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PLEASE QUOTE OUR REF

July 12, 2017

Regulatory Authority of Bermuda
Craig Appin House, 1st Floor
8 Wesley Street
Hamilton HM 11

Attention: Mr. Mathew Copeland, Chief Executive

TARIFF FILING

Dear Sirs,

This is to advise you that we wish to make the following changes to the fuel adjustment rate ("FAR"):

Maintain the existing rate of 11.50 cents per kilowatt-hour sold for August 2017.

Our current submission is provided using the minimum filing report (MFR) format established by the former Energy Commission. Please note the Commercial Renewable System Excess Energy Rate (CRSEER) representing the rate BELCO would pay commercial owners for excess energy generated but not consumed and exported to BELCO no longer used has been calculated and included in our August 2017 FAR MFR submission as directed per Regulatory Authority letter dated 18 April 2017.

The actual fuel adjustment cost recovery position as at 30th June 2017 was \$415,623 over recovered as compared to the \$281,247 over recovery position projected in our last filing. The \$134,376 favorable variance is due to:

- The total actual barrels of fuel consumed in June were 1,472 barrels higher than projected, resulting in a negative impact on the recovery position of \$115,035;
- Net price variance positively impacted the recovery position by \$3,121;
- Actual June electric sales were 2,400,278, KWH's higher than projected. This variance resulted in a net positive impact on the fuel recovery position of \$249,903; and
- Fuel interest finance cost incurred in June negatively impacted the recovery position by \$3,613.

Our detailed working paper supporting this analysis has been included in the MFR (please refer to Page 18 "FAR Recovery Variance Analysis") as requested per the Authority's email dated 25 January 2017.

June Net Metering:

The net metering spreadsheet included in the MFR (please refer to Page 17 "Net Metering") summarizes the billing associated with solar PV customers during the month of June. As of June 5th, the last of the original net meter customers were transitioned over to the compensation scheme as directed by the Clarifying Order dated 17 April 2017 which sees customers billed for all energy delivered at BELCO retail rates and credited for all energy received at \$0.1736 per kilowatt hour. As at June 30th, 2017 there are 384 residential PV customers and 6 commercial and demand PV customers. The higher number of bills in the report (10) is indicative of the back-billing of some customers to transition over to the new rate with reading periods in both May and June.

We will continue to monitor our projections to ensure that our submitted FAR requests enable us to achieve a break-even position on fuel costs. We will also continue to report net metering activity as noted above until we are directed otherwise by the Authority.

Should you have any questions concerning the above, please do not hesitate to contact us.

Yours sincerely,

BERMUDA ELECTRIC LIGHT COMPANY LIMITED

A handwritten signature in black ink, appearing to read "David Faries". The signature is fluid and cursive, with the first name "David" and last name "Faries" clearly distinguishable.

David Faries, CPA, CA, JP
Vice President, Finance & Group Controller



Bermuda Electric Light Company Limited

Fuel Adjustment Submission

FOR PUBLIC DISCLOSURE

August 2017

This submission is filed by Bermuda Electric Light Company Limited (“BELCO”) with the Regulatory Authority of Bermuda (the “Authority”) using the minimum filing requirements (“MFR”) format established by the Energy Commission in its directive letter sent to BELCO dated December 30, 2013.

In accordance with Section 33 of the Regulatory Authority Act 2011, BELCO claims confidentiality over certain information provided to the Authority. That information is therefore excluded from the redacted version of this filing on the grounds that disclosure of the information would have, or could reasonably be expected to have, an adverse effect on BELCO’s commercial interests

Fuel Adjustment Submission

Table of Contents

	PAGE
Graph - Cost per Barrel of Heavy Fuel Oil Purchased	<u>3</u>
Graph - Cost per Barrel of Diesel Fuel Oil Purchased	<u>4</u>
Table of Heavy Fuel Oil Inventory Activity	<u>5</u>
Graph - Heavy Fuel Oil Inventory Activity	<u>6</u>
Table of Diesel Fuel Oil Inventory Activity	<u>7</u>
Graph - Diesel Fuel Oil Inventory Activity	<u>8</u>
Table of Heavy Fuel Oil Costs Per Shipment	<u>9</u>
Table of Diesel Fuel Oil Per Shipment	<u>10</u>
Graph - Barrels of Fuel Consumed	<u>11</u>
Graph - Fuel Consumption & Kilowatt Hours Sold	<u>12</u>
Graph - Kilowatt Hours Sold	<u>13</u>
Graph - Maximum 15-Minute & Hourly Peak Kilowatt Hour Demand	<u>14</u>
Graph - Fuel Adjustment Rate vs. Platt's Indices for Heavy & Diesel Fuel	<u>15</u>
Fuel Adjustment Over/(Under) Recovery - Previous Month	<u>16</u>
Net Metering	<u>17</u>
FAR Recovery Variance Analysis	<u>18</u>
Fuel Consumption Projections - Forward Three Months	<u>19</u>
Fuel Adjustment Over/(Under) Recovery Projections - Existing Rate	<u>20</u>
Fuel Adjustment Over/(Under) Recovery Projections - Requested Rate	<u>21</u>
Fuel Adjustment Over/(Under) Recovery Projections - Full Cost	<u>22</u>
Generators Available for Service - Previous Month	<u>23</u>
Generators Out of Service - Previous Month	<u>24</u>
Scheduled Generator Maintenance - Filing Period	<u>25</u>
Other Events Affecting The Fuel Adjustment Calculation	<u>26</u>

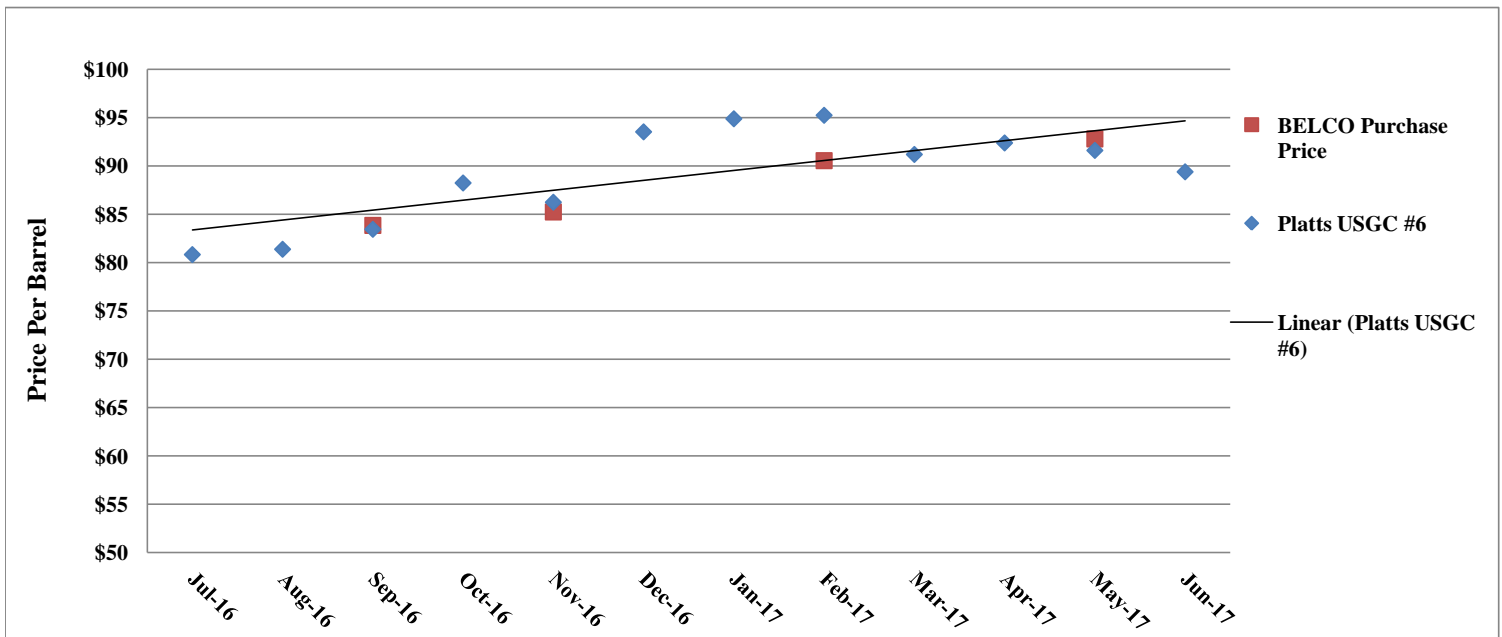


Heavy Fuel Oil Purchased

Versus

Platt's U.S. Gulf Coast Waterborne mid-No. 6, 3% Sulfur Heavy Fuel Oil

Previous Twelve Months

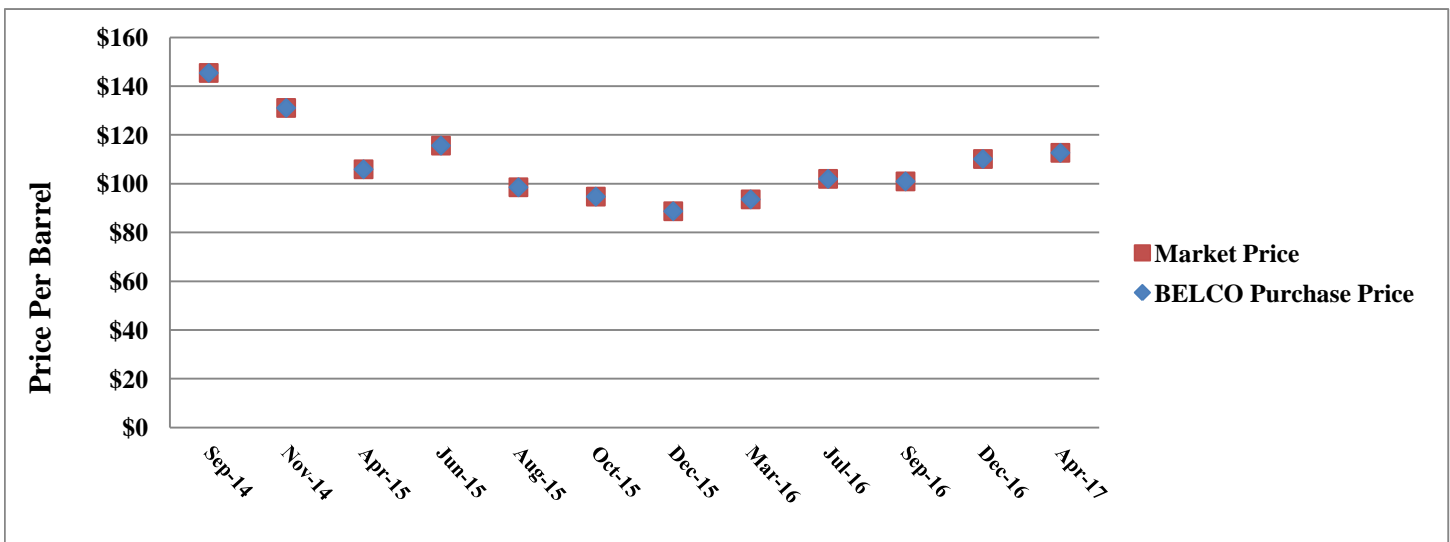


N.B. In accordance with the Fuel Supply Agreement for Platt's U.S. Gulf Coast Waterborne mid-No. 6, 3% Sulfur Heavy Fuel Oil between BELCO and Shell Western Trading Limited, the contracted price is stipulated as the 30-day average for Platt's U.S. Gulf Coast Waterborne mid-No. 6, 3% Sulfur Heavy Fuel Oil.



Diesel Fuel Oil Purchased

Previous Twelve Shipments



N.B. In accordance with the Fuel Supply Agreement for No. 2 Diesel Oil between BELCO and Coral Petroleum Company Limited, the contracted price is stipulated as the Platt's U.S. Gulf Coast Waterborne mid Ultra Low Sulfur Diesel, 3-day average center Bill of Lading Date which is the date the fuel is loaded on to the vessel. As BELCO does not enter into forward contracts for the supply of diesel fuel, the price BELCO pays is equal to the Platt's price.

BELCO

Heavy Fuel Oil Inventory Activity

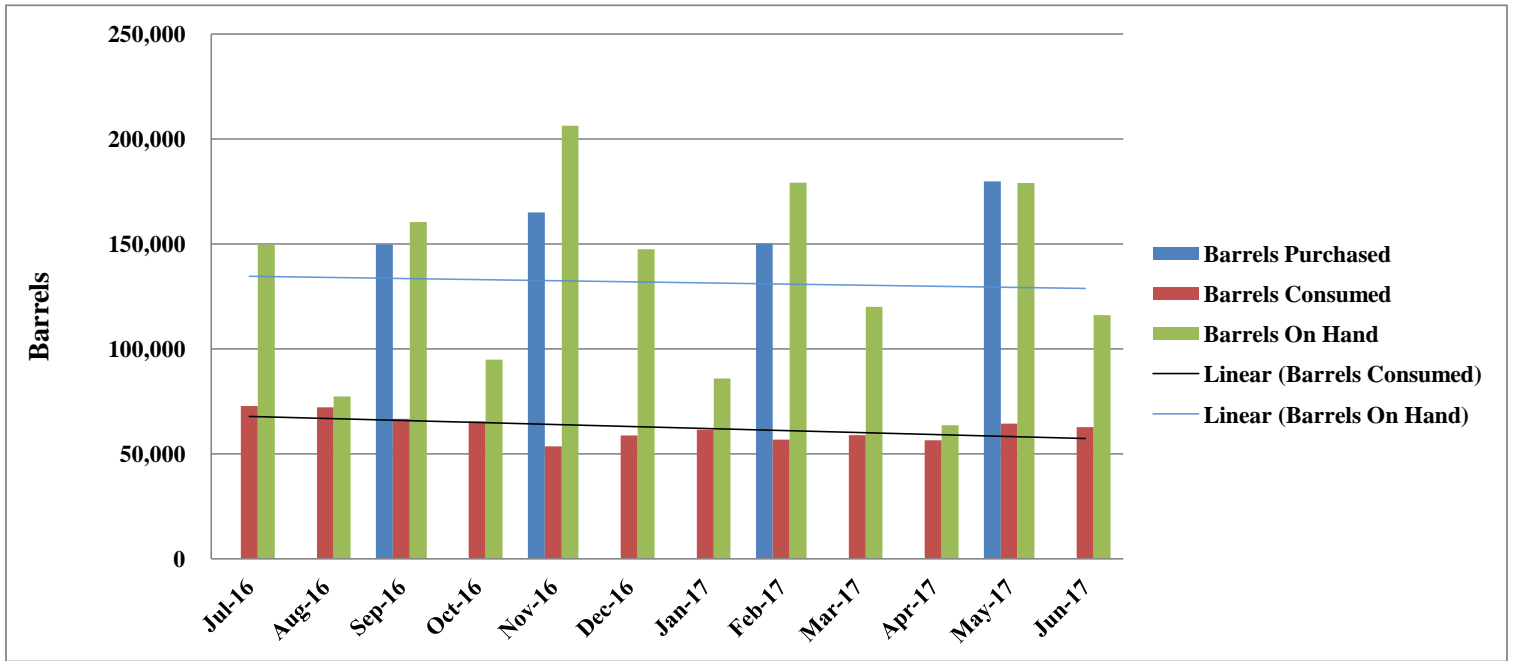
Previous Twelve Months

<u>Date</u>	<u>Barrels Purchased</u>	<u>Barrels Consumed</u>	<u>Barrels On Hand</u>
July, 2016	-	72,880.00	149,631.23
August, 2016	-	72,216.00	77,415.23
September, 2016	149,880.68	66,740.00	160,555.91
October, 2016	-	65,575.00	94,980.91
November, 2016	165,045.90	53,649.00	206,377.81
December, 2016	-	58,844.00	147,533.81
January, 2017	-	61,588.00	85,945.81
February, 2017	150,066.01	56,841.00	179,170.82
March, 2017	-	59,011.00	120,159.82
April, 2017	-	56,518.00	63,641.82
May, 2017	179,858.58	64,433.00	179,067.40
June, 2017	-	62,866.00	116,201.40



Graph of Heavy Fuel Oil Inventory Activity

Previous Twelve Months





Diesel Fuel Oil Inventory Activity

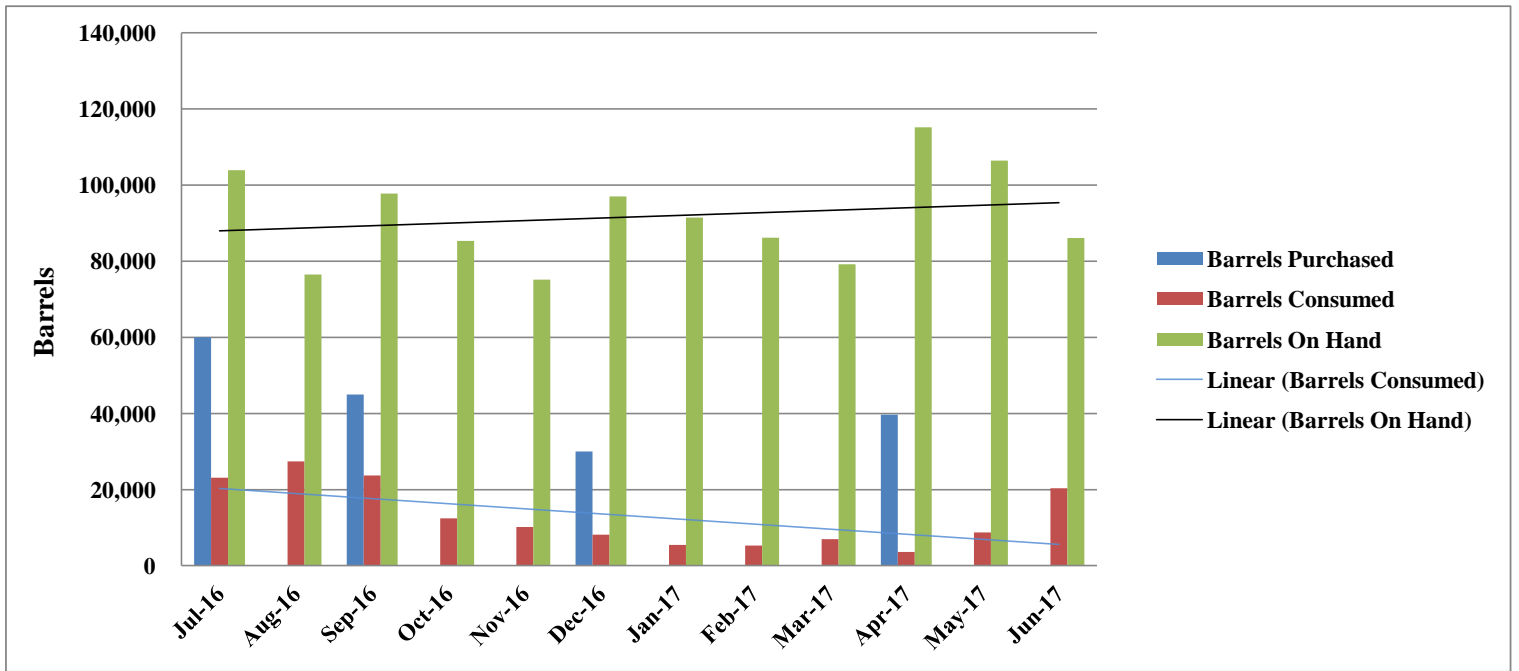
Previous Twelve Months

<u>Date</u>	<u>Barrels Purchased</u>	<u>Barrels Consumed</u>	<u>Barrels On Hand</u>
July, 2016	60,013.52	23,110.99	103,921.44
August, 2016	-	27,414.40	76,507.04
September, 2016	44,939.15	23,686.64	97,759.55
October, 2016	-	12,448.60	85,310.95
November, 2016	-	10,151.61	75,159.34
December, 2016	30,003.67	8,182.48	96,980.53
January, 2017	-	5,468.49	91,512.04
February, 2017	-	5,324.16	86,187.88
March, 2017	-	6,984.19	79,203.69
April, 2017	39,645.26	3,648.83	115,200.12
May, 2017	-	8,774.56	106,425.56
June, 2017	-	20,335.70	86,089.86



Graph of Diesel Fuel Oil Inventory Activity

Previous Twelve Months





Heavy Fuel Oil Costs Per Shipment

In accordance with Part 4, Paragraph 26A Clause (1)(c)(i) of the Bermuda Energy Act 2009, certain information provided to the Bermuda Energy Commission has been designated as confidential on the grounds that it could result in material financial loss or gain to any person and therefore has been excluded.

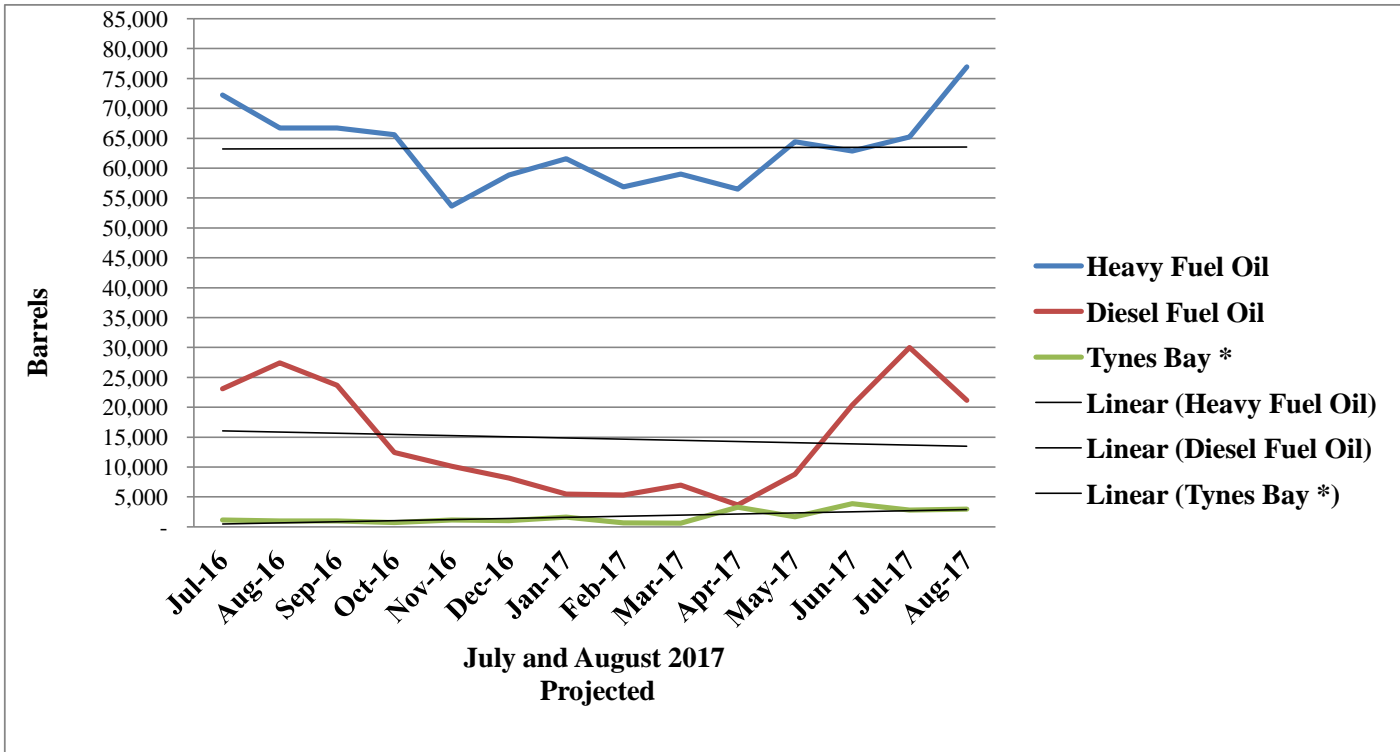


Diesel Fuel Oil Costs Per Shipment

In accordance with Part 4, Paragraph 26A Clause (1)(c)(i) of the Bermuda Energy Act 2009, certain information provided to the Bermuda Energy Commission has been designated as confidential on the grounds that it could result in material financial loss or gain to any person and therefore has been excluded.



Barrels of Fuel Consumed
Previous Twelve Months
Plus Two Month Forward Projection



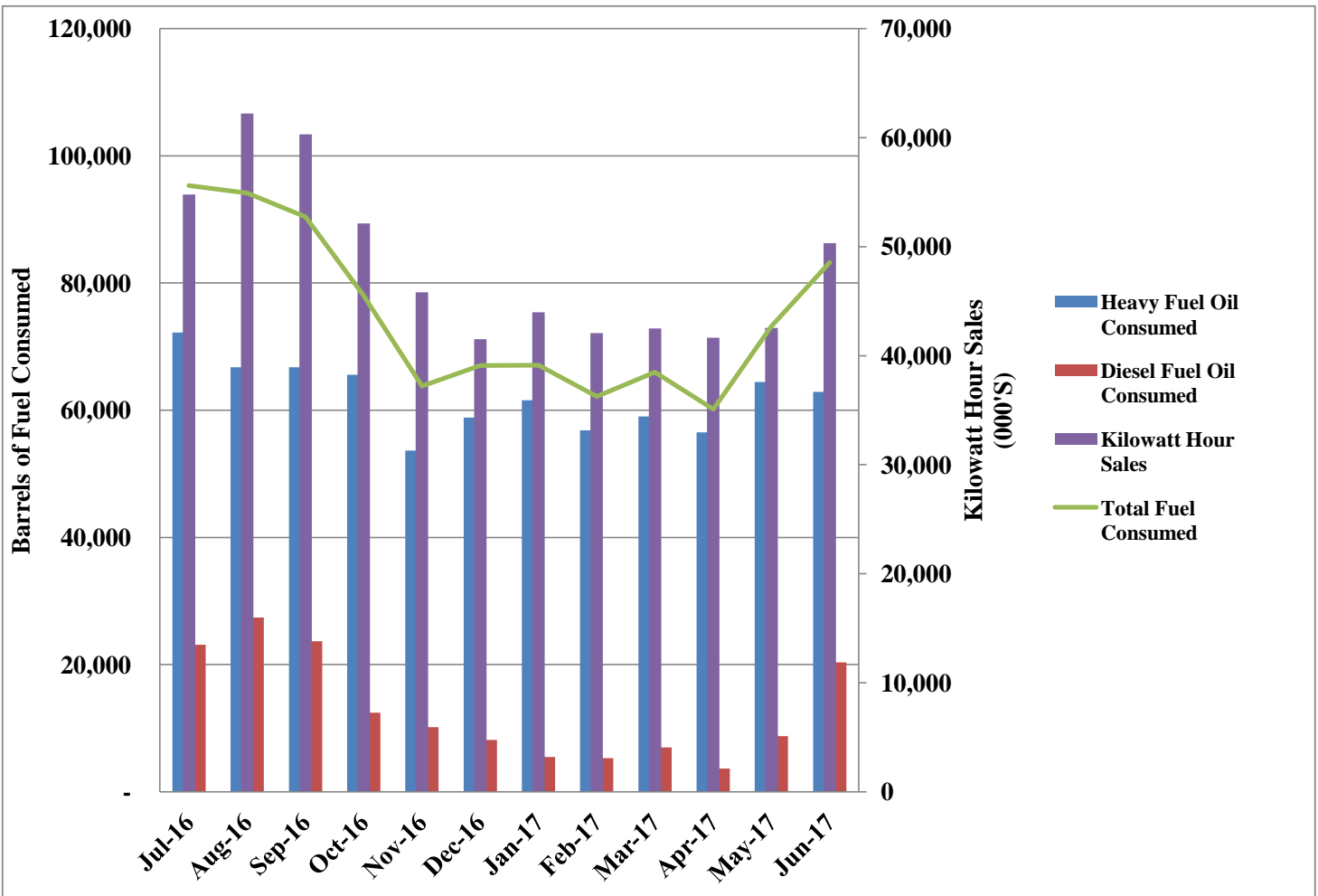
* BELCO calculates an efficiency rating for its generators on a monthly basis. This is calculated as the estimated kilowatt hours that will be generated that month divided by the estimated number of barrels of fuel that will be used. Therefore, the equivalent barrels of fuel is calculated for Tynes Bay as the amount of kilowatt hours delivered by Tynes Bay to BELCO divided by this budgeted efficiency rating.



Fuel Consumption

Versus

Kilowatt Hour Sales

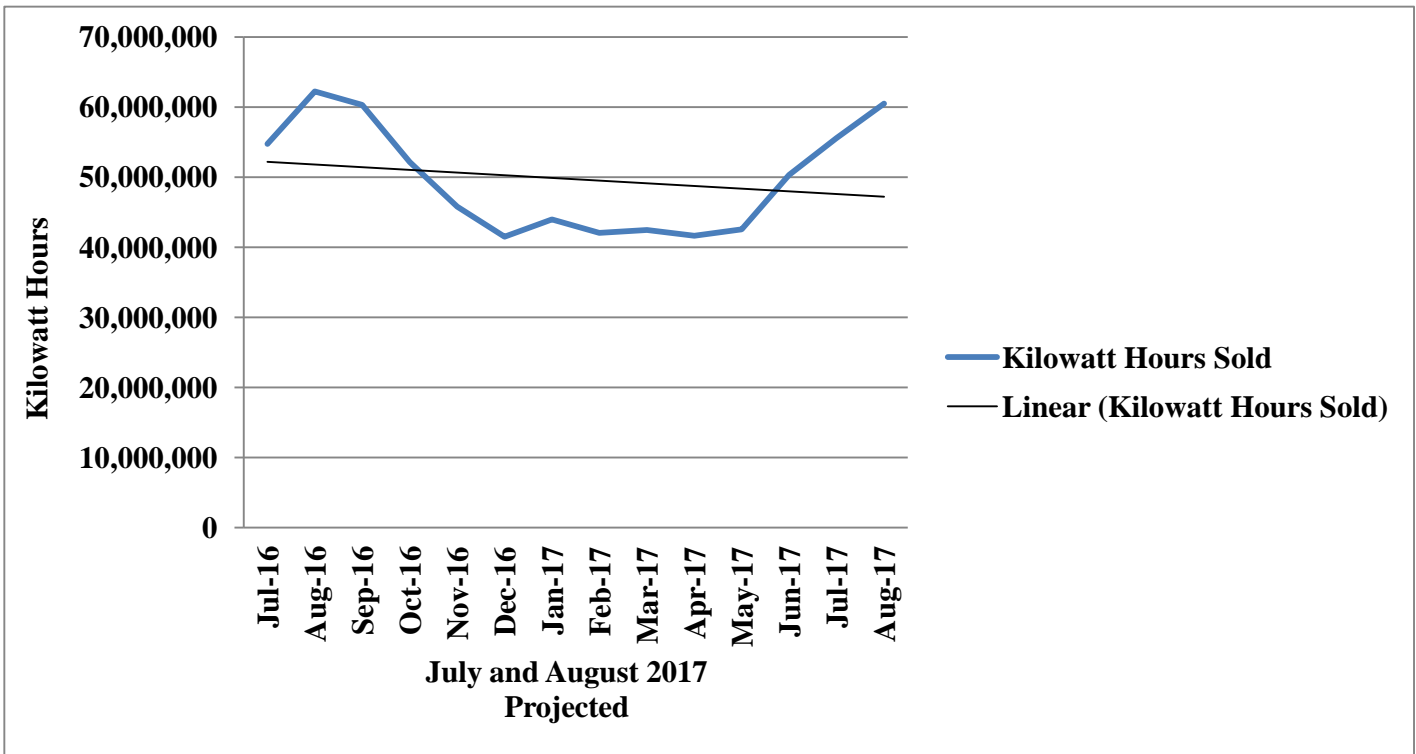




Kilowatt Hour Sales

Previous Twelve Months

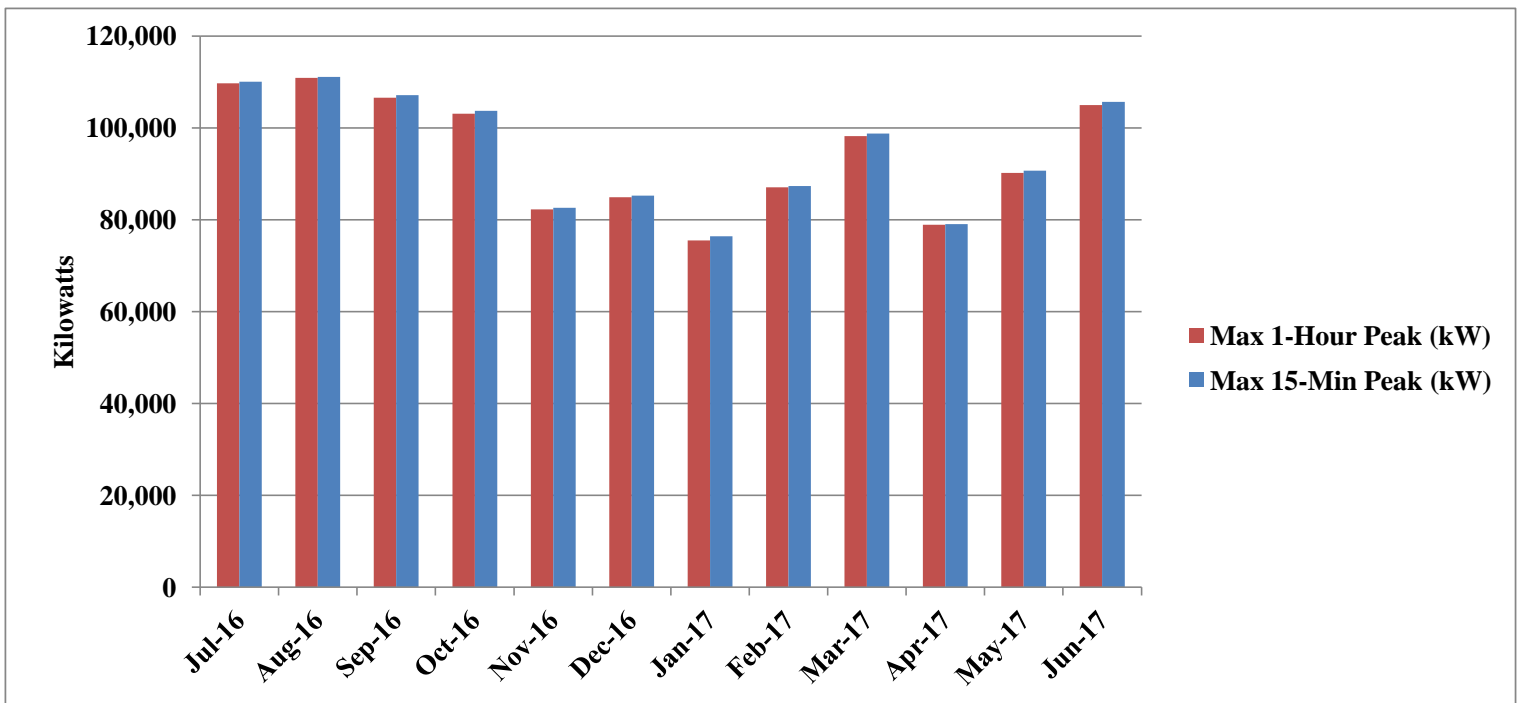
Plus Two Month Forward Projection





Maximum 15-Minute & Hourly Peak Kilowatt Hour Demand

Previous Twelve Months

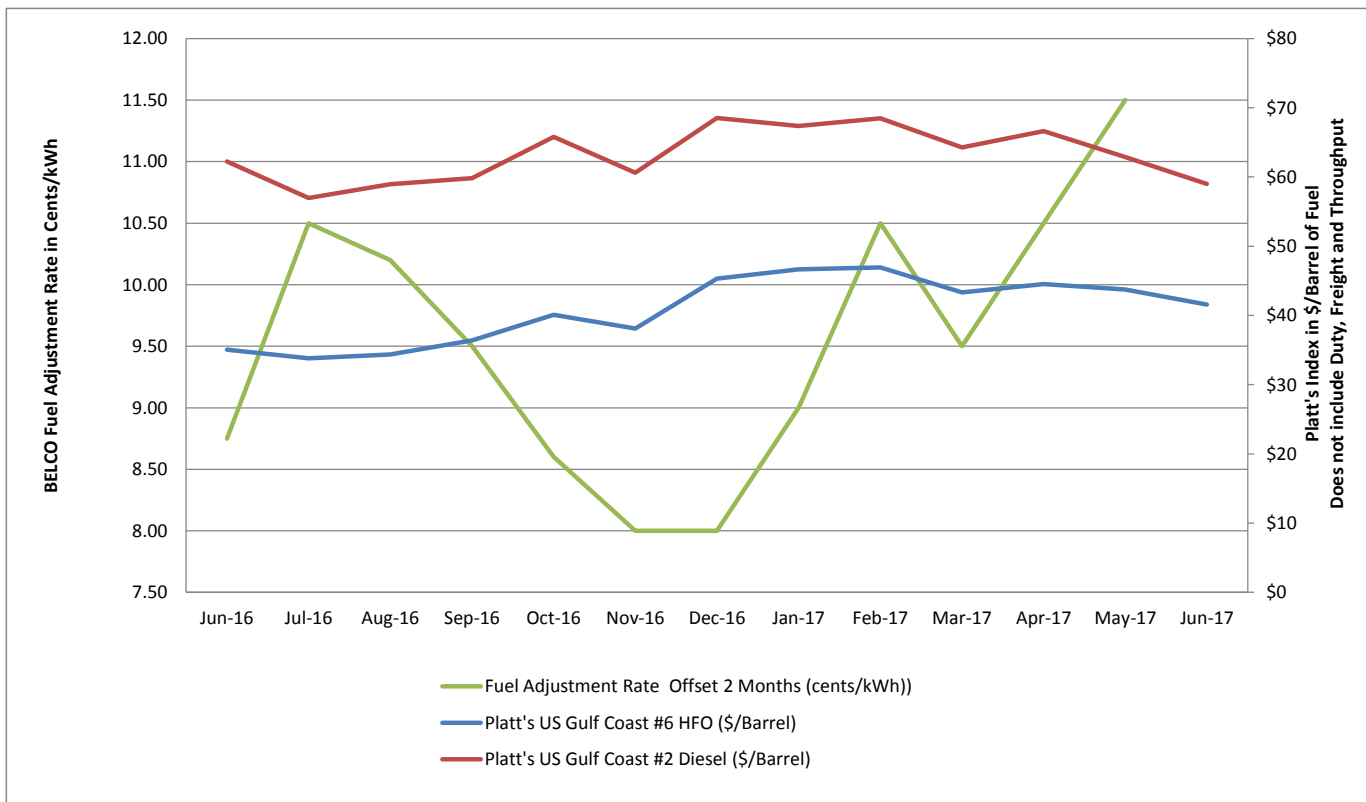




Fuel Adjustment Rate

Versus

Platt's Indices for Heavy and Diesel Fuel Oils





Net Metering

Photovoltaic Systems

June 2017

	Delivered kWhs	Received kWhs	Net kWhs	Number of customers	# Customers in NET Credit (\$) Position	Total Credit Amount
Residential (old)	19,363	29,094	-9,731	33	12	\$ (752.52)
Residential (new)	427,969	178,272	249,697	384		<u>\$ (30,948.06)</u>

	Delivered kWhs	Received kWhs	Net kWhs	Number of customers	Total Credit Amount
Commercial/Demand	297,250	31,931	265,319	10	<u>\$ (5,543.23)</u>

BELCO

Fuel Adjustment Over / (Under) Recovery

For the Month Ended 30 June 2017

	\$	\$	\$
Opening Balance at 1 June 2017			438,799
<u>Fuel Consumption</u>			
Diesel - 20,335.70 @ \$101.0355	2,054,628		
Less: Fuel Consumption @ \$30/bbl	<u>(610,071)</u>	1,444,557	
Heavy - 59,208.82 bbls @ \$90.5204	5,359,606		
Heavy - 3,657.18 bbls @ \$98.3877	359,822		
Less: Fuel Consumption @ \$30/bbl	<u>(1,885,980)</u>	3,833,448	
Tynes Bay - 2,759,540 kWh @ \$0.185	510,515		
Less: (2,759,540 kWh /708.7) 3,893.81 bbls @ \$30/bbl	<u>(116,814)</u>	393,701	
		5,671,706	
Deduct: Fuel Adjustment Revenue		<u>5,581,286</u>	
June over / (under) recovery			(90,420)
Purchased Power			(879,067)
Interest Expense			(3,613)
Ending Balance at 30 June 2017			<u>(534,301)</u>



Fuel Consumption Projections

Forward Three Months

Shipment Date	Type	Hedged	Amount (Barrels)	Total Cost/Barrel	FADJ (less \$30/bbl)
May 2017	Heavy	Yes	26,342.82	98.3877	68.3877
May 2017	Heavy	No	89,858.58	92.4264	62.4264
July 2017	Heavy	Yes	60,000.00	90.8246	60.8246
July 2017	Heavy	No	90,000.00	92.5964	62.5964
September 2016	Diesel	No	16,440.93	101.0355	71.0355
December 2016	Diesel	No	30,003.67	110.3045	80.3045
April 2017	Diesel	No	39,645.26	112.6668	82.6668



Fuel Adjustment Over/(Under) Recovery Projections

At Existing Fuel Adjustment Rate

Three Months Forward

Over (Under) Recovery account as at end of previous month:						\$ (534,301)
Projected kWh Sales - July 2017	55,590,644		FADJ	11.50		\$ 6,392,924
Projected fuel consumed		Shipment Date	Barrels	FADJ Cost/Barrel	Total Cost	
	Diesel	September 2016	16,441	\$ (71.04)	\$ (1,167,889.68)	
	Diesel	December 2016	13,559	\$ (80.30)	\$ (1,088,854.34)	
	Heavy	May 2017	26,343	\$ (68.39)	\$ (1,801,524.87)	
	Heavy	May 2017	38,877	\$ (62.43)	\$ (2,426,962.39)	
	Tynes Bay	N/A	2,781	\$ (96.74)	\$ (269,007.33)	
	Total Barrels		98,001			(361,315)
Projected Over (Under) Recovery account as at end of this month:						(895,615)
Projected kWh Sales - August 2017	60,490,436		FADJ	11.50		\$ 6,956,400
Projected fuel consumed		Shipment Date	Barrels	FADJ Cost/Barrel	Total Cost	
	Diesel	December 2016	16,445	\$ (80.30)	\$ (1,320,575.38)	
	Diesel	April 2017	4,745	\$ (82.67)	\$ (392,287.03)	
	Heavy	May 2017	50,981	\$ (62.43)	\$ (3,182,585.27)	
	Heavy	July 2017	25,939	\$ (60.82)	\$ (1,577,704.97)	
	Tynes Bay	N/A	2,970	\$ (93.41)	\$ (277,475.05)	
	Total Barrels		101,080			205,772
Projected Over (Under) Recovery account as at end of this month:						(689,843)
Projected kWh Sales - September 2017	59,892,156		FADJ	11.50		\$ 6,887,598
Projected fuel consumed		Shipment Date	Barrels	FADJ Cost/Barrel	Total Cost	
	Diesel	April 2017	20,055	\$ (82.67)	\$ (1,657,882.67)	
	Heavy	July 2017	34,061	\$ (60.82)	\$ (2,071,771.03)	
	Heavy	July 2017	38,474	\$ (62.60)	\$ (2,408,308.86)	
	Tynes Bay	N/A	2,684	\$ (94.78)	\$ (254,421.18)	
	Total Barrels		95,274			495,214
Projected Over (Under) Recovery account as at end of this month:						(194,628)



Fuel Adjustment Over/(Under) Recovery Projections

At Requested Fuel Adjustment Rate

Three Months Forward

Over (Under) Recovery account as at end of previous month:						\$ (534,301)
Projected kWh Sales - July 2017	55,590,644		FADJ	11.50		\$ 6,392,924
Projected fuel consumed		Shipment Date	Barrels	FADJ Cost/Barrel	Total Cost	
	Diesel	September 2016	16,441	\$ (71.04)	\$ (1,167,889.68)	
	Diesel	December 2016	13,559	\$ (80.30)	\$ (1,088,854.34)	
	Heavy	May 2017	26,343	\$ (68.39)	\$ (1,801,524.87)	
	Heavy	May 2017	38,877	\$ (62.43)	\$ (2,426,962.39)	
	Tynes Bay	N/A	2,781	\$ (96.74)	\$ (269,007.33)	
	Total Barrels		98,001			(361,315)
Projected Over (Under) Recovery account as at end of this month:						(895,615)
Projected kWh Sales - August 2017	60,490,436		FADJ	11.50		\$ 6,956,400
Projected fuel consumed		Shipment Date	Barrels	FADJ Cost/Barrel	Total Cost	
	Diesel	December 2016	16,445	\$ (80.30)	\$ (1,320,575.38)	
	Diesel	April 2017	4,745	\$ (82.67)	\$ (392,287.03)	
	Heavy	May 2017	50,981	\$ (62.43)	\$ (3,182,585.27)	
	Heavy	July 2017	25,939	\$ (60.82)	\$ (1,577,704.97)	
	Tynes Bay	N/A	2,970	\$ (93.41)	\$ (277,475.05)	
	Total Barrels		101,080			205,772
Projected Over (Under) Recovery account as at end of this month:						(689,843)
Projected kWh Sales - September 2017	59,892,156		FADJ	11.75		\$ 7,037,328
Projected fuel consumed		Shipment Date	Barrels	FADJ Cost/Barrel	Total Cost	
	Diesel	April 2017	20,055	\$ (82.67)	\$ (1,657,882.67)	
	Heavy	July 2017	34,061	\$ (60.82)	\$ (2,071,771.03)	
	Heavy	July 2017	38,474	\$ (62.60)	\$ (2,408,308.86)	
	Tynes Bay	N/A	2,684	\$ (94.78)	\$ (254,421.18)	
	Total Barrels		95,274			644,945
Projected Over (Under) Recovery account as at end of this month:						(44,898)



Commercial Renewable System Excess Energy Rate ("CRSEER")

At Requested Fuel Adjustment Rate - Full Cost

Projected Over (Under) Recovery account as at end of June:						\$ (895,615)
Projected kWh Sales - August 2017	60,490,436		CRSEER	16.51		\$ 9,986,971
Projected fuel consumed		Shipment Date	Barrels	FADJ Cost/Barrel	Total Cost	
	Diesel	December 2016	16,445	\$ (110.30)	\$ (1,813,913.38)	
	Diesel	April 2017	4,745	\$ (112.67)	\$ (534,649.03)	
	Heavy	May 2017	50,981	\$ (92.43)	\$ (4,712,027.27)	
	Heavy	July 2017	25,939	\$ (90.82)	\$ (2,355,862.97)	
	Tynes Bay	N/A	2,970	\$ (123.41)	\$ (366,586.75)	
	Total Barrels		101,080			203,932
Projected Over (Under) Recovery account as at end of this month:						(691,683)
Projected kWh Sales - September 2017	59,892,156		CRSEER	16.53		\$ 9,900,173
Projected fuel consumed		Shipment Date	Barrels	FADJ Cost/Barrel	Total Cost	
	Diesel	April 2017	20,055	\$ (112.67)	\$ (2,259,532.67)	
	Heavy	July 2017	34,061	\$ (90.82)	\$ (3,093,613.03)	
	Heavy	July 2017	38,474	\$ (92.60)	\$ (3,562,516.86)	
	Tynes Bay	N/A	2,684	\$ (124.78)	\$ (334,948.98)	
	Total Barrels		95,274			649,562
Projected Over (Under) Recovery account as at end of this month:						(42,122)

Note: CRSEER is calculated to have no impact on the FAR over (under) recovery balance

BELCO

Generators Available for Service

June 2017

Generator	Available	Type of fuel Consumed	Barrels of Fuel Consumed	Efficiency Rating*
E1	Yes	HFO	10536	686
E2	Yes	HFO	4400	662
E3	No	HFO	0	N/A
E4	Yes	HFO	7322	709
E5	Yes	HFO	11599	697
E6	Yes	HFO	11297	695
E7	Yes	HFO	11489	725
E8	Yes	HFO	11768	734
D3	Yes	LFO	4111	608
D8	No	LFO	0	N/A
D10	Yes	LFO	4402	615
D14	Yes	LFO	2617	579
GT4	Yes	LFO	107	224
GT5	Yes	LFO	3645	418
GT6	Yes	LFO	618	454
GT7	Yes	LFO	1105	451
GT8	Yes	LFO	1030	447

* Efficiency Rating = Amount of kilowatt hours generated per barrel consumed



Generators Out of Service

June 2017

Unit	Category	Type	Forced Outage Details	Outage Date	Return Date
D3	Auxiliary Systems	MO	JCW leak at LHS Turbo charger JCW vent fitting	6/30/17	6/30/2017
E2	Main Engine	MO	E2 9K follow up jobs	6/29/17	6/29/2017
E8	Main Engine	FO (Immediate)	Unit FO due to a broken CA Header strap cyl 3B	6/27/17	06/27/17
E5	Main Engine	MO	RHS charge air cooler bottom bolt replaced.	6/27/17	06/27/17
E4	Electrical System	MO	Station Breaker service	6/16/17	06/17/17
E8	Instrumentation & Control System	MO	E8 HTCW 3 way valve controller. Day tank actuator solenoid	6/15/17	06/16/17
E5	Main Engine	FO (Immediate)	E5 HT vent pot on ht inlet to cooler b bank	6/13/17	06/14/17
E2	Main Engine	PO	E2 9K service	6/11/17	06/27/17
GT8	Main Engine	PO	Unit out for Intermediate Service.	6/10/17	06/12/17
D10	Main Engine	MO	Unit out to address fuel leaks and wash radiators.	6/9/17	06/10/17
GT7	Main Engine	PO	Unit out for Intermediate Service and Inspection	6/9/17	06/10/17
E5	Main Engine	MO	HT Return Bellows to be replaced	6/7/17	06/08/17
E6	Main Engine	FO (Immediate)	Unit was on it way off load for a MO to replace Valve seat pp A when a FO leak was discovered on the LHS fuel rail near Cyl 3A fuel Rail connecting flanges interface	6/6/17	06/07/17
GT6	Main Engine	PO	Unit out for Intermediate Service.	6/5/17	06/09/17
GT5	Main Engine	MO	Unit to MO to change alternator intake air filters	6/2/17	06/02/17



Scheduled Generator Maintenance

July 2017

Generator	Maintenance Type	Outage Date	Return Date
E4	4.5K	7/3/2017	7/13/2017
E7	3K	7/17/2017	7/19/2017
E6	9K	8/7/2017	8/17/2017
E8	9K	8/21/2017	8/23/2017



Other Events Affecting the Fuel Adjustment Rate

- 1. Details of any insurance claims submitted by BELCO which directly impact the Fuel Adjustment Rate.**
No insured losses have been incurred by BELCO during the filing period that would result in a potential insurance claim.
- 2. Any major events that have a direct impact on the Fuel Adjustment Rate.**
None
- 3. Changes in Debt Facilities Affecting the Fuel Adjustment Rate.**
The overdraft facility of \$18 million was renewed and will expire 31st July 2017.