



A FORTIS COMPANY

Belize Electricity Limited
2 ½ Miles Northern Highway
P.O. Box 327
Belize City, BELIZE
Corporate Tel.: 501-227-0954
Customer Care: 0-800-235-2273
Fax: 501-223-0891
Email: pr@bel.com.bz
Website: www.bel.com.bz

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Contact: Dawn Sampson – Manager, Corporate Communications
E-mail: dawn.sampson@bel.com.bz

BEL to Host Annual General Meeting of Shareholders Tonight – Company Reports 10.3% Rate of Return

At 7:00 p.m. today, Belize Electricity Limited (BEL) will hold its Annual General Meeting (AGM) of Shareholders for the year ended December 31, 2007 at the Best Western Belize Biltmore Plaza.

This year's AGM will be held under the theme "*Growing with Belize*". Over the last five years, BEL's customer base has grown by approximately 15 per cent and peak demand over the same period has grown by more than 21 per cent. To keep pace with this growth, in 2007, BEL continued to invest heavily in expanding and improving its service.

The Company earned a 10.3 per cent Rate of Return or \$29.9 million in 2007, while it invested approximately \$47 million under its Capital Investment Program.

"To improve service requires the replacement and upgrading of much of our infrastructure," says BEL's President and Chief Executive Officer Lynn Young. "As a result, we annually reinvest more than 50 per cent of our earnings. This investment along with debt, finances our capital expenditure which significantly outstrips the level of earnings. This situation is not likely to change in the near future and we will need the continued confidence of investors and lenders to be able to finance these service improvement and system expansion initiatives."

Major project accomplishments during the year include the expansion and upgrade of the Buena Vista and San Ignacio Substations, to provide for future load growth in the Orange Walk and San Ignacio areas and to improve the reliability of supply to those communities.

Expansion of the distribution system continued with 59 miles of lines constructed, to electrify previously unconnected rural communities. Distribution expansions also resulted

in the connection of several new tourism developments as well as shrimp farms in Southern Belize, while feeder upgrades continued in Belize City and Dangriga Town.

Revenues increased to \$159.6 million of which \$96.6 million was spent on cost of power. For the year, cost of power purchased from Comisión Federal de Electricidad increased by 28.7 per cent to \$0.21 per kWh, while cost of hydroelectric power remained relatively stable at \$0.18 per kWh.

In the first quarter of 2008, oil prices continued on a steady increase and by mid-March hit US\$112 per barrel, resulting in further increases in the cost of power from Mexico. At tonight's meeting Young and Fortis's President and Chief Executive Officer Stanley Marshall will discuss the Public Utilities Commission's initial decision to reject BEL's request for a rate increase and the impact this decision would have on the Company's operations if it stands.

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