

March 28, 2008

**P R E S S   R E L E A S E**

The Public Utilities Commission (PUC) issued a decision in the Threshold Event Review Proceeding (TERP) for Belize Electricity Limited (BEL) today.

The PUC decision denies BEL's requested rate increase of \$0.065 per kilowatt hour, disapproves BEL's request to revise the reference unit cost of power (sales) to \$0.318 and keeps the current reference cost of power of \$0.253 in effect. It disapproves BEL's request to revise the Mean Electricity Rate (MER) to \$0.506 and maintains the current MER of \$0.441, and further disapproves the proposed customer tariffs. The current customer tariffs remain in effect.

The PUC based its decision on a thorough review of the TERP submission by BEL, other information and projections requested by the PUC from BEL and the submissions by the general public and other interested parties. Based on the review, the PUC has concluded:

- 1) BEL can meet and satisfy its financial obligations in 2008.
- 2) BEL can manage cash flow by reducing capital expenditure and operating expenditure.
- 3) The PUC will further analyze and interrogate the balance of the CPRSA account and will address the escalating CPRSA, due to the rapid increase of oil prices in the Annual Review Proceeding (ARP) that commences in early April, while seeking ways to minimize the impact on rates.(ENDS)