



# BELIZE ELECTRICITY LIMITED

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## **Belize Electricity Limited to Lift Court Injunction against the Public Utilities Commission**

Belize Electricity Limited (BEL) has moved to lift the injunction granted by the Supreme Court, which prevented the Public Utilities Commission (PUC) from making any adjustments to electricity rates or take any regulatory action in relation to the 2008 PUC Final Tariff Decision.

BEL had appealed that PUC 2008 decision and in March 2011, the Supreme Court dismissed the Company's appeal. In May 2011, the Supreme Court granted the Company the injunction against the PUC.

With the lifting of the injunction, the PUC will be able to adjust electricity rates to reflect the current cost of power and other operational realities. Electricity rates have been frozen since 2008 and consequently the current rates customers are paying do not reflect the current situation.

The Company's decision to lift the injunction is also in accordance with its renewed efforts to stabilize the Company's financial position and refocus all resources on improving service to customers.

Legal expenses relating to the appeal of the 2008 Final Tariff Decision and other regulatory matters have amounted to over \$4 million to date.

"We must direct our resources towards initiatives that will clearly enable us to meet our commitment to our customers, shareholders and staff" said Chief Executive Officer Jeffrey Locke. "Whilst the Company and its regulator will not always be in agreement, we must at least try to discuss these matters in a less confrontational manner. It is in everyone's best interest for regulatory matters to be resolved without the need for expensive legal action. We will seek to achieve this where possible."

Following recent discussions with the PUC on this new way forward, the PUC is in the process of withdrawing its legal action against BEL, relating to the utility pole rental charges levied by the Company on cable and telephone operators. BEL and PUC will attempt to resolve this and other regulatory matters via more open communication.

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