



# **PUBLIC UTILITIES COMMISSION**

## **FINAL DECISION (2012 ANNUAL REVIEW PROCEEDING)**

**for**

**Belize Electricity Limited**

**June 2012**

## **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.

## **Annual Review Proceeding**

The Annual Review Proceedings (ARP) for the Annual Tariff Period (ATP) July 1, 2012, to June 30, 2013, commenced on April 2, 2012, upon the submission by Belize Electricity Limited (BEL) to the PUC requesting the PUC’s approval of proposed regulated values, mean electricity rates, tariffs, charges and fees for the period July 1, 2012, to June 30, 2013.

## Summary of BEL Submission

The submission made by BEL contained the following key points:

- The introduction of new customer classifications, Commercial 1 and Commercial 2, along with proposed rates;
- The introduction of a new customer classification, Industrial 3, along with a methodology to determine applicable rates;
- Introduction of new service fee/charge for Industrial customers for “Temporary Disconnection by Request”;
- Introduction of new service fee/charge for Industrial customers for “Reconnection (Temporary Disconnection by Request)”;
- Increase of service fee/charge for Residential customers for “Reconnection (Disconnection for Non-payment)”;
- Introduction of new service fee/charge for “Reconnection at Pole (Disconnection for Non-Payment or Tampering)”;
- Removal of fee/charge for “Meter Change for Testing”;
- Introduction of new service fee/charge for “Meter Change by Request”;
- Introduction of new service fee/charge for “Re-inspection of New Service”;
- Introduction of new service fee/charge for “Re-inspection (Due to substandard work by Wireman)”;
- Introduction of new penalty charges for “Service/Meter Tampering”;
- Introduction of new penalty charge for “Late Payment”, along with proposed methodology for determining charges;
- Increase of Pole Rental Fees;
- Introduction, increase or removal of various deposit fees;
- No specific adjustments to any other Regulated Values, Mean Electricity Rates and Tariffs approved in the **BELIZE ELECTRICITY LIMITED 2011-2012 FULL TARIFF REVIEW PROCEEDING FINAL DECISION**.

## DECISION OF THE COMMISSION

**BELIZE:**

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*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.*

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

### **BELIZE ELECTRICITY LIMITED 2012 ANNUAL REVIEW PROCEEDING FINAL DECISION**

**Decisions and Orders.** 2. (1) In respect of the 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, 2012, to June 30, 2013, the Commission hereby makes the following Decisions and Orders:

- (a) The Commission hereby approves the service Fees and Charges contained in Schedule 1 and hereby orders the Belize Electricity Limited (BEL) to levy the said service Fees and Charges in respect of the relevant services it is licensed to provide;
- (b) The Commission hereby approves the Tariffs contained in Schedule 2 and hereby orders the Belize Electricity Limited (BEL) to levy the said Tariffs in respect of the relevant services it is licensed to provide;
- (c) The Commission approves no adjustments to any other previously approved Regulated Values, Mean Electricity Rates and Tariffs contained in the **BELIZE ELECTRICITY LIMITED 2011-2012 FULL TARIFF REVIEW PROCEEDING FINAL DECISION**, and hereby orders the Belize Electricity Limited (BEL) to continue to levy the said previously approved Tariffs in respect of the relevant electricity services it is licensed to provide.
- (d) The Belize Electricity Limited (BEL) may, subject to the Conditions of its Licence, levy such Tariffs, Fees and Charges for the provision of electricity services not covered in the Schedules or in any Final Decision issued for any previous Review Proceeding, as contained in any service agreement approved by the Commission by Order made by the Commission.

**MADE** by the Public Utilities Commission this 26<sup>th</sup> day of June, 2012.

**(JOHN P. AVERY)**

*Chairman, Public Utilities Commission*

## Schedule 1

### Belize Electricity Limited (BEL) Approved Fees and Charges effective July 1, 2012

<b>Service Fees and Charges/Penalties:</b>		
<b>Description</b>	<b>Customer Classification</b>	<b>Fee/Charge (\$, %)</b>
New Connection		200.00
Temporary supply		120.00
Service Upgrade		55.00
Service Relocation		55.00
Move In/Activation/Transfer		40.00
Temporary Disconnection by Request	Social, Residential, Commercial 1 & 2 Industrial	10.00 100.00
Reconnection (Temporary Disconnection by Request)	Social, Residential, Commercial 1 & 2 Industrial	10.00 100.00
Reconnection (Disconnection for Non-payment)	Social Residential Commercial 1 & 2	10.00 15.00 25.00
Reconnection at Pole (Disconnection for Non-Payment or Tampering)		100.00
Replacement of damaged Meter		98.00
Replacement of damaged Meter Cover		31.61
Replacement of Meter due to Service/Meter Tampering*		40.00
Pole Rental (Monthly Fees per Pole)	Telecommunications Operators (PSTN, Etc.) Cable Operators - Cities/Towns Cable Operators - Rural	2.70 1.46 1.16
Late Payment Penalty (Applied to Arrears over 30 days less amount held as Deposit)	Commercial 2, Industrial	0.83%/Month
<b>Deposits:</b>		
<b>Service Size</b>	<b>Customer Classification</b>	<b>Fee/Charge (\$)</b>
60 Amps Service	Social, Residential Commercial 1	50.00 100.00
100 Amps Service	Residential Commercial 1 Commercial 2	100.00 200.00 1,000.00
125 Amps Service	Residential Commercial 1 Commercial 2	100.00 200.00 1,000.00
200 Amps Service	Residential Commercial 1 Commercial 2	100.00 200.00 1,000.00
45 kVA Dedicated Service	Residential Commercial 1 Commercial 2	100.00 200.00 1,000.00
112.5 kVA Dedicated Service		3,000.00
225 kVA Dedicated Service		8,000.00
500 kVA Dedicated Service		15,000.00
1000 kVA Dedicated Service		30,000.00

**Notes:**

The Commercial 1 category shall be applied to commercial customers with average monthly consumption less than 2,500 kilo-watthours.

The Commercial 2 category shall be applied to commercial customers who are not classified as Commercial 1 or Industrial.

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.

\* To be applied, together with other applicable fees/charges/penalties, after summary conviction for Service/Meter Tampering.

## Schedule 2

### Belize Electricity Limited (BEL)

Approved Tariffs for remainder of Full Tariff Period (FTP) - July 1, 2012, to June 30, 2016

Customer Class	Service Type/ Consumption Block	Rate/Tariff \$/Mth; \$/KVA; \$/KWhr
<b>Commercial 1</b>	0 - 50 KWhrs	0.33
	51 - 200 KWhrs	0.41
	> 200 KWhrs	0.44
	Minimum Charge	5.00
<b>Commercial 2</b>	Service Charge	100.00
	0-10,000 KWhrs	0.42
	10,001-20,000 KWhrs	0.41
	> 20,000 KWhrs	0.40

**Notes:**

The Commercial 1 category shall be applied to commercial customers with average monthly consumption less than 2,500 kilo-watthours.

The Commercial 2 category shall be applied to commercial customers who are not classified as Commercial 1 or Industrial.