

THIRD AMENDING AGREEMENT
TO
CREDIT AGREEMENT

This Third Amending Agreement (the "Third Amending Agreement") to that certain Credit Agreement dated as of May 4, 2012, by and among PUERTO RICO ELECTRIC POWER AUTHORITY (the "Borrower"), the LENDERS party thereto, and SCOTIABANK DE PUERTO RICO, as Administrative Agent (in such capacity, the "Agent") (the "Original Credit Agreement") is made as of June 28, 2013.

WITNESSETH:

WHEREAS, the Borrower, the Lenders and the Agent entered into the Credit Agreement, pursuant to which the Lenders granted to the Borrower a certain revolving credit facility.

WHEREAS, the Credit Agreement was amended by a *First Amending Agreement to Credit Agreement* dated October 23, 2012 (the "First Amending Agreement"), and by a *Second Amending Agreement* dated April 25, 2013 (the "Second Amending Agreement"). The Original Credit Agreement, the First Amending Agreement and the Second Amending Agreement are herein collectively referred to as the "Credit Agreement."

WHEREAS, all capitalized terms used herein and not otherwise defined, are used with the same meanings given to such terms in the Credit Agreement.

WHEREAS, the parties have agreed to amend further the Credit Agreement to extend the Maturity Date, *inter alia*, all as more fully set out below.

NOW THEREFORE, the parties hereby execute this Third Amending Agreement under the following:

TERMS AND CONDITIONS

1. Extension of Maturity Date.

At the Borrower's request, the Administrative Agent and all Lenders agree to extend the Maturity Date to August 15, 2013. Accordingly, the definition of "Maturity Date" contained in Section 1.01 of the Credit Agreement is hereby amended to read as follows:

"Maturity Date" means August 15, 2013.

2. Allonges to Notes.

Concurrently herewith the Borrower has executed and delivered to the Agent three allonges, substantially in the form of Exhibit A to this Third Amending Agreement, referencing the three Notes issued by the Borrower to the order of the Lenders. The Agent shall forthwith deliver each allonge to its corresponding Lender, who will then attach the allonge to the Note issued by the Borrower to such Lender, thereby evidencing the extension to the Maturity Date of the Notes granted by this Third Amending Agreement.

3. Extension Fee.

The Lenders grant the foregoing consent and extension to the Maturity Date in consideration of the payment by the Borrower to the Agent, for the pro-rata benefit of the Lenders, of an extension fee in the sum of \$281,250, the receipt of which the Agent acknowledges on this date.

4. Lender Consent.

The Lenders hereby consent to the Borrower paying the sum of \$50,000,000 to Banco Santander Puerto Rico, a former lender under the Credit Agreement, in full settlement of its obligations thereto. Consequently, *Schedule 2.01* to the Credit Agreement is replaced with a new *Schedule 2.01* that is attached hereto.

5. All Other Provisions Applicable.

The Credit Agreement, as changed, altered, amended or modified by this Third Amending Agreement, shall continue in full force and effect, and is hereby in all respects ratified and confirmed, and the rights and obligations of all parties thereunder shall not be affected or prejudiced in any manner except as specifically provided for herein. All terms, conditions, covenants and undertakings of the Loan Documents and all other instruments executed and delivered in connection therewith, not expressly amended, substituted or otherwise revoked by the terms hereof, remain in full force and effect.

6. References to Agreement.

All references in the Credit Agreement to the "Agreement" shall now mean the Credit Agreement, as amended by the First Amending Agreement, the Second Amending Agreement and this Third Amending Agreement; and all references to the "Credit Documents" shall now include this Third Amending Agreement.

7. No Novation.

The terms and conditions of this Third Amending Agreement shall not be construed as, nor do they constitute, an extinctive novation of the Borrower's Obligations under the Credit Agreement.

8. Inconsistent Terms.

If any provision of this Third Amending Agreement is inconsistent or conflicts with any provision of the Credit Agreement, the relevant provision of this Third Amending Agreement shall prevail and be paramount.

9. Execution in Counterparts.

This Third Amending Agreement may be executed by its signatories in separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amending Agreement to be duly executed by their respective authorized officers as of the date first above written.

PUERTO RICO ELECTRIC POWER
AUTHORITY, Borrower

by: 
Name: JUAN E. ALICEA FLORES
Title: EXECUTIVE DIRECTOR

SCOTIABANK DE PUERTO RICO, as Lender and
Administrative Agent

by: _____
Name:
Title:

(SIGNATURES CONTINUE ON FOLLOWING PAGE)

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PUERTO RICO ELECTRIC POWER
AUTHORITY, Borrower

by: _____

Name:

Title:

SCOTIABANK DE PUERTO RICO, as Lender and
Administrative Agent

by:  _____

Name: JOSE A. MALDONADO

Title: VICE PRESIDENT

(SIGNATURES CONTINUE ON FOLLOWING PAGE)

(SIGNATURE PAGE CONTINUED)

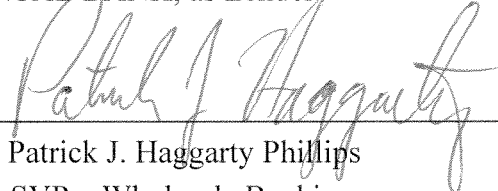
BANCO POPULAR DE PUERTO RICO, as
Lender

by: _____

Name:

Title:

ORIENTAL BANK, as Lender

by:  _____

Name: Patrick J. Haggarty Phillips

Title: SVP – Wholesale Banking

By:  _____

Name: Helen M. Pardo Hernández

Title: SVP – Corporate & Institutional Banking

(SIGNATURE PAGE CONTINUED)

BANCO POPULAR DE PUERTO RICO, as
Lender

by: Adlin M. Rodríguez González
Name: Adlin M. Rodríguez González
Title: Commercial Relationship Officer

ORIENTAL BANK, as Lender

by: _____
Name: Patrick J. Haggarty Phillips
Title: SVP – Wholesale Banking

By: _____
Name: Helen M. Pardo Hernández
Title: SVP – Corporate & Institutional Banking

SCHEDULE 2.01
COMMITMENTS

Scotiabank de Puerto Rico	\$200,000,000
Oriental Bank	\$200,000,000
Banco Popular de Puerto Rico	\$50,000,000

ALLONGE

Pursuant to that certain *Third Amending Agreement to Credit Agreement* dated as of June 28, 2013, between the maker of this Note and the Lenders party thereto, the Maturity Date of this Note has been extended to August 15, 2013.

All provisions of the Note not expressly modified by this allonge remain in full force and effect, and are hereby ratified by Puerto Rico Electric Power Authority.

In San Juan, Puerto Rico, as of June 28, 2013.

IN WITNESS WHEREOF, Puerto Rico Electric Power Authority has caused this Note to bear the manual signatures of the Executive Director and the Secretary of the Authority and its corporate seal to be imprinted hereon, all as of the date set forth above.

PUERTO RICO ELECTRIC POWER
AUTHORITY

by: Juan F. Alicea Flores
Executive Director

by: _____
Secretary