



41 Gabourel Lane
P.O. Box 300
Belize City
Belize

January 10, 2019

Mr. Jeffrey Locke
Chief Executive Officer
Belize Electricity Limited
Belize City

Dear Mr. Locke,

Enclosed please find the Belize Electricity Limited 2018 Annual Review Proceeding (ARP) Final Decision Amendment as made and issued by the Public Utilities Commission (PUC; the Commission).

The Final Draft for an increase in the MER to \$0.4138 per kilo-watthour, along with relevant increases to the approved Tariffs to be applied during the period January 1 to June 30, 2019.

If you have any questions, please feel free to contact the PUC at your convenience.

Best regards,

John P. Avery
Chairman, PUC

Cc: Honourable Frank Mena – Minister of State for Public Utilities



PUBLIC UTILITIES COMMISSION

BELIZE ELECTRICITY LIMITED 2018 ANNUAL REVIEW PROCEEDING FINAL DECISION AMENDMENT

January 2019

Legal Framework

The Public Utilities Commission (PUC) is authorized under the Public Utilities Commission Act (No. 39 of 1999) to serve as the economic regulator for the electricity, water and telecommunications sectors in Belize.

The primary duty of the PUC is to ensure that the services rendered by public utility providers in all three sectors are satisfactory and that the charges imposed in respect of those services are reasonable. The PUC has the power to determine and prescribe rates that may be charged in respect of utility services and the standards which must be maintained in relation to such services. In addition, the PUC is responsible for the award of licenses and for monitoring and enforcing compliance with license conditions.

Sector specific legislation provides the legal framework for the PUC to carry out its duties and functions in a particular utility sector, as obtains in the regulation of the electricity sector, the Electricity Act (No. 13 of 1992), (the “Act”), as amended by Electricity (Amendment) Act 2007 (No. 12 of 2007) and Electricity (Amendment) Act 2011 (No. 4 of 2011) and the Electricity (Tariffs, Fees and Charges) Byelaws (Statutory Instrument No. 145 of 2005; the “Byelaws”), as amended by Statutory Instrument No. 116 of 2009 and Statutory Instrument No. 21 of 2012. The Byelaws govern the tariffs, rates, charges and fees for the transmission and supply of electricity and for existing and new services to be charged by a licensee to consumers in Belize, and the mechanisms, formulas, and procedures whereby such tariffs, rates, charges and fees shall be calculated and determined for all purposes. They also govern the quality of service standards (service reliability) for existing and new services at any time provided or to be provided by a licensee, and the mechanisms, formulas and procedures whereby such services shall be calculated and determined for all purposes. Further, the Byelaws reference the methodology used for Review Proceedings.

Review of 2018 Annual Review Proceeding (ARP) Final Decision

The review of the 2018 ARP Final Decision for the Annual Tariff Period (ATP) July 1, 2018, to June 30, 2019, commenced on December 10, 2018, upon the submission made by Belize Electricity Limited (BEL) to the PUC, requesting that the approved Mean Electricity Rate be increased from \$0.3930 to \$0.4150 per KWhr along with related increases to approved Tariffs for the period January 1, 2019, to June 30, 2019, pursuant to Section 33(2) of the ELECTRICITY (TARIFFS, FEES AND CHARGES) BYELAWS, SI 145 of 2005 as amended by SI 116 of 2009.

Section 33 (2) of the ELECTRICITY (TARIFFS, FEES AND CHARGES) BYELAWS provides for adjustments to be made to the mean electricity rate and tariffs approved in the relevant ARP Final Decision for the period January 1 to June 30 of the relevant Annual Tariff Period (ATP), being July 1, 2018, to June 30, 2019, in this instance. Such adjustments are allowed for any material differences between the Reference Cost of Power and the Actual Cost of Power.

Summary of BEL Submission

The submission made by BEL contained the following key points:

- Recovery of some \$18,824,980 in Cost of Power in excess of that approved by the PUC in previous Rate Review Proceedings for the period July 1, 2017, to December 31, 2018, such recovery to be made during the period January 1, 2019, to June 30, 2020.
- No specific adjustments to any other Regulated Values, charges and fees approved in the **BELIZE ELECTRICITY LIMITED 2018 ANNUAL REVIEW PROCEEDING FINAL DECISION**.

DECISION OF THE COMMISSION

BELIZE:

ORDER made by the Public Utilities Commission (hereinafter referred to as "the Commission") in exercise of the powers conferred upon it by the Public Utilities Commission Act, Chapter 223 of the Laws of Belize, Revised Edition 2000, the Electricity Act, Chapter 221 of the Laws of Belize, the Electricity (Tariff, Fees and Charges) Byelaws, and all other powers thereunto the Commission enabling.

Short title. 1. This Order may be cited as the:

BELIZE ELECTRICITY LIMITED 2018 ANNUAL REVIEW PROCEEDING FINAL DECISION AMENDMENT

Decisions and Orders. 2. In respect of the Final Decision for the 2018 Annual Review Proceeding (ARP) for the Belize Electricity Limited (BEL) for the determination of Regulated Values, Mean Electricity Rates, Tariffs, Fees and Charges for the Annual Tariff Period (ATP) of July 1, 2018, to June 30, 2019, the Commission hereby makes the following Decisions and Orders:

- (a) The Commission hereby approves a Mean Electricity Rate of \$0.4138 per kilo-watthour and the Tariffs contained in the Schedule for the period January 1, 2019, to June 30, 2019, and hereby orders the Belize Electricity Limited (BEL) to levy the said Tariffs in respect of the relevant services it is licensed to provide;
- (b) The Commission approves no adjustments to any other previously approved Fees and Charges contained in any **BELIZE ELECTRICITY LIMITED FULL TARIFF REVIEW PROCEEDING FINAL DECISION** or any other relevant **BELIZE ELECTRICITY LIMITED ANNUAL REVIEW PROCEEDING FINAL DECISION** that have not been adjusted in a subsequent **REVIEW PROCEEDING**, and hereby orders the Belize Electricity Limited (BEL) to continue to levy the said previously approved Fees and Charges in respect of the relevant electricity services it is licensed to provide.

MADE by the Public Utilities Commission this 10th day of January, 2019.



(JOHN P. AVERY)

Chairman, Public Utilities Commission

Schedule

Belize Electricity Limited (BEL)

Approved Tariffs for Remainder of Annual Tariff Period (ATP) - January 1, 2019, to June 30, 2019

Customer Class	Service Type/ Consumption Block	Rate/Tariff \$/Mth; \$/KVA; \$/KWhr
Social	0 - 60 KWhrs Minimum Charge	0.23 5.00
Residential	0 - 50 KWhrs 51 - 200 KWhrs > 200 KWhrs Minimum Charge	0.34 0.40 0.45 10.00
Commercial 1	0 - 50 KWhrs 51 - 200 KWhrs > 200 KWhrs Minimum Charge	0.34 0.40 0.45 10.00
Commercial 2	Service Charge 0-10,000 KWhrs 10,001-20,000 KWhrs > 20,000 KWhrs	150.00 0.43 0.41 0.40
Industrial 1	Service Charge Demand (KVA) Energy	250.00 37.00 0.31
Industrial 2	Service Charge Demand (KVA) Energy	250.00 25.00 0.27
Street Lights	Energy	0.47