



Public Notice

FOR IMMEDIATE RELEASE

JULY 10, 2023

PUC's Amendment of Decision Date June 7th Order BEL BAPCOL Solar PPA



IN THE MATTER Of The Final Approval of The Tariffs and Other Specific Terms & Conditions Issued by the Public Utilities Commission (the “Commission” or “PUC”) in respect of two (2) Power Purchase Agreements (“PPAs”) between Blair Athol Power Company Limited (“BAPCOL”) and Belize Electricity Limited (“BEL”); and

IN THE MATTER Of The Amendment of The Decision and Order of the Commission dated June 7, 2023

Background

1. According to BEL, the recent increased demand for electricity in Belize has necessitated that all generating stations in Belize operate at their maximum level;
2. Additionally, given the increased demand for electricity in Mexico and the Comisión Federal de Electricidad (“CFE”) challenges in procuring energy, CFE has put BEL on notice that Belize’s supply will be reduced as Mexico similarly faces issues with increasing demand and in procuring energy;
3. This decision by CFE to step down supply to Belize is critical as CFE supplies BEL with about half of the electricity it needs to meet demands;
4. On June 7, 2023, the Public Utilities Commission (“PUC”) approved an application made by BEL on April 21, 2023 for 7 MW of solar power in Chan Chen and 8 MW of solar power in Maskall to be produced by Blair Athol Power Company Limited.
5. The said Decision and Order set the Levelized Cost of Energy (“LCOE”) for the PPAs at US\$0.0593 per kWh, which was designed to allow BAPCOL to recover its investments over twenty-five years;
6. On 12 June, 2023, Chairman of BAPCOL wrote to the PUC to, among other things, indicated that BAPCOL would accept an average LCOE of US\$0.0593, comprising of US\$0.085 for the initial 15 year term and US\$0.025 for the subsequent 10 year term. This would allow BAPCOL to recover its investment in 15 years instead of 25 years as proposed by the PUC in its Decision;

7. In order to address the urgency facing BEL and the Country, the Prime Minister of Belize recommended that the PUC review its Decision and Order of 7 June, 2023 and consider BAPCOL's position in their letter of 12 June 2023.
8. Subsequent to the meeting with the Prime Minister, BAPCOL supplied a supporting spreadsheet on 23 June, 2023, that indicated a LCOE of US\$0.0598, comprising of US\$0.0838 for the initial 15 year term and US\$0.0215 for the subsequent 10 year term.
9. On June 29th 2023, the Commission met to review its decision taken on June 7, 2023, and during those discussions, the Commission questioned whether to apply the LCOE specified in BAPCOL's letter of 12 June 2023 or the subsequent spreadsheet forwarded on 23 June 2023.
10. The Commission approved the variation of its Order made on 7 June 2023, pending clarification from BAPCOL on the LCOE.
11. On 4 July 2023, the Chairman of BAPCOL clarified the offer to be the LCOE specified in the supporting spreadsheet of US\$0.0598.

ORDER

12. The Commission, in exercise of its discretionary powers under section 32 of the Public Utilities Commission Act to review, vary, and rescind any decision or Order made by it, hereby varies its ORDER dated 7 June, 2023 as follows:
13. Order 2(ii) shall be deleted and replaced with the following new Order 2(ii)A:

2(ii)A The rate of the PPAs shall be US\$0.0838 for the initial 15 year term and US\$0.0215 for the subsequent 10 year term.
14. Order 2(iii) shall remain operative, save and except that the Directions contained at Paragraphs 24(e) and 24(g) of the Decision made on 7 June 2023 are deleted.
15. The duly signed PPAs, inclusive of all relevant documents, exhibits and attachments, shall then be filed before the Commission within a period of 45 days from the date of this Order.

Dated this ^{6th} day of July, 2023



Dean Molina
Chairman
Public Utilities Commission