

Financial Oversight & Management Board for Puerto Rico

Puerto Rico Electric Power Authority

Report Date **10/24/2022**



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FY23 Monthly B2A Summary

(\$ millions)

Summary	September-22				YTD			
	Sep-22 Budget	Sep-22 Actual	Sep-22 Variance (\$)	Sep-22 Variance (%)	YTD Budget	YTD Actual	YTD Variance (\$)	YTD Variance (%)
A. Revenue								
Total Gross Revenue	460	406	(54)	(11.7%)	1,401	1,375	(26)	(1.9%)
Other Income	3	0	(3)	(88.4%)	10	1	(9)	(93.2%)
Total Unconsolidated Revenue	\$ 463	\$ 406	\$ (57)	(12.2%)	\$ 1,411	\$ 1,375	\$ (36)	(2.5%)
Bad Debt Expense	(7)	-	7	(100.0%)	(20)	-	20	(100.0%)
CILT & Subsidies	(31)	(0)	31	(98.9%)	(95)	(1)	94	(98.9%)
Total Consolidated Revenue	\$ 426	\$ 406	\$ (20)	(4.6%)	\$ 1,296	\$ 1,374	\$ 79	6.1%
B. Expenses								
Fuel & Purchased Power	\$ 314	\$ 281	\$ 33	10.6%	\$ 995	\$ 943	\$ 52	5.2%
GenCo:								
GenCo Labor Operating Expenses	\$ 7	\$ 7	\$ 1	9.4%	\$ 22	\$ 20	\$ 2	10.7%
GenCo Non-Labor/Other Operating Expense	\$ 5	\$ 4	\$ 1	12.5%	\$ 15	\$ 15	\$ (0)	(0.1%)
Shared Services Agreement Impact	\$ 5	\$ 4	\$ 1	12.5%	\$ 15	\$ 14	\$ 0	3.2%
Total GenCo Maintenance Projects Expense	\$ 8	\$ 6	\$ 2	23.7%	\$ 25	\$ 11	\$ 14	56.4%
Federal Funding Cost Share	\$ -	\$ -	\$ -	n.a.	\$ -	\$ -	\$ -	n.a.
Total GenCo Operating & Maintenance Expenses	\$ 25	\$ 22	\$ 4	15.2%	\$ 76	\$ 60	\$ 17	21.9%
HoldCo:								
HoldCo Labor Operating Expenses	\$ 1	\$ 2	\$ (1)	(53.6%)	\$ 3	\$ 4	\$ (1)	(30.1%)
HoldCo Non-Labor / Other Operating Expenses	\$ 5	\$ 6	\$ (0)	(3.5%)	\$ 16	\$ 15	\$ 2	11.8%
Total HoldCo Operating Expenses	\$ 7	\$ 7	\$ (1)	(11.5%)	\$ 20	\$ 19	\$ 1	5.1%
GridCo:								
Total GridCo Operating & Maintenance Expenses	\$ 56	\$ -	\$ 56	100.0%	\$ 166	\$ -	\$ 166	100.0%
Total Expenses	\$ 402	\$ 310	\$ 93	23.00%	\$ 1,258	\$ 1,021	\$ 236	18.79%
C. Net Balance	\$ 23	\$ 96	\$ (73)	-313.39%	\$ 38	\$ 353	\$ (315)	-823.63%

FY23 Monthly Expenses

(\$ millions)

Expenses	July-22				August-22				September-22				YTD			
	Jul-22 Budget	Jul-22 Actual	Jul-22 Variance (\$)	Jul-22 Variance (%)	Aug-22 Budget	Aug-22 Actual	Aug-22 Variance (\$)	Aug-22 Variance (%)	Sep-22 Budget	Sep-22 Actual	Sep-22 Variance (\$)	Sep-22 Variance (%)	YTD Budget	YTD Actual	YTD Variance (\$)	YTD Variance (%)
A. Fuel and Purchased Power																
28 Fuel	263	253	10	3.8%	259	261	(1)	(0.4%)	235	218	16	6.9%	757	732	25	3.3%
29 Purchased Power - Conventional Power	68	64	3	4.6%	75	70	5	6.3%	73	59	14	19.2%	216	194	22	10.1%
30 Purchased Power - Renewable Power	8	7	1	14.9%	8	7	1	12.9%	6	3	3	47.8%	22	17	5	23.6%
Total Fuel and Purchased Power	\$ 339	\$ 324	\$ 14	4.2%	\$ 342	\$ 338	\$ 5	1.3%	\$ 314	\$ 281	\$ 33	10.6%	\$ 995	\$ 943	\$ 52	5.2%
B. GenCo - Operations & Maintenance Expenses																
Labor																
31 Salaries & Wages	4	3	0	11.6%	4	3	1	14.5%	4	3	0	11.2%	11	10	1	12.5%
32 Pension & Benefits	2	2	1	21.8%	2	2	1	24.4%	2	2	1	23.6%	7	6	2	23.2%
33 Overtime Pay	1	1	(0)	(31.5%)	1	1	(0)	(14.3%)	1	1	(0)	(38.6%)	3	4	(1)	(24.8%)
34 Overtime Benefits	0	0	(0)	(7.0%)	0	0	0	6.0%	0	0	(0)	(27.2%)	0	0	(0)	(9.4%)
Total GenCo Labor Operating Expenses	\$ 7	\$ 7	\$ 1	8.9%	\$ 7	\$ 6	\$ 1	13.8%	\$ 7	\$ 7	\$ 1	9.4%	\$ 22	\$ 20	\$ 2	10.7%
Non-Labor/Other Operating Expense																
35 Materials & Supplies	2	2	(0)	(16.4%)	2	3	(2)	(93.5%)	2	3	(1)	(61.0%)	5	8	(3)	(57.0%)
36 Transportation, Per Diem, and Mileage	0	0	(0)	(118.3%)	0	0	(0)	(224.5%)	0	0	(0)	(164.6%)	0	1	(1)	(169.2%)
37 Security	1	0	1	98.0%	1	0	1	99.3%	1	0	1	90.8%	2	0	2	96.1%
38 Utilities & Rents	0	0	0	64.1%	0	0	0	13.9%	0	0	0	70.7%	1	0	0	49.5%
39 Legal Services	1	0	0	42.8%	1	0	0	47.1%	1	1	(0)	(30.3%)	2	1	0	19.9%
40 Professional & Technical Outsourced Services	0	0	0	1.5%	0	0	0	8.2%	0	0	0	95.0%	1	0	0	34.9%
41 Regulation & Environmental Inspection	1	0	0	64.7%	1	0	0	57.1%	1	(0)	1	100.9%	2	1	1	74.2%
42 Other Miscellaneous Expenses	1	1	(0)	(59.5%)	1	2	(1)	(17.7%)	1	0	0	42.1%	2	3	(1)	(65.0%)
Total Non-Labor/Other Operating Expense	\$ 5	\$ 4	\$ 1	16.8%	\$ 5	\$ 6	\$ (1)	(29.8%)	\$ 5	\$ 4	\$ 1	12.5%	\$ 15	\$ 15	\$ (0)	(0.1%)
43 Shared Services Agreement Impact	5	4	1	12.3%	5	6	(1)	(15.3%)	5	4	1	12.5%	15	14	0	3.2%
Total GenCo Operating Expenses	\$ 17	\$ 15	\$ 2	12.2%	\$ 17	\$ 18	\$ (1)	(7.1%)	\$ 17	\$ 15	\$ 2	11.2%	\$ 52	\$ 49	\$ 3	5.4%
Maintenance																
44 Generation	8	0	8	99.8%	8	4	4	45.7%	8	6	2	23.7%	25	11	14	56.4%
Total GenCo Maintenance Projects Expense	\$ 8	\$ 0	\$ 8	99.8%	\$ 8	\$ 4	\$ 4	45.7%	\$ 8	\$ 6	\$ 2	23.7%	\$ 25	\$ 11	\$ 14	56.4%
45 Federal Funding Cost Share	-	-	-	n.a.	-	-	-	n.a.	-	-	-	n.a.	-	-	-	n.a.
Total GenCo Operating & Maintenance Expenses	\$ 25	\$ 15	\$ 10	40.6%	\$ 25	\$ 23	\$ 3	10.0%	\$ 25	\$ 22	\$ 4	15.2%	\$ 76	\$ 60	\$ 17	21.9%
C. HoldCo - Operations Expenses																
Labor																
46 Salaries & Wages	1	1	(0)	(24.2%)	1	1	(0)	(20.4%)	1	1	(0)	(62.3%)	2	3	(1)	(35.6%)
47 Pension & Benefits	0	0	(0)	(13.6%)	0	0	(0)	(12.6%)	0	1	(0)	(47.3%)	1	1	(0)	(24.5%)
48 Overtime Pay	0	0	(0)	(82.7%)	0	0	0	57.9%	0	0	0	17.9%	0	0	(0)	(2.3%)
49 Overtime Benefits	0	0	0	22.7%	0	0	0	63.2%	0	0	0	57.3%	0	0	0	47.8%
Total HoldCo Labor Operating Expenses	\$ 1	\$ 1	\$ (0)	(22.3%)	\$ 1	\$ 1	\$ (0)	(14.5%)	\$ 1	\$ 2	\$ (1)	(53.6%)	\$ 3	\$ 4	\$ (1)	(30.1%)
Non-Labor / Other Operating Expenses																
50 Materials & Supplies	0	0	0	11.3%	0	0	0	21.7%	0	0	0	18.1%	0	0	0	17.0%
51 Transportation, Per Diem, and Mileage	0	0	0	90.7%	0	0	0	46.4%	0	0	0	59.6%	0	0	0	65.6%
52 Retiree Medical Benefits	1	1	0	24.6%	1	1	0	29.5%	1	1	0	26.2%	2	2	1	26.8%
53 IT Service Agreements	0	0	(0)	(340.7%)	0	0	(0)	(208.8%)	0	-	0	100.0%	0	1	(0)	(149.8%)
54 Utilities & Rents	0	1	(1)	(23214.3%)	0	1	(1)	(23234.3%)	0	2	(2)	(68540.6%)	0	3	(3)	(38329.7%)
55 Communications Expenses	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%
56 Professional & Technical Outsourced Services	0	0	0	99.9%	0	1	(0)	(95.2%)	0	0	0	68.4%	1	1	0	24.4%
57 Other Miscellaneous Expenses	0	(1)	1	844.4%	0	(0)	0	218.5%	0	(0)	0	163.9%	0	(1)	2	408.9%
58 PREPA Restructuring & Title III	2	2	0	23.2%	2	4	(2)	(94.8%)	2	0	2	79.2%	6	6	0	2.5%
59 FOMB Advisor Costs allocated to PREPA	2	-	2	100.0%	2	1	1	63.6%	2	3	(1)	(27.9%)	6	3	3	45.2%
Total HoldCo Non-Labor / Other Operating Expenses	\$ 5	\$ 2	\$ 3	62.3%	\$ 5	\$ 7	\$ (1)	(23.5%)	\$ 5	\$ 6	\$ (0)	(3.5%)	\$ 16	\$ 15	\$ 2	11.8%
Total HoldCo Operating Expenses	\$ 7	\$ 3	\$ 3	48.8%	\$ 7	\$ 8	\$ (1)	(22.0%)	\$ 7	\$ 7	\$ (1)	(11.5%)	\$ 20	\$ 19	\$ 1	5.1%
D. GridCo - Operating & Maintenance Expenses																
60 GridCo Labor Operating Expenses	17		17	100.0%	18		18	100.0%	19		19	100.0%	54	-	54	100.0%
61 GridCo Non-Labor / Other Operating Expenses	24		24	100.0%	24		24	100.0%	24		24	100.0%	72	-	72	100.0%
62 Operator Service Fees	10		10	100.0%	10		10	100.0%	10		10	100.0%	30	-	30	100.0%
63 2% Reserve for Excess Expenditures	1		1	100.0%	1		1	100.0%	1		1	100.0%	3	-	3	100.0%
64 Maintenance Projects Expenses	3		3	100.0%	3		3	100.0%	3		3	100.0%	8	-	8	100.0%
Total GridCo Operating & Maintenance Expenses	\$ 55	\$ -	\$ 55	100.0%	\$ 55	\$ -	\$ 55	100.0%	\$ 56	\$ -	\$ 56	100.0%	\$ 166	\$ -	\$ 166	100.0%
Total Operating & Maintenance Expenses	\$ 425	\$ 343	\$ 83	19.42%	\$ 430	\$ 369	\$ 61	14.23%	\$ 402	\$ 310	\$ 93	23.00%	\$ 1,258	\$ 1,021	\$ 236	18.79%

Puerto Rico Electric Power Authority
Variance Detail
FISCAL YEAR 2023
10/24/2022

Variance #1
FOMB Category: [Fuel and Purchased Power]
Account: Fuel

Expenses	Budget YTD	Vertical %	Actual YTD	Vertical %	Variance (\$)	Vertical (%)	Budget Horizontal Variance YTD (%)	Budget Vertical Variance YTD (%)
Purchased Power - Conventional Power	\$ 216		\$ 194		\$ 22		10.14%	

Variance Explanation
 PREPA no longer has visibility into drivers of variances in Purchased Power. Starting in February of 2022, without explanation or justification, LUMA stopped sending PREPA the daily availability reports and discontinued all status update calls. PREPA believes this information is communicated directly to the FOMB. Accordingly, PREPA suggests that the FOMB consult with LUMA on variances in the category going forward.

Root Cause
 Not Applicable. PREPA cannot answer.

Corrective Action
 Not Applicable. PREPA cannot answer.