



**Financial Results and Debt Coverage Calculations per 2012
Amended and Restated Master Agreement of Trust**

For the semester ended December 31, 2013

PRELIMINARY NUMBERS, SUBJECT TO CHANGE (In thousands)

	For the semester ended,		Annual		
	Actual	Budget	Forecast 2014	Budget 2014	Difference
Revenues					
Service revenues (cash basis including special charges)	480,622	483,697	1,048,945	1,053,994	(5,049)
Other Income	2,707	2,000	5,000	4,000	1,000
Developers Contributions	2,293	2,000	4,500	4,000	500
Operating revenues (cash basis)	\$ 485,622	487,697	1,058,445	1,061,994	(3,549)
Total authority revenues	485,622	487,697	1,058,445	1,061,994	(3,549)
Operating expenses					
Payroll and payroll related	159,354	158,941	316,383	316,383	0
Electricity	88,388	87,007	175,395	174,013	(1,382)
Other operating expenses	107,605	123,359	246,254	248,254	2,000
Expense Capitalization	(18,123)	(19,943)	(37,640)	(39,887)	(2,247)
Total net operating expenses	337,225	349,364	700,392	698,763	(1,629)
Total net revenues per MAT	\$ 148,397	138,333	358,053	363,231	(5,178)

Debt service coverage calculation

	Forecast 2014	Budget 2014	Difference
Operating revenues available for Senior, Senior Subordinated	\$ 1,058,445	\$ 1,061,994	\$ 3,549
Senior debt	236,892	260,200	23,308
Accumulated coverage ratio (Min 2.5x)	4.47	4.08	0.39
Senior subordinated debt	—	—	—
Accumulated coverage ratio (Min 2.0x)	4.47	4.08	0.39
Subordinated debt	—	—	—
Accumulated coverage ratio (Min 1.5x)	4.47	4.08	0.39
Net revenues available for Commonwealth Guaranteed	\$ 358,053	\$ 363,231	\$ 5,178
Commonwealth Guaranteed Indebtedness	83,108	88,603	5,495
Accumulated coverage ratio (Min 1.0x)	1.12	1.04	0.08
Commonwealth Supported Obligations	—	—	—
Accumulated coverage ratio (Min 1.0x)	1.12	1.04	0.08
Total Debt Service	\$ 320,000	\$ 348,803	\$ 28,803
Available Funds	\$ 38,053	\$ 14,428	\$ 23,625

NOTE: Revenues for the semester ended on December 31, 2013 are not representative of the expected revenues for the rest of the fiscal year. The full impact of the rate increase was reflected in cash collection by the end of the calendar year 2013.