GOVERNMENT OF PUERTO RICO PUBLIC SERVICE REGULATORY BOARD PUERTO RICO ENERGY BUREAU

Received:

May 14, 2024

6:06 PM

IN RE:

REVIEW OF LUMA'S INITIAL BUDGET

CASE NO.: NEPR-MI-2021-0004

SUBJECT: Motion to Submit Budget to Actuals Report for Third Quarter of Fiscal Year 2024

MOTION TO SUBMIT BUDGET TO ACTUALS REPORT FOR THIRD QUARTER OF FISCAL YEAR 2024

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW GENERA PR LLC ("Genera"), as agent of the Puerto Rico Electric Power Authority ("PREPA"),¹ through its counsel of record, and respectfully state and request the following:

1. On May 16, 2023, LUMA² filed a document with the Energy Bureau of the Puerto Rico Service Regulatory Board ("Energy Bureau") titled *Submission of Consolidated Annual Budgets for Fiscal Year 2024 and Proposed Annual T&D Projections Through Fiscal Year 2026* ("May 16th Motion"), in which LUMA submitted the Proposed Consolidated FY24 Budget, composed of the Proposed T&D Budgets developed by LUMA, the proposed GenCo Budgets revised by Genera on behalf of PREPA for the PREPA subsidiary GenCo LLC, and the proposed budget developed by PREPA for its holding company, HoldCo, and its subsidiaries PREPA HydroCo LLC and PREPA PropertyCo LLC.

¹ Pursuant to the *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* ("LGA OMA"), dated January 24, 2023, executed by and among PREPA, Genera, and the Puerto Rico Public-Private Partnerships Authority, Genera is the sole operator and administrator of the Legacy Generation Assets (as defined in the LGA OMA) and the sole entity authorized to represent PREPA before the Energy Bureau with respect to any matter related to the performance of any of the O&M Services provided by Genera under the LGA OMA.

² LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly referred to as "LUMA").

2. On June 25, 2023, the Energy Bureau issued a Resolution and Order titled *Determination on the FY24 Annual Budgets for the Electric Utility System – LUMA, Genera, and PREPA* ("June 25th Order"), through which it (1) modified the Proposed Consolidated Fiscal Year 2024 Budget as submitted by LUMA in the May 16th Motion; (2) approved the modified budgets subject to compliance with various orders included in the June 25th Order; and (3) included a series of determinations and orders addressed to Genera regarding the GenCo Budget. *See*, June 25th Order, pp. 16 - 21.

3. Pertinent to this Motion, through the June 25th Order, the Energy Bureau ordered Genera to submit the Budget to Actuals report, consisting of the tracking of certified Budget to Actual for GenCo, based on a consolidated template to be provided by the Financial Oversight and Management Board for Puerto Rico, on a quarterly basis. *See, Id.*, Attachment I.

4. On September 1, 2023, Genera filed a document titled *Motion to Submit Monthly Maintenance Report for August 2023, in Compliance with Resolution and Order dated June 25, 2023* ("September 1st Motion"). Relevant to the present matter, Genera requested to modify the filing schedule of the Budget to Actuals Reporting from quarterly to within forty-five (45) days after the end of the quarterly reporting period. *See*, September 1st Motion, on ¶ 7, page 3.

5. On March 6, 2024, the Energy Bureau issued a Resolution and Order titled *Determination on Genera's Requests to Amend Section 7.3(f) of the LGA OMA; Order to Amend Cadence of Genera's Quarterly Fuel Budget Report; and for Modification of Attachment J and Reporting Schedule as Required in the June 25 Resolution ("March 6th Resolution"). Through the March 6th Resolution, the Energy Bureau approved Genera's request to modify the reporting schedule set forth in the June 25th Order and determined that Genera shall file Monthly Reports no*

later than twenty (20) days after the conclusion of the reporting period, and Quarterly Reports no later than forty-five (45) days after the conclusion of the reporting period.

6. In compliance with the June 25th Order and the March 6th Resolution, Genera hereby submits to the Energy Bureau, attached as *Exhibit A*, its Third Quarter Budget to Actuals Report ("Q3 B2A Report").

WHEREFORE, Genera respectfully requests that this Energy Bureau **take notice** of the above for all purposes and **deem** that Genera has partially complied with the June 25th Order concerning the B2A Report as outlined in Attachment I of the June 25th Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 14th day of May 2024.

ECIJA SBGB

PO Box 363068 San Juan, Puerto Rico 00920 Tel. (787) 300.3200 Fax (787) 300.3208

<u>/s/ Jorge Fernández-Reboredo</u> Jorge Fernández-Reboredo jfr@sbgblaw.com TSPR 9,669

<u>/s/ Alejandro López-Rodríguez</u> Alejandro López-Rodríguez <u>alopez@sbgblaw.com</u> TSPR 22,996

CERTIFICATE OF SERVICE

We hereby certify that a true and accurate copy of this motion was filed with the Office of the Clerk of the Energy Bureau using its Electronic Filing System and that an electronic copy of this motion will be sent to PREPA through its counsels of record, González & Martínez Law Offices, P.S.C., at Juan M. Martínez Nevárez, at jmartinez@gmlex.net, Alexis G. River Medina, at arivera@gmlex.net, Joselyn Rodríguez González, at jrodriguez@gmlex.net, and Mirelis Valle Cancel at mvalle@gmlex.net; and to LUMA through its counsel of record,; Margarita Mercado Echegaray, at margarita.mercado@us.dlapiper.com, and Julian Anglada Pagan, at julian.angladapagan@us.dlapiper.com.

In San Juan, Puerto Rico, this 14th day of May 2024.

<u>/s/ Alejandro López-Rodríguez</u> Alejandro López-Rodríguez Exhibit A Q3 B2A Report

Exhibit A



FY24 Monthly B2A Summary

Summary	1.1			July-23						YTD							
		Jul-23 Budget			lul-23 iance (\$) \	Jul-23 /ariance (%)	YTD Certified Budget		YT	D Actual	YTD Variance (\$)		YTD Variance (%)				
A. <u>Revenue</u>																	
Total Gross Revenue		329	-		(329)	(100.0%)		986		-		(986)	(100.0%				
Other Income		16	-		(16)	(100.0%)		47		-		(47)	(100.0%				
Total Unconsolidated Revenue	\$	344	\$-	\$	(344)	(100.0%)	\$	1,033	\$	-	\$	(1,033)	(100.0%				
Bad Debt Expense		(5)	-		5	(100.0%)		(15)		-		15	(100.0%				
CILT & Subsidies		(28)	-		28	(100.0%)		(84)		-		84	(100.0%				
Total Consolidated Revenue	\$	311	\$-	\$	(311)	(100.0%)	\$	934	\$	-	\$	(934)	(100.0%				
B. Expenses																	
Fuel & Purchased Power		-	\$-	\$	-		\$	1,728	\$	1,389	\$	340	19.7%				
<u>Genco:</u>																	
GenCo Operating & Maintenance Expenses		-	\$ -	\$	-		\$	253	\$	199	\$	54	21.5%				
Total Genco Expenses	\$	-	\$-	\$	-		\$	253	\$	199	\$	54	21.5%				
<u>HoldCo:</u>																	
HoldCo Labor Operating Expenses		-	\$ -	\$	-		\$	2	\$	-	\$	2	100.0%				
HoldCo Non-Labor / Other Operating Expenses		-	\$ -	\$	-		\$	19	\$	-	\$	19	100.0%				
Shared Services Agreement		-	\$ -	\$	-		\$	0	\$	-	\$	0	100.0%				
HoldCo Maintenance Projects Expense		-	\$ -	\$	-		\$	0	\$	-	\$	0	100.0%				
Total HoldCo Expenses	\$	-	\$ -	\$	-		\$	21	\$	-	\$	21	100.0%				
<u>HydroCo:</u>																	
HydroCo Labor Operating Expenses		-	\$ -	\$	-		\$	1	\$	-	\$	1	100.0%				
HydroCo Non-Labor / Other Operating Expenses		-	\$ -	\$	-		\$	1	\$	-	\$	1	100.0%				
Shared Services Agreement		-	\$ -	\$	-		\$	0	\$	-	\$	0	100.0%				
HydroCo Maintenance Projects Expense		-	\$-	\$	-		\$	1	\$	-	\$	1	100.0%				
Total HydroCo Expenses	\$	-	\$-	\$	-		\$	3	\$	-	\$	3	100.0%				
<u>GridCo:</u>																	
GridCo Operating & Maintenance Expenses		-	\$-	\$	-		\$	169	\$	-	\$	169	100.0%				
Total Expenses	\$	-	\$ -	\$	-		\$	2,175	\$	1,588	\$	587	27.01%				
C. Net Balance	\$	311	\$-	\$	311	100.00%	\$	(1,241)	Ś	(1,588)	Ś	(347)	27.97%				

Puerto Rico Electric Power Authority (LUMA) Monthly Revenues FISCAL YEAR 2024 As Of: 5/14/2024

F١	174	M	on	th	v R	e١	<i>i</i> en	ues

1124 10000	ly Revenues															
(\$ millions)			Jai	nuary-24			Febr	uary-24		м	arch-24			Y	D	
Bo	renues	Jan-24	Jan-24	Jan-24	Jan-24	Feb-24	Feb-24	Feb-24 Variance	Feb-24 Variance	Mar-24 Mar-	Mar-24 Variance	Mar-24 Variance	YTD Certified	YTD Actual	YTD	YTD
Rev	enues	Budget	Actual	Variance (\$)	Variance (%)	Budget	Actual	(\$)	(%)	Budget Actual		(%)	Budget	TID Actual	Variance (\$)	ariance (%)
Basic Revenue																
1 Residential		31		(31)	(100.0%)	31		(31)	(100.0%)	31	(31)	(100.0%)	93	-	(93)	(100.0%)
2 Commercial		47		(47)	(100.0%)	47		(47)	(100.0%)	47	(47)	(100.0%)	142	-	(142)	(100.0%)
3 Industrial		9		(9)	(100.0%)	9		(9)	(100.0%)	9	(9)	(100.0%)	26	-	(26)	(100.0%)
4 Public Lighting		5		(5)	(100.0%)	5		(5)	(100.0%)	5	(5)	(100.0%)	15	-	(15)	(100.0%)
5 Agricultural		0		(0)	(100.0%)	C		(0)	(100.0%)	0	(0)	(100.0%)	0	-	(0)	(100.0%)
6 Others		0		(0)	(100.0%)	C		(0)	(100.0%)	0	(0)	(100.0%)	1	-	(1)	(100.0%)
Total Basic Revenue		93	-	(93)	(100.0%)	93	-	(93)	(100.0%)	93 -	(93)	(100.0%)	278	-	(278)	(100.0%)
Fuel & Purchased Power																
7 Residential		83		(83)	(100.0%)	83		(83)	(100.0%)	83	(83)	(100.0%)	249	-	(249)	(100.0%)
8 Commercial		96		(96)	(100.0%)	96		(96)	(100.0%)	96	(96)	(100.0%)	288	-	(288)	(100.0%)
9 Industrial		25		(25)	(100.0%)	25		(25)	(100.0%)	25	(25)	(100.0%)	75	-	(75)	(100.0%)
10 Public Lighting		3		(3)	(100.0%)	3		(3)	(100.0%)	3	(3)	(100.0%)	10	-	(10)	(100.0%)
11 Agricultural		0		(0)	(100.0%)	C		(0)	(100.0%)	0	(0)	(100.0%)	1	-	(1)	(100.0%)
12 Others		0		(0)	(100.0%)	C		(0)	(100.0%)	0	(0)	(100.0%)	1	-	(1)	(100.0%)
Total Purchased Power		208	-	(208)	(100.0%)	208	-	(208)	(100.0%)	208 -	(208)	(100.0%)	624	-	(624)	(100.0%)
CILT																
13 Residential		3		(3)	(100.0%)	3		(3)	(100.0%)	3	(3)	(100.0%)	10	-	(10)	(100.0%)
14 Commercial		4		(4)	(100.0%)	4		(4)	(100.0%)	4	(4)	(100.0%)	10	-	(10)	(100.0%)
15 Industrial		1		(1)	(100.0%)	1		(1)	(100.0%)	1	(1)	(100.0%)		-	(3)	(100.0%)
16 Public Lighting		0		(0)	(100.0%)	-		(0)	(100.0%)	0	(0)	(100.0%)	0	-	(0)	(100.0%)
17 Agricultural		0		(0)	(100.0%)	c		(0)	(100.0%)	0	(0)	(100.0%)	0	-	(0)	(100.0%)
18 Others		0		(0)	(100.0%)	c		(0)	(100.0%)	0	(0)	(100.0%)	0	-	(0)	(100.0%)
Total CILT		8	-	(8)	(100.0%)	8	-	(8)	(100.0%)	8 -	(8)	(100.0%)	25	-	(25)	(100.0%)
Subsidies																
19 Residential		7		(7)	(100.0%)	7		(7)	(100.0%)	7	(7)	(100.0%)	21	-	(21)	(100.0%)
20 Commercial		8		(8)	(100.0%)	8		(8)	(100.0%)	8	(8)	(100.0%)	25	-	(25)	(100.0%)
21 Industrial		2		(2)	(100.0%)	2		(2)	(100.0%)	2	(2)	(100.0%)		-	(6)	(100.0%)
22 Public Lighting		0		(0)	(100.0%)	c		(0)	(100.0%)	0	(0)	(100.0%)	1	-	(1)	(100.0%)
23 Agricultural		0		(0)	(100.0%)	c		(0)	(100.0%)	0	(0)	(100.0%)	0	-	(0)	(100.0%)
24 Others		0		(0)	(100.0%)	c		(0)	(100.0%)	0	(0)	(100.0%)	0	-	(0)	(100.0%)
Total Subsidies		18	-	(18)	(100.0%)	18	-	(18)	(100.0%)	18 -	(18)	(100.0%)	54	-	(54)	(100.0%)
Energy Efficiency																
25 Residential		1		(1)	(100.0%)	1		(1)	(100.0%)	1	(1)	(100.0%)	2	-	(2)	(100.0%)
26 Commercial		1		(1)	(100.0%)	1		(1)	(100.0%)	1	(1)	(100.0%)	2	-	(2)	(100.0%)
27 Industrial		0		(0)	(100.0%)	c		(0)	(100.0%)	0	(0)	(100.0%)	1	-	(1)	(100.0%)
28 Public Lighting		0		(0)	(100.0%)	c		(0)	(100.0%)	0	(0)	(100.0%)	0	-	(0)	(100.0%)
29 Agricultural		0		(0)	(100.0%)	c		(0)	(100.0%)	0	(0)	(100.0%)	0	-	(0)	(100.0%)
30 Others		0		(0)	(100.0%)	C		(0)	(100.0%)	0	(0)	(100.0%)	0	-	(0)	(100.0%)
Total Energy Efficiency		2	-	(2)	(100.0%)	2	-	(2)	(100.0%)	2 -	(2)	(100.0%)	5	-	(5)	(100.0%)
Total Revenue																
Total Gross Revenue		327		(327)	(100.0%)	329		(329)	(100.0%)	329 -	(329)	(100.0%)	986	-	(986)	(100.0%)
31 Other Income		16		(16)	(100.0%)	16		(16)	(100.0%)	16	(16)	(100.0%)	47	-	(47)	(100.0%)
Total Unconsolidated Rev	enue		\$-	\$ (343)	(100.0%)			\$ (344)	(100.0%)	\$ 344 \$ -	\$ (344)	(100.0%)	\$ 1,033	\$ -	\$ (1,033)	(100.0%)
32 Bad Debt Expense		(5)		5	(100.0%)	(5		5	(100.0%)	(5)	5	(100.0%)	(15)	-	15	(100.0%)
33 CILT & Subsidies		(28)		28	(100.0%)	(28		28	(100.0%)	(28)	28	(100.0%)	(84)	-	84	(100.0%)
Total Consolidated Reven	ue	\$ 310	\$-	\$ (310)	(100.0%)	\$ 311	\$ -	\$ (311)	(100.0%)	\$ 311 \$-	\$ (311)	(100.0%)	\$ 934	\$-	\$ (934)	(100.0%)
Check													-			

Puerto Rico Electric Power Authority Monthly Revenues FISCAL YEAR 2024

As 5/14/2024

FY24 Monthly Expenses

s millions)			January-24	Jan-24		February	y-24 Feb-24 Feb-2		rch-24 Mar-24 Mar-24	YTD YTD
Expenses	Jan-24 Budget	Jan-24 Actual	Jan-24 Variance (\$)	Variance (%)			(\$) (%)		Variance Variance (\$) (%)	Certified YTD Actu Budget
uel and Purchased Power										
Fuel	160		49	30.9%	160	113	47 29.4			1,440 1,3
Purchased Power - Conventional Power	40		40	100.0%	40		40 100.0		40 100.0%	241
Purchased Power - Renewable Power	8		8	100.0%	8		8 100.0		8 100.0%	48
Total Fuel and Purchased Power	\$ 208	\$ 111	\$ 97	46.8%	\$ 208 \$	113	\$ 95 45.7	6 \$ 208 \$ 12	3 \$ 85 41.1%	1,728 \$1,3
enCo - Operations & Maintenance Expenses										
Labor Genco Labor Operating Expenses	6	5	1	17.1%	6	5	1 21.7	6 6 !	5 1 13.2%	57
Genco Non-Labor / Other Operating Expenses	6		3	52.7%	6	2	4 71.8		5 1 15.2%	57
Shared Services Agreement Impact	5		3	52.7%	5	5	(0) (0.8		5 (1) (12.5%)	48
Operator Service Fees		4	1	0.0%	2	2	- 0.0		2 - 0.0%	40
Generation Maintenance Reserve	4	1		0.0%	2	1	- 0.0		2 - 0.0%	6
Maintenance Projects Expenses				6.4%		8	(0) (0.3			72
Total Genco Labor Operating Expenses	\$ 27	22	\$ 5	18.1%	\$ 27 \$				B \$ (0) (0.4%)	253 \$:
HoldCo (PropertyCo) – Operating & Maintenance Expe										
Labor										
Salaries & Wages	0		0	100.0%	0		0 100.0		0 100.0%	1
Pension & Benefits	0		0	100.0%	0		0 100.0		0 100.0%	1
Overtime Pay	0		0	100.0%	0		0 100.0		0 100.0%	0
Overtime Benefits	0		0	100.0%	0		0 100.0		0 100.0%	0
Total Non-Labor/Other Operating Expense	\$ 1	ş -	\$ 1	100.0%	\$ 1 \$	- :	\$ 1 100.0	6 \$ 1 \$ -	\$ 1 100.0%	2 \$
on-Labor / Other Operating Expenses										
Materials & Supplies	0		0	100.0%	0		0 100.0		0 100.0%	0
Transportation, Per Diem, and Mileage	0		0	100.0%	0		0 100.0		0 100.0%	0
Retiree Medical Benefits	1		1	100.0%	1		1 100.0	6 1	1 100.0%	2
Security	0		Ö	100.0%	0		0 100.0	6 0	0 100.0%	0
Utilities & Rents	0		0	100.0%	0		0 100.0	6 0	0 100.0%	0
Legal Services	0		Ö	100.0%	0		0 100.0	6 0	0 100.0%	0
Communications Expenses	0		0	100.0%	0		0 100.0	6 0	0 100.0%	0
Professional & Technical Outsourced Services	0		Ö	100.0%	0		0 100.0	6 0	0 100.0%	0
Regulation and Environmental Inspection	0		Ö	100.0%	0		0 100.0	6 0	0 100.0%	0
External Audit Services	0		0	100.0%	0		0 100.0	6 0	0 100.0%	0
Equipment, Inspections, Repairs & Other	0		Ö	100.0%	0		0 100.0	6 0	0 100.0%	0
PREPA Restructuring & Title III	3		3	100.0%	3		3 100.0	6 3	3 100.0%	8
FOMB Advisor Costs allocated to PREPA	3		3	100.0%	3		3 100.0	6 3	3 100.0%	8
Total HoldCo Non-Labor / Other Operation Exp	\$ 6	\$ -	\$ 6	100.0%	\$ 6 \$		\$ 6 100.0	6 \$ 6 \$ -	\$ 6 100.0%	19 \$
Shared Service Agreement	a		0	100.0%	0		0 100.0	6 0	0 100.0%	0 -
Maintenance Projects Expenses	0	· · · · · · · · · · · · · · · · · · ·	0	100.0%	0		0 100.0		0 100.0%	0 -
Total HoldCo Operating & Maintenance Expenses	\$ 7	\$ -	\$ 7	100.0%	\$ 7 \$		\$ 7 100.0	<u>\$ 7 \$ -</u>	\$ 7 100.0%	21 \$
HydroCo – Operating & Maintenance Expenses										
Salaries & Wages	a		0	100.0%	0		0 100.0	6 0	0 100.0%	1
Salaries & wages Pension & Benefits	0		0	100.0%	0		0 100.0		0 100.0%	1
Overtime Pav			0	100.0%	0		0 100.0		0 100.0%	0
Overtime Benefits			0	100.0%	0		0 100.0		0 100.0%	0
Total HydroCo Labor Operating Expenses	\$ 0	s -	\$ 0	100.0%	\$ 0 \$		\$ 0 100.0		\$ 0 100.0%	1 \$
Non-Labor / Other Operating Expenses Materials & Supplies	a		0	100.0%	0		0 100.0	6 0	0 100.0%	0
Transportation, Per Diem, and Mileage	0		0	100.0%	ő		0 100.0		0 100.0%	0
Security	0		0	100.0%	0		0 100.0		0 100.0%	0
Utilities & Rents	0		0	100.0%	0		0 100.0		0 100.0%	Ö
Professional & Technical Outsourced Servic	0		0	100.0%	ő		0 100.0		0 100.0%	0
Regulation and Environmental Inspection	0		0	100.0%	ő		0 100.0		0 100.0%	0
Equipment, Inspections, Repairs & Other	0		0	100.0%	ő		0 100.0		0 100.0%	Ö
Total HydroCo Non-Labor / Other Operating Expenses	\$ 0	\$ -	\$ 0	100.0%	\$ 0 \$		\$ 0 100.0		\$ 0 100.0%	1 \$
Shared Services Agreement	a		0	100.0%	0		0 100.0	6 0	0 100.0%	0
Maintenance Projects Expenses	0		0	100.0%	0		0 100.0		0 100.0%	1
Total HydroCo Operating & Maintenance Exper	\$ 1	\$ -	\$ 1	100.0%	\$ 1 \$	- ;	\$ 1 100.0	6 \$ 1 \$ -	\$ 1 100.0%	3 \$
			20	100.0%	20		20 100.0	6 22	22 100.0%	55
ridCo - Operating & Maintenance Expenses	20		23	100.0%	23		23 100.0		23 100.0%	70
ridCo - Operating & Maintenance Expenses GridCo Labor Operating Expenses	20 23								11 100.0%	32
ridCo - Operating & Maintenance Expenses				100.0%	11					
ridCo - Operating & Mointenance Expenses GridCo Labor Operating Expenses GridCo Non-Labor / Other Operating Expenses Operator Service Fees	23		11	100.0% 100.0%	11		11 100.0 1 100.0			
ridCo - Operating & Maintenance Expenses GridCo Labor Operating Expenses GridCo Non-Labor / Other Operating Expenses	23 11			100.0% 100.0% 100.0%	11 1 5		1 100.0 1 100.0 5 100.0	6 1	1 100.0% 1 100.0% 5 100.0%	3
ridCo - Operating & Mointenance Expenses GridCo Labor Operating Expenses GridCo Non-Labor / Other Operating Expenses Operator Service Fees 2% Reserve	23 11		11 1	100.0%	1		1 100.0	6 1 6 5	1 100.0%	3
rid <u>Co - Operating & Maintenance Expenses</u> GridCo Labor Operating Expenses GridCo Non-Labor / Other Operating Expenses Operator Service Fees 2% Reserve Maintenance Projects Expenses	23 11 1 5 \$ 60		11 1 5	100.0% 100.0%	1		1 100.0 5 100.0 \$ 60 100.0	6 1 5 5 6 \$ 63 \$ -	1 100.0% 5 100.0%	3 9

Variance #1	
FOMB Category:	
Account:	

Expenses	Budge YTD	et	Actual YTD	Variance (\$)	Budget Horizontal Variance YTD (%)
Maintenance Projects Expenses	\$	72	\$ 39	\$ 34	46.88%

Variance Explanation

Root Cause

Corrective Action

Variance #2		
FOMB Category:		
Account:		

Expenses	Budget YTD	Actual YTD			Variance (\$)	Budget Horizontal Variance YTD (%)
Fuel	\$ 1,440	\$	1,389	\$	51	3.56%

Variance Explanation

Root Cause

Corrective Action

Puerto Rico Electric Power Authority Pension and Benefits FISCAL YEAR 2024 As Of: 5/14/2024

		July-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	FY24 Total
HoldCo	- Pension and Benefits													
	Pension Benefits													-
	Loan Guaranties													-
	Work Comp Insurance													-
	Social Security													-
	Medicare													-
	Christmas Bonus													-
	Health Plan													<u> </u>
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-

HydroCo - Pension and Benefits

P	ension Benefits													-
L	oan Guaranties													-
И	/ork Comp Insurance													-
S	ocial Security													-
N	ledicare													-
C	hristmas Bonus													-
н	ealth Plan												_	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-

EXHIBIT 1 - BUDGET - EXPENSES						FY2	4 MONTHLY BUDG	GET - EXPENSES						
PUERTO RICO ELECTRIC POWER AUTH	ORITY	Q1	Q1	Q1	Q2	Q2	Q2	Q3	Q3	Q3	Q4	Q4	Q4	
\$ Thousand	FY24 Budget	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	TOTAL
A. Fuel & Purchased Power 34 Fuel	\$1,920,067	\$ 160,005,58	\$ 160,005.58 \$	160 005 58	\$ 160,005.58 \$	160 005 58 S	160 005 58 \$	160 005 58 \$	160 005 58 \$	160 005 58 \$	160 005 58 \$	160 005 58 \$	160 005 58	\$1,920,067
35 Purchased Power - Conventional	\$481,101		\$ 40,091.75 \$				40.091.75 \$	40,091.75 \$		40,091.75 \$	40,091.75 \$	40,091.75 \$		\$481,101
36 Purchased Power - Renewable	\$95,704	\$ 7,975.33	\$ 7,975.33 \$	7,975.33	7,975.33	7,975.33	7,975.33 \$	7,975.33 \$	7,975.33 \$	7,975.33 \$	7,975.33 \$	7,975.33	7,975.33	\$95,704
Total Fuel & Purchase Power Expenses	\$2,496,872	\$ 208,072.67	\$ 208,072.67 \$	208,072.67	\$ 208,072.67	\$ 208,072.67 \$	208,072.67 \$	208,072.67 \$	208,072.67 \$	208,072.67 \$	208,072.67 \$	208,072.67 \$	208,072.67	\$2,496,872
B. GenCo - Operations & Maintenance Expenses Genco Labor Operating Expenses	\$75,404	\$6,284	\$6,284	\$6,284	\$6,284	\$6,284	\$6,284	\$6,284	\$6,284	\$6,284	\$6,284	\$6,284	\$6,284	\$75,404
38 Genco Non-Labor / Other Operating Expenses	\$71,103	\$5,925	\$5,925	\$5,925	\$5,925	\$5,925	\$5,925	\$5,925	\$5,925	\$5,925	\$5,925	\$5,925	\$5,925	\$71,103
39 Shared Services Agreement Impact	\$63,826	\$5,319	\$5,319	\$5,319	\$5,319	\$5,319	\$5,319	\$5,319	\$5,319	\$5,319	\$5,319	\$5,319	\$5,319	\$63,826
40 Operator Service Fees	\$22,500	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$22,500
41 Generation Maintenance Reserve	\$12,266 \$96,645	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$1,022 \$8,054	\$12,266
42 Maintenance Projects Expenses Total GenCo Operating & Maintenance Expenses	\$96,645 \$341,744	\$28,479	\$8,054 \$28,479	\$28,479	\$28,479	\$28,479	\$28,479	\$8,054 \$28,479	\$8,054 \$28,479	\$8,054 \$28,479	\$8,054 \$28,479	\$28,479	\$8,054 \$28,479	\$96,645 \$341,744
Total Geneo Operating & Mannenance Expenses	3011,711	\$20,177	520,175	\$20,177	020,177	520,175	520,117	320,117	520,177	020,117	520,117	520,175	520,177	\$341,744
C. HoldCo (PropertyCo) – Operating & Maintenance Expenses														
Labor			\$372	\$372										
43 Salaries & Wages 44 Pension & Benefits	\$4,469 \$2,692	\$372 \$224	\$372 \$224	\$372 \$224	\$372 \$224	\$372 \$224	\$372 \$224	\$372 \$224	\$372 \$224	\$372 \$224	\$372 \$224	\$372 \$224	\$372 \$224	\$4,469 \$2,692
45 Overtime Pay	\$361	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$361
46 Overtime Benefits	\$43	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$43
Total HoldCo Labor Operating Expenses	\$7,565	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$7,565
Non-Labor / Other Operating Expenses														
47 Materials & Supplies	\$29	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$29
48 Transportation, Per Diem, and Mileage	\$26	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$26
49 Retiree Medical Benefits	\$7,950	\$663	\$663	\$663	\$663	\$663	\$663	\$663	\$663	\$663	\$663	\$663	\$663	\$7,950
50 Security	\$797	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$797
51 Utilities & Rents 52 Legal Services	\$41 \$728	\$3 \$61	\$3 \$61	\$3 \$61	\$3 \$61	\$3 \$61	\$3 \$61	\$3 \$61	\$3 \$61	\$3 \$61	\$3 \$61	\$3 \$61	\$3 \$61	\$41 \$728
52 Légal Services 53 Communications Expenses	\$/28	\$1	\$1	\$1	\$1	\$1	\$1	\$61	\$1	\$1	\$1	\$1	\$61 \$1	\$728
54 Professional & Technical Outsourced Services	\$554	\$46	\$46	\$46	\$46	\$46	\$46	\$46	\$46	\$46	\$46	\$46	\$46	\$554
55 Regulation and Environmental Inspection	\$744	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$744
56 External Audit Services	\$357	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$357
57 Equipment, Inspections, Repairs & Other	\$541	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$541
58 PREPA Restructuring & Title III 59 FOMB Advisor Costs allocated to PREPA	\$30,150 \$32,821	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$2,513 \$2,735	\$30,150 \$32,821
Total HoldCo Non-Labor / Other Operation Expenses	\$74,744	\$6,229	\$6,229	\$6,229	\$6,229	\$6,229	\$6,229	\$6,229	\$6,229	\$6,229	\$2,735	\$2,735	\$6,229	\$74,744
60 Shared Services Agreement	\$1,993	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$1,993
61 Maintenance Projects Expenses	\$645	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$645
Total HoldCo Operating & Maintenance Expenses	\$84,947	\$7,079	\$7,079	\$7,079	\$7,079	\$7,079	\$7,079	\$7,079	\$7,079	\$7,079	\$7,079	\$7,079	\$7,079	\$84,947
D. HydroCo – Operating & Maintenance Expenses														
Labor														
62 Salaries & Wages	\$2,543	\$212	\$212	\$212	\$212	\$212	\$212	\$212	\$212	\$212	\$212	\$212	\$212	\$2,543
63 Pension & Benefits	\$1,532	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$1,532
64 Overtime Pay 65 Overtime Benefits	\$288 \$35	\$24 \$3	\$24 \$3	\$24 \$3	\$24 \$3	\$24 \$3	\$24 \$3	\$24 \$3	\$24 \$3	\$24 \$3	\$24 \$3	\$24 \$3	\$24 \$3	\$288 \$35
Total HydroCo Labor Operating Expenses	\$4,398	\$367	\$367	\$367	\$367	\$367	\$367	\$367	\$367	\$367	\$367	\$367	\$367	\$4,398
Non-Labor / Other Operating Expenses														497.1
66 Materials & Supplies 67 Transportation, Per Diem, and Mileage	\$724 \$244	\$60 \$20	\$60 \$20	\$60 \$20	\$60 \$20	\$60 \$20	\$60 \$20	\$60 \$20	\$60 \$20	\$60 \$20	\$60 \$20	\$60 \$20	\$60 \$20	\$724 \$244
67 I ransportation, Per Diem, and Mileage 68 Security	\$1,712	\$143	\$143	\$143	\$143	\$143	\$143	\$143	\$143	\$143	\$143	\$143	\$20 \$143	\$244 \$1,712
69 Utilities & Rents	\$80	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$80
70 Professional & Technical Outsourced Services	\$187	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$187
71 Regulation and Environmental Inspection	\$731	\$61	\$61	\$61	\$61	\$61	\$61	\$61	\$61	\$61	\$61	\$61	\$61	\$731
72 Equipment, Inspections, Repairs & Other Total HydroCo Non-Labor / Other Operating Expenses	\$1,792 \$5,470	\$149 \$456	\$149 \$456	\$149 \$456	\$149 \$456	\$149 \$456	\$149 \$456	\$149 \$456	\$149 \$456	\$149 \$456	\$149 \$456	\$149 \$456	\$149 \$456	\$1,792 \$5,470
73 Shared Services Agreement	\$1,181	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$1,181
74 Maintenance Projects Expenses	\$2,471	\$206	\$206	\$206	\$206	\$206	\$206	\$206	\$206	\$206	\$206	\$206	\$206	\$2,471
Total HydroCo Operating & Maintenance Expenses	\$13,520	\$1,127	\$1,127	\$1,127	\$1,127	\$1,127	\$1,127	\$1,127	\$1,127	\$1,127	\$1,127	\$1,127	\$1,127	\$13,520
E. GridCo - Operating & Maintenance Expenses														
75 GridCo Labor Operating Expenses	\$254,172	\$17,822	\$18,451	\$19,080	\$19,709	\$20,338	\$22,442	\$21,755	\$22,105	\$22,753	\$22,890	\$23,239	\$23,589	\$254,172
76 GridCo Non-Labor / Other Operating Expenses	\$280,580	\$23,298	\$23,298	\$23,298	\$23,254	\$23,254	\$23,254	\$23,254	\$23,254	\$24,651	\$23,254	\$23,254	\$23,254	\$280,580
77 Operator Service Fees	\$129,162	\$10,764	\$10,764	\$10,764	\$10,764	\$10,764	\$10,764	\$10,764	\$10,764	\$10,764	\$10,764	\$10,764	\$10,764	\$129,162
78 2% Reserve 79 Maintenance Projects Expenses	\$10,695	\$822	\$835	\$848	\$861 \$5,253	\$874	\$918 \$5,253	\$904	\$911	\$918	\$928	\$935	\$942	\$10,695
79 Maintenance Projects Expenses Total GridCo Operating & Maintenance Expenses	\$91,144 \$765,753	\$2,899 \$55,604	\$2,899 \$56,246	\$2,899 \$56,888	\$5,253	\$5,253 \$60,483	\$5,253 \$62,631	\$8,770 \$65,447	\$8,770 \$65,804	\$8,770 \$67,857	\$13,459 \$71,294	\$13,459 \$71,651	\$13,459 \$72,008	\$91,144 \$765,753
rotal Grueo operating & Maintenance Expenses		555,004	350,270	3.50,000	557,040	300,403	302,001	303,77/	303,004	307,037	5/1,2/4	\$71,031	372,000	÷, 05, 755
Total Operating & Maintenance Expenses	\$3,702,836													
Surplus / (Deficit) Before Legacy Pension and Debt Obligations	\$ 34,825.00		I				l I							

PUERTO RICO ELECTRIC	POWER AUTHO		Q1	Q1	Q1	Q2	Q2	Q2	Q3	Q3	Q3	Q4	Q4	Q4	
\$ Thousand		FY24 Budget	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FY2
Basic Revenue															
Residential		373,933	31,161	31,161	31,161	31,161	31,161	31,161	31,161	31,161	31,161	31,161	31,161	31,161	373,
Commercial		569,457	47,455	47,455	47,455	47,455	47,455	47,455	47,455	47,455	47,455	47,455	47,455	47,455	569
Industrial		103,381	8,615	8,615	8,615	8,615	8,615	8,615	8,615	8,615	8,615	8,615	8,615	8,615	103
Public Lighting		60,989	5,082	5,082	5,082	5,082	5,082	5,082	5,082	5,082	5,082	5,082	5,082	5,082	60
Agricultural		1,880	157	157	157	157	157	157	157	157	157	157	157	157	1
Others		2,161	180	180	180	180	180	180	180	180	180	180	180	180	2
Total	\$	1,111,801	92,650	92,650	92,650	92,650	92,650	92,650	92,650	92,650	92,650	92,650	92,650	92,650	1,111
Fuel & Purchased Power															
Residential		994,178	82,848	82,848	82,848	82,848	82,848	82,848	82,848	82,848	82,848	82,848	82,848	82,848	994
Commercial		1,151,171	95,931	95,931	95,931	95,931	95,931	95,931	95,931	95,931	95,931	95,931	95,931	95,931	1,151
Industrial		301,179	25,098	25,098	25,098	25,098	25,098	25,098	25,098	25,098	25,098	25,098	25,098	25,098	301
Public Lighting		41,039	3,420	3,420	3,420	3,420	3,420	3,420	3,420	3,420	3,420	3,420	3,420	3,420	41
Agricultural		3,467	289	289	289	289	289	289	289	289	289	289	289	289	3
Others		5,838	487	487	487	487	487	487	487	487	487	487	487	487	5
Total	\$	2,496,872	208,073	208,073	208,073	208,073	208,073	208,073	208,073	208,073	208,073	208,073	208,073	208,073	2,496
CILT															
Residential		39,209	3,267	3,267	3,267	3,267	3,267	3,267	3,267	3,267	3,267	3,267	3,267	3,267	3
Commercial		45,296	3,775	3,775	3,775	3,775	3,775	3,775	3,775	3,775	3,775	3,775	3,775	3,775	45
Industrial		11,851	988	988	988	988	988	988	988	988	988	988	988	988	11
Public Lighting		1,609	134	134	134	134	134	134	134	134	134	134	134	134	1
Agricultural		136	134	134	134	134	134	134	134	134	134	134	134	11	
Others		230	19	11	19	19	11	19	19	19	19	19	11	19	
Total	S	<u>98,331</u>	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	
Total	3	96,551	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	8,194	90
Subsidies Residential		85,823	7 1 5 3	7 1 5 2	7 1 5 2	7 15 2	7 15 2	7 1 5 2	7 15 2	7 15 2	7 1 5 2	7 15 2	7 1 5 2	7 15 2	85
		83,823 99,147	7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152 8,262	
Commercial		· · · · · · · · · · · · · · · · · · ·	8,262	8,262	8,262	8,262	8,262	8,262	8,262	8,262	8,262	8,262	8,262		99
Industrial		25,942	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162	2,162	25
Public Lighting		3,522	294	294	294	294	294	294	294	294	294	294	294	294	3
Agricultural		299	25	25	25	25	25	25	25	25	25	25	25	25	
Others Total	S	503 215,236	42 17,936.33	42	42 17,936.33	42	42 17,936.33	215							
		210,200	27,500100	1,,500,000	17,500.00	1,,500,000	17,500.00	27,500100	1,,500.00	17,500.00	17,500100	17,500.00	17,550100	1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Energy Efficiency															
Residential		8,189	682	682.42	682.42	682.42	682.42	682.42	682.42	682.42	682.42	682.42	682.42	682.42	8
Commercial		9,461	788	788.42	788.42	788.42	788.42	788.42	788.42	788.42	788.42	788.42	788.42	788.42	9
Industrial		2,476	206	206.33	206.33	206.33	206.33	206.33	206.33	206.33	206.33	206.33	206.33	206.33	2
Public Lighting		336	28	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	
Agricultural		29	2	2.42	2.42	2.42	2.42	2.42	2.42	2.42	2.42	2.42	2.42	2.42	
Others		48	4	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	
Total	\$	20,539	1,711.58	1,711.58	1,711.58	1,711.58	1,711.58	1,711.58	1,711.58	1,711.58	1,711.58	1,711.58	1,711.58	1,711.58	20
Total Gross Revenue	\$	3,942,779	328,564.92	328,564.92	328,564.92	328,564.92	328,564.92	328,564.92	328,564.92	328,564.92	328,564.92	328,564.92	328,564.92	328,564.92	3,942
Other Income		188,437	15,703.08	15,703.08	15,703.08	15,703.08	15,703.08	15,703.08	15,703.08	15,703.08	15,703.08	15,703.08	15,703.08	15,703.08	188
Total Unconsolidated Revenue	\$	4,131,216	344,268.00	344,268.00	344,268.00	344,268.00	344,268.00	344,268.00	344,268.00	344,268.00	344,268.00	344,268.00	344,268.00	344,268.00	4,131
Bad Debt Expense		(59,450)	(4,954.17)	(4,954.17)	(4,954.17)	(4,954.17)	(4,954.17)	(4,954.17)	(4,954.17)	(4,954.17)	(4,954.17)	(4,954.17)	(4,954.17)	(4,954.17)	(59
CILT & Subsidies		(334,105)	(27,842.08)	(27,842.08)	(27,842.08)	(27,842.08)	(27,842.08)	(27,842.08)	(27,842.08)	(27,842.08)	(27,842.08)	(27,842.08)	(27,842.08)	(27,842.08)	(334
Total Consolidated Revenue	\$	3,737,661	311,471.75	311,471.75	311,471.75	311,471.75	311,471.75	311,471.75	311,471.75	311,471.75	311,471.75	311,471.75	311,471.75	311,471.75	3,737