

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ENERGY COMMISSION

COMISIÓN DE ENERGÍA DE PUERTO RICO	
Recibido por:	<i>[Signature]</i>
Fecha:	4/15/16
Hora:	4:00

IN RE:

PUERTO RICO ELECTRIC POWER
AUTHORITY REVITALIZATION
CORPORATION,

Petitioner.

NO. CEPR-AP-2016-0001

SUBJECT: Compliance with
Resolution and Order of April 13,
2016

**PREPA REVITALIZATION CORPORATION'S
SUBMISSION OF INFORMATION IN COMPLIANCE WITH THE
COMMISSION'S RESOLUTION AND ORDER OF APRIL 13, 2016**

Comes now the Petitioner Puerto Rico Electric Power Authority Revitalization Corporation (the "Corporation") and respectfully submits this response and the electronic information identified herein to the honorable Puerto Rico Energy Commission (the "Commission") in timely compliance with the Commission's Resolution and Order of April 13, 2016 (the "April 13 Order").

The April 13 Order directs the Corporation to "... provide the workpapers and Excel files, with formulas and cross references intact" for certain Exhibits and Attachments to the Verified Petition. April 13 Order at 2. The Corporation provides with this Response any native Excel files that correspond to a referenced Exhibit or Attachment, as well as additional Excel workpapers. No spreadsheetfiles contain locked or password protected data and they are all produced as they exist in the Corporation's possession, both where they contain formulae and calculations and where they do not (*e.g.*, where they simply contain numerical data, not formulae or calculations).¹

¹Some data in some spreadsheets is designated as "hidden" for printing purposes, but those data remain freely and fully accessible. For example, in the file named "2016-04-15 SPV Petition - Exhibits Backup vSHARE.xlsx," columns F through EE do not print unless "unhidden," but are fully accessible in Excel.

In searching for and providing workpapers, the Corporation has adopted a broad view and included as workpapers not only spreadsheets and calculations creating the Exhibit or Attachment; but also documents and spreadsheets relied upon and used by the witness or author in making calculations reflected therein. The Corporation has not included documents contributing to the general knowledge, background, or professional experience of a witness or author and that were not used in the preparation of the referenced Exhibits and Attachments. Also, the Corporation does not believe that the April 13 Order calls for the production of any materials that are legally privileged or confidential. No documents were omitted or redacted on such grounds, and no confidential treatment is sought.

The Corporation states with respect to each specific Exhibit or Attachment identified in the April 13 Order as follows:

Attachment 2.01. This table is a printout of the data appearing in Rows 5–53 of Columns A-G in the Excel file named “SPV Upfront Ongoing Financing Costs_Notes.xlsx” provided in the file “Upfront Ongoing Financing Costs.zip.” The basis of each line item estimate is described in Column H. In most cases, the final number is the product of the professional opinion of the witness and financial advisors based on that information. While in many respects, the issuance of the Bonds (at that term is defined in the Petition) is more complex than a typical utility securitization, the reported estimates also reflect the professional experience of Mr. Mace and other financial advisors to the Corporation based on estimated costs for similar services in other securitization transactions. Mr. Mace discusses this in his testimony (Corporation Ex. 4.0). In some cases, other external sources are identified. For example, the estimate of “Servicer Set-Up Costs” relies in part on the draft Servicing Agreement (Attachment 1.00, Appendix 4) and on information provided by Mr. Stathos, whose relevant workpapers are provided electronically in

the file named "Exhibit 5.04 Workpapers.zip." Certain cost estimates (*e.g.*, the Reserve Surety Premium") are also derived from the Restructuring Support Agreement and schedules thereto.

Attachment 2.02. This table is a printout of the data appearing in Rows 55–86 of Columns A-G in the Excel file named "SPV Upfront Ongoing Financing Costs_Notes.xlsx" provided in the file "Upfront Ongoing.zip." The basis of each line item estimate is described in Column H. In most cases, the final number is the product of the professional opinion of the witness and financial advisors based on that information. While in many respects, the issuance of the Bonds (as that term is defined in the Petition) is more complex than a typical utility securitization, the reported estimates also reflect the professional experience of Mr. Mace and other financial advisors to the Corporation based on estimated costs for similar services in other securitization transactions. Mr. Mace discusses this in his testimony (Corporation Ex. 4.0). In some cases, other external sources are identified. For example, the estimate of the "Servicing Fee" relies in part on the draft Servicing Agreement (Attachment 1.00, Appendix 4) and on information provided by Mr. Stathos, whose relevant workpapers are provided electronically in the file named "Exhibit 5.04 Workpapers.zip." Certain cost estimates (*e.g.*, the Reserve Surety Premium") are also derived from the Restructuring Support Agreement and schedules thereto.

Attachment 2.03. This table is a printout of the tab labelled "Ex. 2.03" in the file named "2016-04-15 SPV Petition - Exhibits Backup vSHARE.xlsx" provided in the file named "Debt Service Workpapers.zip." Modelling workpapers are included in the Excel file. The data for this table also corresponds to data relating to "Affected Bonds" in the file named "2016-03-29 PREPA Debt Service Projections v3.xlsx" also provided in the file labelled "Debt Service Workpapers.zip." The data from "2016-03-29 PREPA Debt Service Projections v3.xlsx"

correspond to the debt service schedules located in the file labelled “2016-04-15 SPV Petition - Exhibits Backup vSHARE.xlsx”.

Attachment 3.01. This table is a printout of the tab labelled “Ex. 3.01” in the file named “2016-04-15 SPV Petition - Exhibits Backup vSHARE.xlsx” provided in the file named “Debt Service Workpapers.zip.” Modelling workpapers are included in the Excel file.

Attachment 3.02. The Excel file used to create this Exhibit is provided in the file named “Exhibit 3.02 Workpapers.zip.” The Exhibit is a printout of the data on the tab labelled “Attachment 3.02-2.” The values in columns F and J in the “Attachment 3.02-2” tab come from columns F and G of the “Summary” tab in the Excel file named “Transition Charge Projection 2016 04 05.xlsx” provided in the file named “Attachment 6.00 Workpapers.zip.”

Attachment 3.03. This table is a compilation of a printout of the tabs labelled “Ex. 3.03 – DS Comparison” and the two formatted tables in the tab labelled “Ex. 3.03 – DS Schedules” in the file named “2016-04-15 SPV Petition - Exhibits Backup vSHARE.xlsx” provided in the file named “Debt Service Workpapers.zip.” Modelling workpapers are included in the Excel file.

Attachment 4.00. The Excel file containing the detailed data is named “PREPA Cash Flows_10.20.15.xlsx” and is provided in the file named “Attachment 4.00 Workpapers.zip.” Please note that the Excel file produced does not contain formulae or calculations, and the Corporation has confirmed that the file as delivered to the rating agency also did not contain formulae or calculations. While neither the Corporation nor PREPA is privy to the model used to develop this data, the Corporation understands that the selection of stress data parameters was informed by rating agency guidelines applicable to bonds with a AAA rating (while that is not a target rating for the Bonds, the information was used as a guide).

Attachment 6.00, Table 2. This table appearing in Attachment 6.00 as filed is derived from underlying debt service data (cells K:85 to R:101) in the tab labelled “Ex. 3.03 – DS Schedules” in the file named “2016-04-15 SPV Petition - Exhibits Backup vSHARE.xlsx” provided in the file named “Debt Service Workpapers.zip.” However, it appears that due to version control issues, the numbers printed in Attachment 6.00, Table 2, differ slightly and in manner that does not affect the substance or conclusions of the report. The Corporation will nonetheless file errata promptly. The workpaper for the updated Table 2 is provided as “2016_04_15 Attachment 6.00 - Revised Table 2 Backup” in the file named “Attachment 6.00 Workpapers.zip.”

Attachment 6.00, Pages 12-14. The Excel file used to generate this table is named “Transition Charge Projection 2016 04 05.xlsx” and is provided in the file named “Attachment 6.00 Workpapers.zip.” The Table consists of Columns C, D, H, and I of the “Charge” tab.

Attachment 6.00, Debt Service Schedule. This table is a printout of the “Affected Bonds” debt service schedule located in the tab labelled “Debt Service” in the file labelled “2016-03-29 PREPA Debt Service Projections v3.xlsx” provided in the file named “Debt Service Workpapers.zip.” The data from “2016-03-29 PREPA Debt Service Projections v3.xlsx” correspond to the debt service schedules located in the file named “2016-04-15 SPV Petition - Exhibits Backup vSHARE.xlsx”.

Exhibit 5.04. The table was created with a word processor, and there are no embedded formulae or calculations. Mr. Stathos’ workpapers, including an original Excel file, are provided electronically in the file named “Exhibit 5.04 Workpapers.zip.”

Exhibit 6.02. The original Excel file used to create this Exhibit is provided in the file named “Exhibit 6.02.zip.”

WHEREFORE, the Puerto Rico Electric Power Authority Revitalization Corporation respectfully requests that the Honorable Commission finds the Corporation in compliance with the April 13th Order.

WE HEREBY CERTIFY that the foregoing was sent via email to: Nelida Ayala Jimenez, Esq. General Counsel, Puerto Rico Electric Power Authority, n_ayala@acepr.com; José Pérez-Velez, Esq., Director, OIPC, jperez@oipc.pr.gov; and Coral M. Odio-Rivera, Esq., codio@oipc.pr.gov

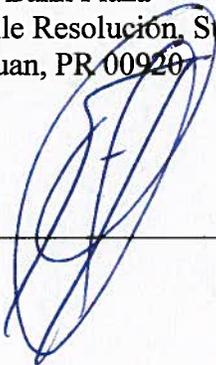
RESPECTFULLY SUBMITTED,

IN SAN JUAN, PUERTO RICO, THIS 7TH DAY OF APRIL, 2016

**PUERTO RICO ELECTRIC POWER
AUTHORITY REVITALIZATION CORPORATION**

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* Pursuant to *Moción Suplementaria de Solicitud de Admisión por Cortesía* (pending)

By: _____

