



# PUBLIC NOTICE

## BEL Full Tariff Review Proceeding Submission

**IT IS HEREBY NOTIFIED FOR GENERAL INFORMATION** that on this day, January 22, 2016, Belize Electricity Limited (BEL) in accordance with the Electricity (Tariffs, Fees and Charges) Byelaws, 2005 as amended by S.I. 116 of 2009, enters into a Full Tariff Review Proceeding (FTRP) with the Public Utilities Commission (PUC). The FTRP is a review of the Regulated Values, Mean Electricity Rate, Tariffs, Rates, Charges and Fees to be determined by the PUC for the next four-year Full Tariff Period (FTP), July 1, 2016 through June 30, 2020. At the conclusion of the FTRP, the PUC will issue a final decision setting out the Regulated Values and the applicable Tariffs for the FTP July 1, 2016 through June 30, 2020 as determined by the PUC. The Regulated Values and Tariffs will be reviewed and amended as necessary in Annual Review Proceedings carried out each year of the FTP.

BEL is requesting an increase in tariffs in order to (1) ensure that the true cost of power is reflected in electricity rates, (2) stabilize electricity rates on the long term, and (3) allow BEL to improve service reliability and expand its service.

### Summary of the Issues

The purpose of the FTRP is to establish the Regulated Values, Tariffs and Fees that will determine the performance of the electricity sector for the long-term benefit of the customer, while ensuring the financial viability of BEL. The Company has submitted to the PUC a request for an amendment to tariffs that reflect an average Mean Electricity Rate (MER) of \$0.3900 during this period. The Submission is grounded in the Company's Mission of low cost, reliable and sustainable service delivery to the public and reflects a continuation of BEL's strategic plan over the medium term. The Submission includes reports that show the following:

- i. The actual and projected cost of power for the current and upcoming FTP;
- ii. The forecasted Operating Expense for 2016 and the financial impact of the FTP on BEL's ability to fulfil its Mission;
- iii. Investment Program that will strengthen and expand the grid so as to connect more homes, improve customer service and enable national development; and
- iv. Reconciliation of the 2012 to 2016 approved parameters with BEL actuals.

### Process for the Full Tariff Review Proceeding

The schedule for the Review Proceeding is outlined below:

<b>Date</b>	<b>Item</b>
January 22, 2016	Notice to the Public of the Review Proceeding. Filing of Tariff Application.
February 9, 2016	PUC to hold a Public Meeting as detailed below.
February 19, 2016	The latest date by which interested parties are to submit written comments.
February 22, 2016	The PUC will issue an initial written decision on Tariffs to be applied in the Full Tariff Period along with the reason for the decision.
March 7, 2016	The latest date by which BEL and interested parties representing users of at least 10% of annual energy supplied by BEL in the preceding year, may submit written comments on the decision. Where there is no objection, the PUC will issue a final decision.
April 6, 2016	The latest date by which an Independent Expert is to be appointed by the PUC if there are written objections.
May 6, 2016	The latest date by which the Independent Expert is to issue a written report, which will be made available to the public.
May 26, 2016	The latest date by which BEL or interested parties representing customers of at least 10% of the energy supplied by BEL during the preceding year may submit comments on the report.
June 10, 2016	The latest date by which the PUC shall afford BEL and such interested parties an opportunity to be heard, if the comments object to the conclusion of the report.
June 30, 2016	PUC to issue a final decision.

### PUC Public Hearing

The PUC will hold its meeting on Tuesday, February 9, 2016 at the Belize Biltmore Plaza Hotel in Belize City, commencing at 6:30 p.m. The purpose of the meeting is to hear comments on matters related to the proposed Regulated Values, Tariffs, and Fees. All interested parties are invited to attend.

### Public Access to Information

A summary of the proposed Regulated Values, Tariffs, and Fees will be available at all BEL offices countrywide and on the Company's website ([www.bel.com.bz](http://www.bel.com.bz)) as of January 27, 2016. Throughout the Review Proceedings the public will be able to access all public information as prescribed by S.I. 116 of 2009. An updated copy of the FTRP schedule is available at the office of the PUC located at 41 Gabourel Lane, Belize City and BEL's Corporate Headquarters located at 2½ Miles Philip Goldson Highway, Belize City.

**Schedule 1**

**Belize Electricity Limited  
("Licensee")  
Target Regulated Values**

**Regulated Parameters  
Full Tariff Review Proceeding 2016-2020**

	2016	2017	2018	2019	2020
Target Rate of Return	10%	10%	10%	10%	10%
Rate of Return Lower Limit	9%	9%	9%	9%	9%
Rate of Return Upper Limit	12%	12%	12%	12%	12%

**Schedule 2**

**Belize Electricity Limited  
("Licensee")  
Target Regulated Values**

**Regulated Parameters  
Full Tariff Review Proceeding 2016- 2020**

	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>
	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
	<b>Jul-Jun</b>	<b>Jul-Jun</b>	<b>Jul-Jun</b>	<b>Jul-Jun</b>
Rate Adjustment Date	Jul 1, 2016	Jul 1, 2017	Jul 1, 2018	Jul 1, 2019
Sales (KWh)	549,401,564	567,378,158	586,265,275	606,152,588
<b>A. CWP</b>	\$/kWh	\$/kWh	\$/kWh	\$/kWh
1. Projected	0.2501	0.2460	0.2387	0.2378
<b>B. Value Added of Delivery (Regulated Value in \$/kWh)</b>	0.1469	0.1448	0.1474	0.1503
<b>C. Variance Adjustment</b>	0.000	0.000	0.000	0.000
<b>D. Mean Electricity Rate (A + B + C + D)</b>	0.3970	0.3908	0.3861	0.3881
<b>FTP 2016 - 2020</b>	CWP	0.2430		
	VAD	0.1474		
	MER	0.3904		

**Schedule 3**

**Belize Electricity Limited  
("Licensee")  
Target Regulated Values**

**Regulated Parameters  
Full Tariff Review Proceeding 2016 - 2020**

	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>
	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
	<b>Jul-Jun</b>	<b>Jul-Jun</b>	<b>Jul-Jun</b>	<b>Jul-Jun</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Other Revenues	3,347,845	3,398,063	3,449,034	3,500,770

**Schedule 4**

**Belize Electricity Limited  
("Licensee")  
Quality of Service Standards (Service Reliability)**

**Reliability Indices  
System Average Interruption Frequency Index ("SAIFI") - Unplanned  
System Average Interruption Duration Index ("SAIDI") - Unplanned**

**Full Tariff Review Proceeding 2016 - 2020**

	<b>Forecast 2016</b>	<b>Forecast 2017</b>	<b>Forecast 2018</b>	<b>Forecast 2019</b>	<b>Forecast 2020</b>
<b>Total System - Unplanned</b>					
System Average Interruption Frequency Index ("SAIFI")	10.00	9.80	9.70	9.60	9.50
System Average Interruption Duration Index ("SAIDI")	9.70	9.70	9.60	9.60	9.50

**Schedule 5**

**Belize Electricity Limited  
("Licensee")  
Target Regulated Values**

**Capital Expenditure  
Full Tariff Review Proceeding 2016 - 2020**

**Total Summary**

	<b>Calendar Years</b>				
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>T - Transmission</b>	-				-
TSI - Transmission - System Improvement	1,185,012	460,479	495,459	447,047	649,370
TSE - Transmission - System Expansion	432,083	7,532,917	13,080,000	2,100,000	-
TRI - Transmission - Reliability Improvement	1,384,522	6,104,305	829,000	694,200	671,500
TLR - Transmission - Loss Reduction	2,820,000	2,292,084	-	-	-
TBC - Transmission - Business Continuity	-	200,000	-	850,000	-
TSSI - Transmission - Standards & Safety Improvements	30,000	30,000	30,000	30,000	30,000
<b>L - Land</b>	410,000	-	-	-	-
<b>S - Substation</b>					
SSI - Substation - System Improvement	725,000	932,512	100,000	4,100,000	100,000
SSE - Substation - System Expansion	6,601,556	1,489,256	7,041,336	-	9,500,000
SRI - Substation - Reliability Improvement	1,384,522	6,104,305	829,000	694,200	671,500
SLR - Substation - Loss Reduction	2,820,000	2,292,084	-	-	-
SBC - Substation - Business Continuity	-	200,000	-	850,000	-
SSSI - Substation - Standards & Safety Improvements	30,000	30,000	30,000	30,000	30,000
<b>D - Distribution</b>					
DSE - Distribution - System Expansion	9,757,088	6,145,463	4,757,000	4,757,000	4,790,000
DRI - Distribution - Reliability Improvement	3,298,000	2,567,600	2,393,200	3,102,200	2,193,200
DLR - Distribution - Loss Reduction	250,000	663,857	250,000	250,000	250,000
DBC - Distribution - Business Continuity	818,588	836,274	836,274	836,274	836,274
DSSI - Distribution - Standards & Safety Improvements	2,081,212	4,377,505	3,565,000	4,565,000	565,000
<b>G - General Property</b>					
GSE - General - Specialized Equipment	930,000	35,500	130,500	25,500	51,500
GCE - General - Office & Computing Equipment	3,351,215	727,090	660,390	879,740	640,940
GCOM - General - Communications Equipment	690,342	3,456,026	186,000	2,237,200	177,500
GB - General - Buildings	743,600	3,205,000	136,600	190,000	100,000
GV - General - Vehicles					
<b>TOTAL BUDGET</b>	<b>39,742,742</b>	<b>49,682,257</b>	<b>35,349,759</b>	<b>26,638,361</b>	<b>21,256,783</b>
Administrative Cost - GEC	1,941,396	1,989,091	2,032,647	2,049,751	2,059,136
Capitalized Interest - IDC	1,625,654	2,101,307	2,015,539	1,937,985	1,742,553
<b>Total Capex</b>	<b>43,309,792</b>	<b>53,772,655</b>	<b>39,397,944</b>	<b>30,626,097</b>	<b>25,058,472</b>

**Schedule 6**  
**Belize Electricity Limited**  
**("Licensee")**  
**Target Regulated Values**

**Service Charge Schedule**

Fee Items	Existing Fees	Proposed Fees	Notes
New Service application and processing fee	\$200.00	\$200.00	
Temporary Supply/Temporary Service Drops	\$120.00	\$200.00	Plus Consumption
Service Upgrade/Relocation	\$55.00	\$0.00	
Movein/Activation/Transfer	\$40.00	\$40.00	
Meter tampering/investigation charge	\$0.00	\$185.00	
Replacement of damaged meter (negligence/tampering)	\$98.00	\$300.00	
Replacement of damaged meter glass (negligence)	\$31.61	\$50.00	
Return Check Charge	\$0.00	\$25.00	
Meter Test/Second Request within a year	\$0.00	\$25.00	If error is found fee will be refunded
Re-Read/second request within six months	\$0.00	\$15.00	If error is found fee will be refunded
<b>Standard Reconnection (at meter)</b>			
Social	\$10.00	\$10.00	
Residential/Commercial	\$15.00	\$15.00	
Commercial (CT)	\$25.00	\$250.00	
Industrial (HV & LV)	\$100.00	\$250.00	Technical resources to perform more expensive
Reconnection at Pole	\$100.00	\$100.00	
<b>Temporary Disconnection by Request</b>			
Social, Residential	\$10.00	\$15.00	
Commercial	\$10.00	\$25.00	
Industrial (HV & LV)	\$100.00	\$250.00	Technical resources to perform more expensive
<b>Engineering Services fee</b>			
Design / Inspection / Supervision			BEL is prepared to assist customers in Engineering Services at costs to be determined and agreed upon with the customer
<b>Pole Rental</b>			
First attachment (monthly fee per pole)		\$2.50	1 fee per pole attachment regardless of location or type of installation
Additional attachments (monthly fee per pole)		\$2.00	To deter use of infrastructure for multiple connection by single
<b>Interest on Overdue Accounts</b> (Large Commercial /Industrial)	.83%/month	.83%/month	Late Payment Penalty (Applied to arrears over 30 days)

**Deposit Fees:**

<b>60-amp service</b>			
<i>Social</i>	50	0	Subject to change after 3 disconnections
<i>Residential</i>	50	50	Subject to change after 3 disconnections
Deposit after 3 disconnections	inconsistent	calc	Average of 2-months bill within last 6 months
<b>100-Amp to 45kVA Service</b>			
<i>Social</i>	100	0	Subject to change after 3 disconnections
<i>Residential</i>	100	100	Subject to change after 3 disconnections
<i>Commercial (0-1500 kWh)</i>	200	200	Subject to change after 3 disconnections
<i>Commercial (&gt; 1500 kWh)</i>	1000	1000	Subject to change after 3 disconnections
Deposit after 3 disconnections	inconsistent	calc	average of 2-months bill within last 6 months
<b>&gt; 45kVA Service</b>			
112.5 kVA Dedicated Service	3,000	Calc	Minimum charge being 1/2 calculated monthly bill To be calculated based on estimated bill from load sheet used to determine transformer size. Customer has option to provide A/R performance bond equivalent to 3-months calculated average consumption based on load sheet.
225 kVA Dedicated Service	8,000	Calc	
500 kVA Dedicated Service	15,000	Calc	
1000 kVA Dedicated Service	30,000	Calc	
> 1mVA	Calc	Calc	

Where any requested service requires that extraordinary costs be incurred by a Licensee, the Licensee may recover some or all of such costs as determined according to a relevant methodology contained in any relevant and approved Code of Practice required by the Conditions of the Licence granted to such Licensee.