GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial Advisory Authority

Municipal Secondary Market Disclosure Information Cover Sheet
Municipal Securities Rulemaking Board (MSRB)
Electronic Municipal Market Access System (EMMA)

Additional / Voluntary Event-Based Disclosure

THIS FILING RELATES TO ALL OR SEVERAL SECURITIES ISSUED BY THE ISSUER, OR ALL OR SEVERAL SECURITIES OF A SPECIFIC CREDITOR:

Issuer's Name: **Puerto Rico Electric Power Authority (PREPA)**

Other Obligated Person's Name (if any): ____________

Six-digit CUSIP number(s): **745268 and 74526Q**

TYPE OF INFORMATION PROVIDED:

A. ☐ **Amendment to Continuing Disclosure Undertaking**

B. ☐ **Change in Obligated Person**

C. ☐ **Notice to Investor Pursuant to Bond Documents**

D. ☐ **Communication from the Internal Revenue Service**

E. ☐ **Bid for Auction Rate and Other Securities**

F. ☐ **Capital or Other Financing Plan**

G. ☐ **Litigation / Enforcement Action**

H. ☐ **Change of Tender Agent. Remarketing Agent or Other On-going Party**

I. ☐ **Derivative or Other Similar Transaction**

J. ☒ **Other Event-Based Disclosures: PREPA Public Disclosure dated April 6, 2017**

I represent that I am authorized by the issuer, obligor or its agent to distribute this information publicly.

/s/ Sebastián M. Torres Rodríguez
Sebastián M. Torres Rodríguez
Puerto Rico Fiscal Agency and Financial Advisory Authority,
as Fiscal Agent for the Commonwealth

Dated: April 6, 2017

FAFAA

PREPA Public Disclosure
April 6, 2017

As previously announced, on March 14, 2016, the Puerto Rico Electric Power Authority ("**PREPA**") entered into an Amended and Restated Restructuring Support Agreement (the "**RSA**") with various Supporting Creditors.

PREPA (together with Puerto Rico Fiscal Agency and Financial Advisory Authority) executed confidentiality agreements (the "**Confidentiality Agreements**") with Supporting Creditors under the RSA. Under certain of these Confidentiality Agreements, PREPA agreed to publicly disclose certain confidential information provided to the parties to such agreements. The information included in Annex B of this notice is being furnished to comply with PREPA's obligations under the Confidentiality Agreements.

On April 5, 2017, the parties to the RSA agreed to a Sixth Supplement to the RSA, which extends certain deadlines contained in the RSA. A copy of the Sixth Supplement is attached as Annex A hereto. In addition, the parties to the RSA have agreed in principle to the terms and conditions of a further supplement to the RSA. The enhancements to the RSA are being reviewed but have not yet been approved by the PROMESA Oversight Board. A termsheet outlining the terms of that further supplement is attached as Annex B hereto.

Forward-Looking Statements

The information contained in this notice encompasses certain "forward-looking" statements and information. These forward-looking statements may relate to the fiscal and economic condition, financial performance, plans, or objectives of PREPA. All statements contained herein that are not clearly historical facts are forward-looking, and the words "anticipates," "believes," "continues," "expects," "estimates," "intends," "aims," "projects," and similar expressions, and future or conditional verbs such as "will," "would," "should," "could," "might," "can," "may," or similar expressions, are generally intended to identify forward-looking statements. The information contained herein is subjective in many respects and thus subject to interpretation.

These forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties, estimates, opinions, expectations and assumptions by PREPA that are difficult to predict and inherently uncertain and many of them are beyond the control of PREPA. The economic and financial condition of PREPA is affected by various financial, social, economic and political factors. These factors can be very complex, may vary from one fiscal year to the next, and are frequently the result of actions taken or not taken, not only by PREPA, but also by entities such as the Commonwealth of Puerto Rico (the "**Commonwealth**"), the government of the United States of America, and other third parties. Because of the uncertainty and unpredictability of these factors, their impact cannot, as a practical matter, be included in the assumptions underlying PREPA's projections.

Projections set forth in this disclosure were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the officers of PREPA responsible for the preparation of such information, were prepared on a reasonable basis based on information available to PREPA at the time of preparation. This information may be incomplete, however, and any information that subsequently becomes available may have a material impact on the projections. It is not possible for PREPA to forecast all the risks which may emerge from time to time nor is it feasible for PREPA to assess the operational or financial impact that they may have on its business. Any combination of risks and other unforeseen challenges may cause results to differ materially from those contained in this disclosure. As such, readers are cautioned not to place undue reliance on any forward-looking financial information contained herein. Actual future results may differ materially from the forward-looking information presented herein.

PREPA does not undertake to update or revise this disclosure, except to the extent required by law.

Neither PREPA's independent auditors, nor any other independent auditors, including those of the Commonwealth, have compiled, examined, audited or performed any procedures with respect to the financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability and disclaim any association with such financial information. Neither PREPA's independent auditors, nor any other independent auditors, including those of the Commonwealth, have been consulted in connection with the preparation of this disclosure, and the independent auditors assume no responsibility for its content.

ANNEX A

SIXTH SUPPLEMENT TO THE AMENDED AND RESTATED RESTRUCTURING SUPPORT AGREEMENT

This Sixth Supplement, dated as of April 5, 2017 (the "***Sixth Supplement***"), to the Amended and Restated Restructuring Support Agreement, dated as of March 14, 2016 (as it may be amended, supplemented or otherwise modified from time to time, including by Amendment No. 1, dated March 23, 2016, Amendment No. 2, dated March 29, 2016, Amendment No. 3, dated April 29, 2016, Amendment No. 4, dated as of May 12, 2016, the First Supplement, dated June 29, 2016, the Second Supplement, dated October 14, 2016, the Third Supplement, dated December 15, 2016, the Fourth Supplement, dated January 30, 2017, and the Fifth Supplement, dated March 31, 2017 (the "***Agreement***"), is entered into by and among Puerto Rico Electric Power Authority ("***PREPA***"), Puerto Rico Electric Power Authority Revitalization Corporation (the "***Securitization SPV***"), National Public Finance Guarantee Corporation ("***National***"), Assured Guaranty Corp., Assured Guaranty Municipal Corp. (together with Assured Guaranty Corp., "***Assured***"), Syncora Guarantee Inc. ("***Syncora***"), the undersigned members of the Ad Hoc Group of PREPA Bondholders identified on Annex A (the "***Ad Hoc Group***"), Scotiabank de Puerto Rico (in its capacity as administrative agent for the Scotiabank Lenders, "***Scotiabank***"), the lenders (the "***Scotiabank Lenders***") under that certain Scotiabank Credit Agreement, Solus Opportunities Fund 5 LP, SOLA LTD and Ultra Master LTD (collectively, "***Solus***"), and the Government Development Bank for Puerto Rico ("***GDB***"). National, Assured and Syncora will be referred to herein collectively as the "***Insurers***," and the Ad Hoc Group, together with persons who beneficially own or control Uninsured Bonds and are party to this Agreement or execute a joinder to this Agreement, will be referred to herein collectively as the "***Holders***," and the Insurers, the Holders, Scotiabank, the Scotiabank Lenders, Solus and GDB will be referred to herein collectively as the "***Supporting Creditors***." The Supporting Creditors, together with PREPA and the Securitization SPV, will be referred to herein collectively as the "***Parties***."

RECITALS

WHEREAS, the Parties desire to supplement the Agreement to extend certain termination events;

NOW, THEREFORE, in consideration of the mutual promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

Unless otherwise defined herein or amended hereby, capitalized terms used herein which are defined in the Agreement shall have the meanings ascribed to them in the Agreement.

1. Conditions to Effectiveness. This Sixth Supplement shall become effective as of the date (the "***Sixth Supplement Effective Date***") that each of the following shall have occurred:

(a) Each Party (including, for the avoidance of doubt, members of the Ad Hoc Group beneficially owning or controlling, in the aggregate, not less than 35% of the Bond Principal Amount) shall have duly delivered and executed a counterpart of this Agreement;

(b) No proceeding or any other action or proceeding that seeks to adjust the claims of the Supporting Creditors pursuant to any federal, state, or Puerto Rico statute, now or hereafter enacted into law, shall have been instituted by or on behalf of PREPA; and

(c) PREPA shall have received and provided written confirmation to all Supporting Creditors of all approvals required to enter into and perform the Agreement, as amended by this Sixth Supplement, including, without limitation, submission to the Supporting Creditors of a resolution duly adopted by the board of directors of PREPA authorizing PREPA to enter into and perform the Agreement, as amended by this Sixth Supplement.

2. Supplement. This Sixth Supplement amends the Agreement as follows:

(a) The seventh sentence of Section **11** is deleted and replaced with the following: "The Third Supplement to this Agreement (the "***Third Supplement***") was executed by the Parties on December 15, 2016. The Fourth Supplement to this Agreement (the "***Fourth Supplement***") was executed by the Parties on January 30, 2017. The Fifth Supplement to this Agreement (the "***Fifth Supplement***") was executed by the Parties on March 31, 2017. The Sixth Supplement to this Agreement (the "***Sixth Supplement***") was executed by the Parties on April 5, 2017, and shall become effective on the date (the "***Supplement Effective Date***") that each of the following have occurred:"

(b) Section **11(a)** is amended to replace the words "March 31, 2017" with "April 6, 2017".

(c) Section **11(c)** is amended to replace the words "April 10, 2017" with "April 20, 2017".

(d) Section **13(a)** is amended to replace the words "April 5, 2017" with "April 13, 2017".

(e) Section **13(b)(xix)** is amended to replace the words "April 5, 2017" with "April 13, 2017".

(f) Section **13(e)(xxv)** is amended to replace the words "April 5, 2017" with "a date to be mutually agreed among the Parties".

3. Effectiveness. On or after the Sixth Supplement Effective Date, each reference in the Agreement to "RSA," "this Agreement," "Restructuring Support Agreement," "Amended and Restated Restructuring Support Agreement," "hereunder," "hereof," "herein," or words of like import referring to the Agreement shall mean and be a reference to the Agreement, as amended by this Sixth Supplement. Except as expressly amended by this Sixth Supplement, the provisions of the Agreement, including, without limitation, all other dates and deadlines provided for in the Agreement, are and shall remain in full force and effect without modification. Unless otherwise indicated, section references herein are to the Agreement, as incorporated into and amended by this Sixth Supplement.

4. Governing Law. This Sixth Supplement shall be governed and construed and enforced in accordance with the laws of the State of New York.

5. Counterparts. This Sixth Supplement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the Parties hereto may execute this Sixth Supplement by signing any such counterpart. Delivery of an executed signature page of this Sixth Supplement by facsimile or email transmission shall be effective as delivery of a manually executed counterpart hereof.

6. Entire Agreement. The Agreement, as amended by this Sixth Supplement, constitutes the entire agreement among the Parties regarding the subject matter hereof and supersedes any prior agreements, including any deemed agreements, among the Parties regarding the subject matter hereof other than the New January Bond Purchase Agreement and the July BPA.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Sixth Supplement has been duly executed as of the date first written above.

PUERTO RICO ELECTRIC POWER AUTHORITY

By: ______________________________

Name: ______________________________

Title: ______________________________

PUERTO RICO ELECTRIC POWER
AUTHORITY REVITALIZATION
CORPORATION

By: ________________________________

Name:________________________________

Title: ________________________________

NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION

By: ______________________________

Name:______________________________

Title: ______________________________

Total Principal Amount of Insured Bonds Beneficially Owned:

____

Total Principal Amount of Uninsured Bonds Beneficially Owned:

____

ASSURED GUARANTY CORP.,

ASSURED GUARANTY MUNICIPAL CORP.

By: ______________________________

Name:______________________________

Title: ______________________________

Total Principal Amount of Insured Bonds Beneficially Owned:

____

Total Principal Amount of Uninsured Bonds Beneficially Owned:

____

SYNCORA GUARANTEE INC.

By: ______________________________

Name:______________________________

Title: ______________________________

Total Principal Amount of Insured Bonds Beneficially Owned:

____

Total Principal Amount of Uninsured Bonds Beneficially Owned:

____

[HOLDER NAME]

By: ________________________________

Name:________________________________

Title: ________________________________

Total Principal Amount of Uninsured Bonds Beneficially Owned:

____

SCOTIABANK DE PUERTO RICO, as Agent and as Lender

By: ____________________________________

Name:____________________________________

Title: ____________________________________

SC5EJT, LLC, as Lender

By: ________________________________

Name:______________________________

Title: ______________________________

Marathon Credit Dislocation Fund LP, as Lender

By: ____________________________________

Name:____________________________________

Title: ____________________________________

Marathon Strategic Opportunities Program LP, as Lender

By: ____________________________________

Name:____________________________________

Title: ____________________________________

Marathon Centre Street Partnership, L.P., as Lender

By: ____________________________________

Name:____________________________________

Title: ____________________________________

KTRS Credit Fund, LP, as Lender

By: ____________________________________

Name:____________________________________

Title: ____________________________________

Marathon Special Opportunity Master Fund Ltd., as Lender

By: ________________________________

Name:________________________________

Title: ________________________________

AustralianSuper, as Lender

By: ________________________________

Name:________________________________

Title: ________________________________

SOLA LTD, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name:____________________________________

Title: ____________________________________

Solus Opportunities Fund 5 LP, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name:____________________________________

Title: ____________________________________

Ultra Master LTD, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name:____________________________________

Title: ____________________________________

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO

By: ________________________________

Name:________________________________

Title: ________________________________

<u>Annex A – Ad Hoc Group</u>

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ANNEX B

Summary of Latest Proposal

Comparison of Terms	AAFAF Response
Interest Rate on Exchange Offer Securitization Bonds	➢ 85% exchange ratio for tax-exempt securitization bonds ➢ Rate fixed at 4.75% for CIBs and 5.50% for CABs
Final Scheduled Maturity of Exchange Offer Securitization Bonds	➢ Extended to July 1, 2047 ➢ Amortization: *See attached schedule* ➢ Bonds subject to 10-year no call
DSRF	➢ 5% Common DSRF ➢ 3.5% Mirror Bond DSRF ➢ 1% funded by PREPA cash, remainder with surety
Surety Replacement Schedule	➢ Removal of turbo feature ➢ Surety replaced years 7-14
DK/Solus/Marathon Fuel Line Debt ($496mm)	➢ Required exchange of fuel line debt into SPV bonds at same terms as AHG at 100% exchange ratio ➢ 5% DSRF: DK/Solus/Marathon will provide 0.6% of their fuel line SPV bonds, Assured/National will provide 3.4%; PREPA will provide 1% in cash ➢ Amortization: identical to AHG Exchange Offer Securitization Bonds, See Attached Schedule ➢ Bonds subject to 10-year no call
Scotia Fuel Line Debt ($200mm)	➢ Reduce interest rate to 5.25% ➢ Extend amortization to 8 years (5% in years 1-5; 25% in years 6-8) ➢ Covenants in document to be reviewed per the current RSA ➢ As provided in Annex D of the Current RSA, Trust Agreement to be amended to expressly provide for Current Expense treatment of restructured Scotiabank Credit Agreement

Comparison of Terms	AAFAF Response
Investment Grade Rating RSA Closing Condition	➢ Investment grade rating no longer a condition to RSA closing; remains a condition post-closing ➢ Exception to limitation on new SPV issuances if no investment grade rating for refinancings with net savings. No rating limitation on raising debt outside the SPV, provided that such debt does not result in a reduction or withdrawal of the ratings of the SPV bonds and does not violate Act 4. ➢ Participation by creditor representatives in rating agency meetings and communications, subject to executed NDAs ➢ Parties to use best efforts to secure highest rating possible ➢ Financing of capital projects from securitization SPV requires investment grade rating and must meet other previously agreed-upon Clear Market Period protections
AHG 2016 Relending Bonds	➢ Exchange into SPV CIBs at par, final maturity of 2047 ➢ Interest rate of 9.50% for full life of bond (SPV tax-exempt CIBs with final maturity of 2047 and 100% exchange ratio) ➢ *Covenants and consents to be agreed in definitive docs* ➢ Amortization: see attached schedule ➢ Bonds subject to 5-year no call
Monoline 2016 Relending Bonds	➢ Maturities extended by 5 years, interest only for first 5 years ➢ Interest rate same as current relending bonds ➢ Paid through the transition charge and economically defeased through Mirror Bonds ➢ *Covenants and consents to be agreed in definitive docs* ➢ Bonds subject to 5-year no call
AHG/Assured 2017 Relending Bonds	➢ AHG relends $91 million and Assured relends $18 million ➢ Same terms as revised AHG 2016 Relending bonds including exchange into SPV bonds ➢ Amortization: see attached schedule ➢ Bonds subject to 5-year no call ➢ *Covenants and consents to be agreed in definitive docs*

Comparison of Terms	AAFAF Response
National 2017 Relending Bonds	➢ National relends \$126 million ➢ Straight-line amortization from FY2023 – FY2027 ➢ Interest rate of 7% ➢ Economically defeased with Mirror Bonds ➢ *Covenants and consents to be agreed in definitive docs.* ➢ Bonds subject to 5-year no call
Syncora July 2017 Relending	➢ Relend \$42 million on terms described in Schedule II-A to RSA ➢ Bonds subject to 5-year no call
Syncora 2025-2027	Amend legacy bonds to reduce principal and interest by 15%, with concurrent issuance of mirror bonds at 85% face reflecting such reduced principal/interest and the original legacy bond amortization of 2025-2027; provided, that if the foregoing is not able to be effected legally, exchange into securitization bonds with the same terms as would have been applicable to the legacy bonds as amended
Monoline Principal Deferrals (National and Assured)	➢ \$300 million of additional principal deferral on insured legacy bonds in first 6 years, funded through forward commitments by National and Assured ➢ Obligation to purchase SPV bonds with a 5 year interest only period followed by 5 year term-out and 7.5% rate ➢ New SPV bonds callable
Monoline Principal Deferrals (Syncora)	➢ Syncora will fund \$40 million 2018 payment through purchase at par of SPV bonds with same terms and CUSIP as AGH Relending Bonds
Non-RSA Bondholders	➢ Implementation through Title VI, as set forth in Other Terms and Conditions
Governance	➢ 3 independent board members chosen in accordance with current Act 4 requirements, which may be (but are not limited to) current independent board members ➢ 3 governor-appointed board members ➢ 2 consumer representatives

Comparison of Terms	AAFAF Response
Fees	➢ Catch-up on past fees and fees paid currently through closing of RSA transactions, subject to receiving an estimate of such fees
Liquidity	➢ PREPA creditors to consider an agreement to provide new money at an agreed-upon level, subject to agreement on sizing of new money needs, if any, and negotiation on terms. ➢ AAFAF and/or PREPA will not close on inadequate liquidity ➢ Adequate liquidity shall be determined as described in the last bullet under *Other Terms and Conditions* below
Other Terms and Conditions	➢ Creditors willing to consider implementation through process that preserves ability of PREPA to use Title III to address operational issues (e.g. hybrid Title VI/Title III), provided that financial debt of all RSA creditors is restructured using Title VI and in the event any of the creditor parties to the RSA determine that Title III would adversely affect or delay the implementation of the RSA pursuant to Title VI then such creditor parties shall have a termination right (as determined by each RSA creditor in its sole discretion). Implementation mechanism to be agreed among lawyers ➢ Acceptable documentation which allows RSA transaction to close and operate in compliance with the fiscal plan, including modification of Trust Agreement and existing bond documents with required bondholder vote. ➢ OB certification of Title VI by date certain ➢ Title VI to be commenced by date certain ➢ Title VI to be completed by date certain ➢ Certain PREPA creditors are open to discussing PREPA's capital projects and attracting investment, or potential investment, in such projects. ➢ Certified fiscal plan (which shall contain projections on adequate liquidity) shall be consistent with terms and purposes of the RSA and shall be otherwise reasonably acceptable to parties to the RSA

AMORTIZATION SCHEDULE

Year	Exchange Offer Securitization Bonds		DK / Solus / Marathon Fuel Line Debt	AHG 2016 Relending AHG / Assured 2017 Relending
	CIBs	*CABs*		
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	0.250%	0.250%	0.250%	0.250%
2024	0.250%	0.250%	0.250%	0.250%
2025	0.250%	0.250%	0.250%	0.250%
2026	2.528%	2.528%	2.528%	1.346%
2027	2.658%	2.658%	2.658%	1.484%
2028	2.796%	2.796%	2.796%	1.636%
2029	2.940%	2.940%	2.940%	1.804%
2030	3.092%	3.092%	3.092%	1.989%
2031	3.251%	3.251%	3.251%	2.193%
2032	3.419%	3.419%	3.419%	2.418%
2033	3.596%	3.596%	3.596%	2.665%
2034	3.782%	3.782%	3.782%	2.938%
2035	3.977%	3.977%	3.977%	3.240%
2036	4.182%	4.182%	4.182%	3.572%
2037	4.398%	4.398%	4.398%	3.938%
2038	4.626%	4.626%	4.626%	4.341%
2039	4.865%	4.865%	4.865%	4.787%
2040	5.116%	5.116%	5.116%	5.277%
2041	5.380%	5.380%	5.380%	5.818%
2042	5.658%	5.658%	5.658%	6.414%
2043	5.950%	5.950%	5.950%	7.072%
2044	6.257%	6.257%	6.257%	7.797%
2045	6.581%	6.581%	6.581%	8.596%
2046	6.921%	6.921%	6.921%	9.477%
2047	7.278%	7.278%	7.278%	10.448%