

**COMMONWEALTH OF PUERTO RICO
PUERTO RICO ENERGY COMMISSION**

**IN RE: REVIEW OF RATES OF THE
PUERTO RICO ELECTRIC POWER
AUTHORITY,**

Petitioner.

NO. CEPR-AP-2015-0001


SUBJECT: Affidavit of Ernesto Ramos
Morales, Puerto Rico Electric Power
Authority Chief Financial Officer

AFFIDAVIT OF ERNESTO RAMOS MORALES

1. I, Ernesto Ramos Morales, of legal age, accountant, married, and resident of Aguas Buenas Puerto Rico, in my capacity as Chief Financial Officer, declare under oath as follows:

2. My name and personal information are those set forth above.

3. I am employed as Chief Financial Officer with the Puerto Rico Electric Power Authority ("PREPA"). I am responsible for the general supervision of finance activities, presenting and reporting accurate and timely historical financial information and evaluate the PREPA's liquidity. In particular, I oversee and review PREPA's yearly auditing and preparation of audited financial statements per Fiscal Year.

 4. The most recent complete audited financial statements PREPA has available, which were completed by Ernst & Young, LLP (the "Auditor"), are for Fiscal Year 2014.

5. PREPA was in the process of obtaining audited financial statements for Fiscal Year 2015. However, a change in the scope and breadth of the Fiscal Year 2014 audit caused a cessation in their completion due to renewed negotiations between PREPA and the Auditor concerning the cost and fees associated with the additional scope of said audit.

6. PREPA and the Auditor are actively negotiating in good faith to resolve the issues which are the cause of the temporary delay in completing the audited financial statements for Fiscal Year 2015.

7. PREPA commits to provide the Energy Commission (the "Commission") with a complete set of audited financial statements for Fiscal Year 2015 by October 31, 2016, or as they become available, at the earlier of either date.

8. As a reasonable substitution, PREPA provided the Commission with audited financial statements for Fiscal Year 2014 on May 12, 2016.

9. Obtaining audited financial statements for Fiscal Year 2015 is a top priority for PREPA. PREPA has a goal of completing said statements prior to the completion of the securitization process where the Puerto Rico Electric Power Authority Revitalization Corporation's Petition is now pending in a docket that is separate from the instant rate review, *i.e.*, docket No. CEPR-AP-2016-0001.

10. With respect to any "known and measureable adjustments" contained in PREPA's Verified Petition for Approval of (1) "Permanent" Rates and (2) Temporary Rates that rely on financial information for FY 2015, such information is accurate and I am not aware of any necessary adjustments.

Affiant does not state further.

In San Juan Puerto Rico on May 26, 2016



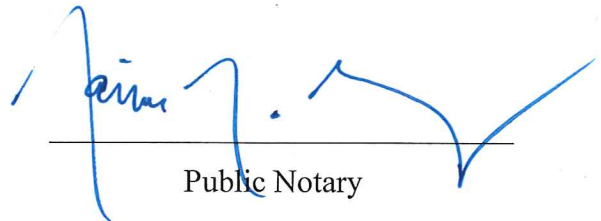
Ernesto Ramos Morales

Affidavit No. 3,571

Sworn and subscribed before me by Ernesto Ramos Morales, of the personal circumstances above mentioned, whom I personally know, in San Juan Puerto Rico on May 26, 2016.



EXENTO PAGO ARANCEL
LEY 47
4 DE JUNIO DE 1982


Public Notary