	-21.12%	17.46%	-1%	\$ 87	\$ 72	\$ 15	17%
Executive (General & Admin)	\$ 21	0.71%	\$ 10	0.34%	\$ 11	-14.91%	50.97%	0%	\$ 21	\$ 10	\$ 11	51%
Customer Service	\$ 25	0.84%	\$ 16	0.51%	\$ 9	-13.11%	37.65%	0%	\$ 25	\$ 16	\$ 9	38%
Planning and Environmental Protection	\$ 2	0.07%	\$ 1	0.02%	\$ 1	-1.92%	69.62%	0%	\$ 2	\$ 1	\$ 1	70%
Total Maintenance Projects	\$ 222	7.40%	\$ 182	5.93%	\$ 40	-55.10%	17.97%	-1%	\$ 222	\$ 182	\$ 40	18%
Federal Funding Cost Share Allocation	\$ 27	0.91%	\$ -	0.00%	\$ 27	-37.81%	100.00%	-1%	\$ 27	\$ -	\$ 27	100%
Total Expenses	\$ 2,998	100.00%	\$ 3,070	100.00%	\$ (72)	100.00%	-2.41%	0%	\$ 2,998	\$ 3,070	\$ (72)	-2%

DRAFT – HIGHLY PRELIMINARY ATTORNEY-CLIENT PRIVILEGE -- CREATED AT REQUEST OF LEGAL COUNSEL

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	\$ 1,140	38.03%	\$ 1,470	47.87%	\$(330)	455.74%	-28.91%	10%

Variance Explanation
 The fuel variance of \$330 M or 29% overbudget was driven by a negative variance in diesel fuel of \$278 M, and in natural gas of \$63 M, which offset the positive variance in bunker C fuel of \$30 M caused by a shift in fuel dispatch.

Root Cause
 The variance was primarily due to planned and unplanned outages throughout the year at San Juan, Palo Seco, Aguirre and Costa Sur steam plants, which burn bunker C and natural gas. San Juan and Palo Seco steam plants have three (3) working units each and the three (3) units at each facility experienced outages. SJ Unit #8 and PS Unit #1 had planned outages due to environmental maintenance. PS Unit #4 and SJ Unit #9 experienced forced outages due to turbine rotor and auxiliary equipment malfunction. Aguirre Unit #2 experienced forced outages due to main power transformer replacement, which kept it out of the grid substantially all fiscal year 2020. The Costa Sur generating facility experienced a forced outage due to extensive damage from the major earthquake on January 7, 2020. The deficit in production was generated using lower efficiency and higher cost diesel units. Furthermore, PREPA's budget did not contemplate the significantly higher diesel fuel adder due to FOMB's rejection of the lower cost 2019 Puma fuel supply contract.

Corrective Action
 The variances should begin ramping down as the units are repaired with O&M and the dispatch of the units is normalized. PREPA is currently holding meetings with the Generation directorate to proactively identify units at risk for additional forced outages and address accordingly. Additionally, PREPA is in the process of restoring Costa Unit 5 and 6.

Variance #2
FOMB Category: Salaries & Wages
Expense: Salaries & Wages

Expenses	Budget YTD	Vertical %	Actual YTD	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance YTD (%)	Budget Vertical Variance YTD (%)
Salaries & Wages	\$ 214	7.14%	\$ 199	6.47%	\$ 16	-21.59%	7.29%	-1%

Variance Explanation
 The salaries & wages variance of \$16 M under budget is primarily due to employee attrition. Other factor that contributed to the variance is the delay in the re-employment process of the second academy of electric linemen as a result of the COVID-19 Government ordered shutdown.

Root Cause
 The primary reasons for employee attrition is due to retirement and resignation. Furthermore, the second academy of linemen began in September 2019 and ended in March 2020 but, it was not until June 17, 2020 that the re-employment process was completed due to the COVID-19 shutdown.

Corrective Action
 PREPA hiring is on hold during FET as Luma Energy reviews and determines adequate staffing levels – only critical operational positions are being considered on a temporary basis.

Variance #3
FOMB Category: Pension & Benefits
Expense: Pension & Benefits

Expenses	Budget YTD	Vertical %	Actual YTD	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance YTD (%)	Budget Vertical Variance YTD (%)
Pension & Benefits	\$ 129	4.30%	\$ 110	3.60%	\$ 18	-25.54%	14.32%	-1%

Variance Explanation

Pension & Benefits have a direct correlation to salaries & wages. Please refer to variance #2.

Root Cause

Pension & Benefits have a direct correlation to salaries & wages. Please refer to variance #2.

Corrective Action

Pension & Benefits have a direct correlation to salaries & wages. Please refer to variance #2.

Variance #4

FOMB Category: Professional & Technical Outsourced Services

Expense: Professional & Technical Outsourced Services

Expenses	Budget YTD	Vertical %	Actual YTD	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance YTD (%)	Budget Vertical Variance YTD (%)
Professional & Technical Outsourced Services	\$ 100	3.34%	\$ 45	1.47%	\$ 55	-75.93%	54.83%	-2%

Variance Explanation

The professional & technical outsourced services variance of \$55M or 54% underbudget is due to the large scale vegetation management program, fences repairs program, the outsourced external call center and printing services.

Root Cause

PREPA submitted a list of recommended proponents for the large scale vegetation management program for FOMB approval on December 2019, which was granted on January 2020. As of February 6, 2020, the FOMB had approved the proponents who started on February 18, 2020 and have halted ongoing work due to the COVID-19 Government ordered shutdown. Thus, the vegetation management contracts commenced in April 28, 2020. As a result, year-to-date expenses were lower than expected. The fences repairs program were unable to start in time do to contract signing delays and COVID-19 lockdown. Consequently, no year-to-date expenses have been incurred for this program. The external call center began providing services to PREPA by mid August, 2019, and for such reason year-to-date actuals have been lower than expected. Although, companies were identified to offer the printing services, the pandemic halted the auction process, so it could not be given for the 2019-2020 fiscal year.

Corrective Action

Vegetation management work has resumed from April 28, 2020. Fences repairs program commenced on July 1, 2020. Both projects are being worked on with time extensions until September 2020, for which funds had to be certified from July 1, 2020 to September 30, 2020.

Variance #5

FOMB Category: True Up Rider

Revenue: True Up Rider

Revenue	Budget YTD	Vertical %	Actual YTD	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance YTD (%)	Budget Vertical Variance YTD (%)
True Up	\$ -	0.00%	\$ (131)	-3.75%	\$ (131)	-98.30%	0.00%	-4%

Variance Explanation

Provisional rate was eliminated and CILT and Subsidies riders were created after the implementation of the new rate structure beginning on May 2019. Moreover, a true up mechanism was established, per Puerto Rico Energy Bureau directive. The rider of -\$0.771 c/kWh will be returned to customers and presented on monthly billings. The reconciliation was completed during fiscal year 2020.

Root Cause

N/A

Corrective Action

N/A

Variance #6
FOMB Category: Basic Revenue
Revenue: Basic Revenue

Revenue	Budget YTD	Vertical %	Actual YTD	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance YTD (%)	Budget Vertical Variance YTD (%)
Total Basic Revenue	\$ 1,156	34.35%	\$ 1,114	31.83%	\$ (42)	-31.34%	-3.64%	-3%

Variance Explanation
The total basic revenue variance of \$(42) M or -3.64% under budget was driven by an unfavorable variance in Commercial customers of \$(70) M, Industrial customers of \$(17) M, and in Public Lighting of \$(6) M which offset the favorable variance in Residential customers of \$51 M. Nonetheless, Sales (kWh) exceeded expectations by 1% due to prior periods adjustments performed by PREPA during fiscal year 2020 in demand charges, that affect the Basic Revenue but not the consume in kWh, in which the Commercial and Industrial customers where the

Root Cause
The variance was mainly due to, prior periods adjustments performed by PREPA during fiscal year 2020 in favor of the clients in the energy demand charge, most of them corresponding to the billings after the impact of Hurricane María. The aforementioned adjustments mostly impact the Basic Revenue of Commercial and Industrial customers, but not the consumption per kWh.

Corrective Action
N/A

Variance #7
FOMB Category: RSA Settlement Charge
Revenue: RSA Settlement Charge

Revenue	Budget YTD	Vertical %	Actual YTD	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance YTD (%)	Budget Vertical Variance YTD (%)
RSA Settlement Charge	\$ 158	4.71%	\$ -	0.00%	\$(158)	-117.94%	-100.00%	-5%

Variance Explanation
Settlement Charge and Payments required by the 2019 RSA were delayed due to the pendency of the Title III court 9019 hearing and delays in obtaining the required legislative support for the transaction.

Root Cause
N/A

Corrective Action
N/A