



Our Ref: B-R256

7 June 2021

BY EMAIL

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

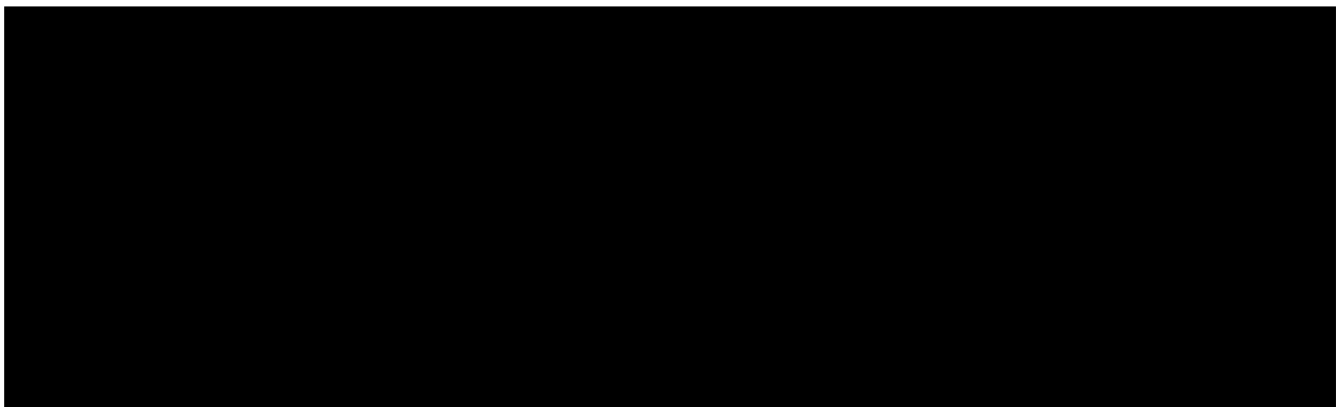
Attention: Jozelle Opoku

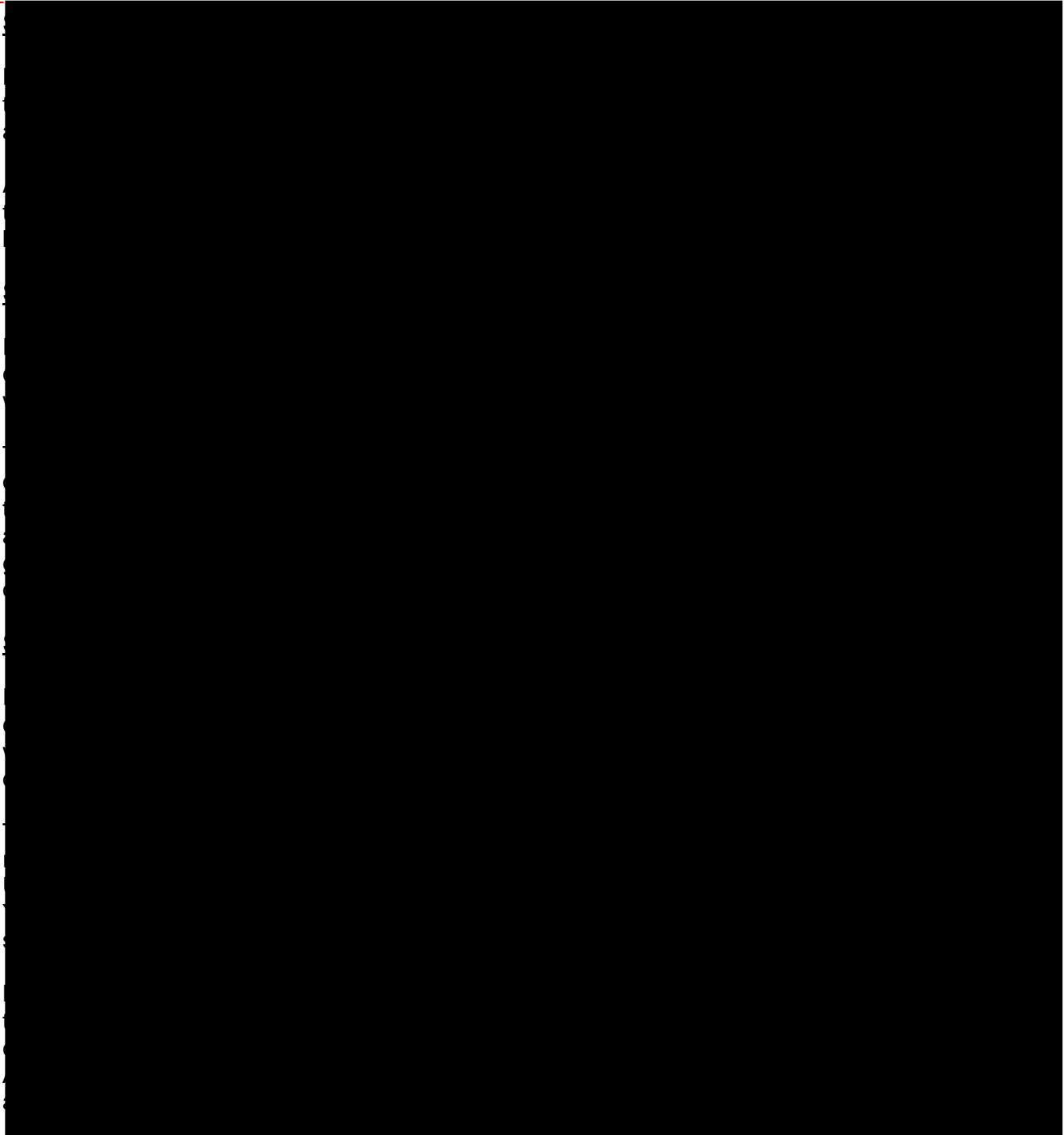
Dear Sirs,

The Regulatory Authority (Retail Tariff Methodology) General Determination which became operative on 19 October 2018 (the “Methodology”) requires that the Fuel Adjustment Rate (“FAR”) be reviewed quarterly. We therefore make this submission in support of the review for the second quarter of 2021 (“Q3 2021”). We request that the FAR increase from 12.369 cents per kilowatt-hour (“kwh”) sold for the period 1 April to 30 June 2021 to 13.486 cents per kilowatt-hour (“kwh”) sold for the period 1 July to 30 September 2021.

We refer to our report for Q3 2021 which is attached and includes actual results for January through April 2021 and forecast results for May through December 2021 (the “Report”). As at 30 April 2021, the FAR was under recovered by \$135,145.

In the Report, we have provided operational data including kwh sales, generation, purchased power and system losses. We remind you of the timing difference between sales and generation volumes due to the fact that metered sales data is not tracked on a calendar-month basis. Heavy fuel oil costs are based on the actual value of current inventory, with future shipments based on the fuel costs included in Bermuda Electric Light Company Limited’s (“BELCO”) 2021 rate case filing made on 17 November 2020 bearing BELCO’s reference B-R202 and subsequently updated in subsequent filings, including the final update on 27 April 2021. We have not forecast any further diesel shipments and therefore pricing is based on current inventory value.







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

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Joe Barbosa', with a long, sweeping flourish extending to the right.

Joe Barbosa
Finance Director

BELCO

Bermuda Electric Light Company Limited
Fuel Adjustment Report
Q3, 2021

PRIVATE & CONFIDENTIAL

BELCO

Fuel Adjustment Report
Q3, 2021

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Fuel Adjustment Report
Q3, 2021

Fuel Adjustment Summary

Units	Jan-21	Feb-21	Mar-21	Apr-21	Projected				Q4 2021	2021 TOTAL	2021 Rate case	Variance
					May-21	Jun-21	Q3 2021	Q3 2021				
BELCO Gross Generation	43,597	38,925	43,141	38,277	41,334	44,883	169,751	129,799	549,707	552,851	(3,144)	
Less: On site usage	(212)	(245)	(292)	(222)	(200)	(200)	(600)	(200)	(2,171)	(2,171)	(2,171)	
Add: Purchased Power - Tynes Bay	1,821	952	1,011	1,215	1,485	1,336	4,788	4,066	16,674	17,033	(359)	
Purchased Power - Solar Finger	-	-	-	-	-	-	-	2,239	2,239	2,278	(39)	
Less: Sales	(39,559)	(38,328)	(38,958)	(39,312)	(39,643)	(43,046)	(159,319)	(124,487)	(522,652)	(519,951)	(2,701)	
Net of PV buyback	128	171	232	286	337	400	941	663	3,158	3,075	83	
System Losses	5,775	1,475	5,134	244	3,313	3,373	15,561	12,080	46,955	55,285	(8,330)	
Losses as % gross generation	13%	4%	12%	1%	8%	8%	9%	9%	9%	10%		
Barrels	58,709	53,257	58,091	51,396	55,482	60,246	227,854	174,227	739,260	742,082	(2,822)	
Generation Efficiency	743	731	743	745	745	745	745	745	744	745	(1)	
Cost	\$ (4,317,496)	\$ (4,167,881)	\$ (5,271,058)	\$ (3,819,076)	\$ (4,516,748)	\$ (5,696,352)	\$ (20,250,660)	\$ (17,902,249)	\$ (65,941,520)	\$ (67,108,225)	\$ 1,166,705	
Price (\$/bbl)	\$ 73.54	\$ 78.26	\$ 90.74	\$ 74.31	\$ 81.41	\$ 94.55	\$ 88.88	\$ 102.75	\$ 89.20	\$ 90.43	\$ (1.23)	
FAR rate	11.797	11.797	11.797	12.369	12.369	12.369	13.486	13.486	12.848	12.907	(0.059)	
Recovered in FAR	\$ 4,666,775	\$ 4,521,554	\$ 4,595,875	\$ 4,862,501	\$ 4,903,443	\$ 5,324,360	\$ 21,485,760	\$ 16,788,317	\$ 67,148,586	\$ 67,108,225	\$ 40,361	
Over (under) recovery - BOP	\$ (1,206,340)	\$ (857,060)	\$ (503,387)	\$ (1,178,570)	\$ (135,145)	\$ 251,550	\$ (120,442)	\$ 1,114,658	\$ (1,206,340)	\$ (1,206,340)		
Over (under) recovery in period Adjustment	\$ 349,280	\$ 353,673	\$ (675,183)	\$ 1,043,425	\$ 386,695	\$ (371,992)	\$ 1,235,100	\$ (1,113,932)	\$ 1,207,065	\$ -		
Over (under) recovery - EOP	\$ (857,060)	\$ (503,387)	\$ (1,178,570)	\$ (135,145)	\$ 251,550	\$ (120,442)	\$ 1,114,658	\$ 725	\$ 725	\$ (1,206,340)		

Requested FAR	
Opening under recovery	\$ 1,206,340
Annual fuel costs(actual + forecast)	\$ 65,941,520
Less: Q1 21 FAR revenues	\$ (13,784,205)
Less: Q2 21 projected FAR revenues	(15,090,304)
FAR to be recovered	38,273,352
Divided by: sales forecast Q3-Q4 2021	kwh (283,806,000)
Calculated FAR	c/kWh (13.486)
Requested FAR	c/kWh 13.486

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Fuel Adjustment Report
Q3, 2021

Heavy Fuel Oil Inventory Activity Previous Twelve Months

<u>Date</u>	<u>Barrels Purchased</u>	<u>Barrels Consumed</u>	<u>Barrels On Hand</u>
May-20	155,843.63	53,346.10	239,157.37
Jun-20	-	57,326.00	181,831.37
Jul-20	-	75,209.50	106,621.87
Aug-20	159,797.49	79,890.58	186,528.78
Sep-20	-	71,971.62	114,557.16
Oct-20	162,670.03	65,286.25	211,940.94
Nov-20	-	58,481.22	153,459.72
Dec-20	-	53,097.27	100,362.45
Jan-21	-	56,790.81	43,571.64
Feb-21	160,238.18	49,434.20	154,375.62
Mar-21	-	56,150.70	98,224.92
Apr-21	159,854.13	50,225.60	207,853.45

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Fuel Adjustment Report
Q3, 2021

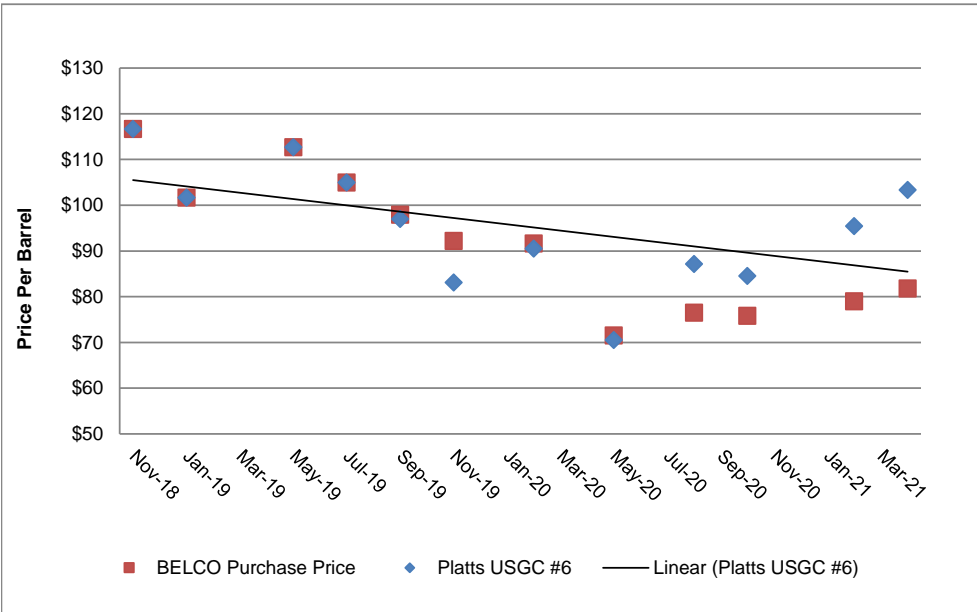
Diesel Fuel Oil Inventory Activity Previous Twelve Months

<u>Date</u>	<u>Barrels Purchased</u>	<u>Barrels Consumed</u>	<u>Barrels On Hand</u>
May-20	-	1,165.35	79,584.69
Jun-20	-	4,236.49	75,348.20
Jul-20	-	1,399.00	73,949.20
Aug-20	-	2,575.45	71,373.75
Sep-20	-	1,304.66	70,069.09
Oct-20	-	2,315.97	67,753.12
Nov-20	-	799.00	66,954.12
Dec-20	-	679.62	66,274.50
Jan-21	-	1,917.85	64,356.65
Feb-21	-	3,822.35	60,534.30
Mar-21	-	1,940.66	58,593.64
Apr-21	-	1,170.20	57,423.44

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Fuel Adjustment Report
Q3, 2021

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

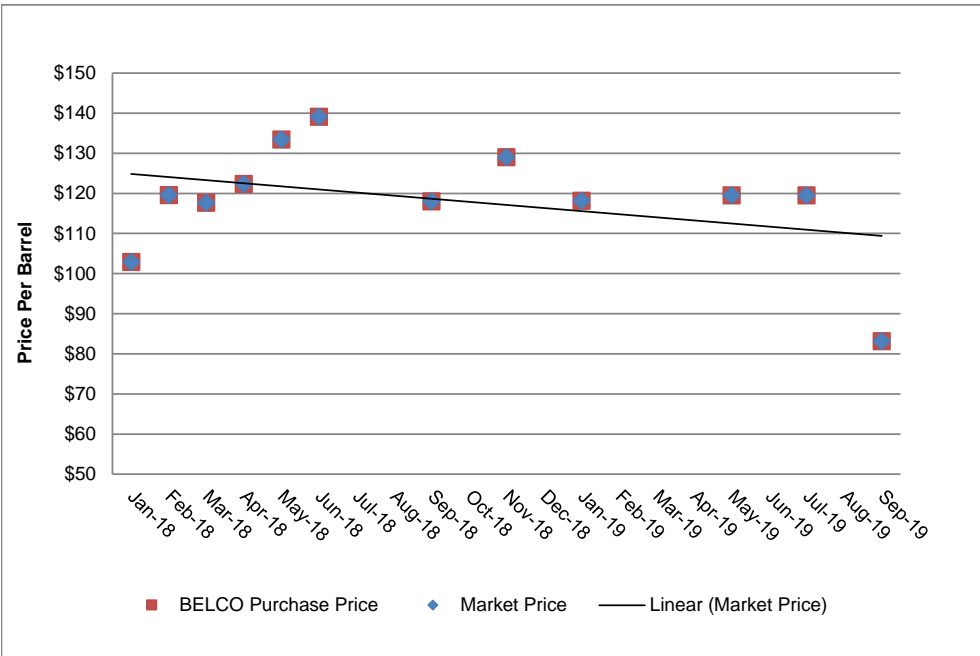


	Platts USGC #6	BELCO Purchase Price
Nov-18	116.7002	116.7002
Jan-19	101.6962	101.6962
May-19	112.7011	112.7011
Jul-19	105.0008	105.0008
Sep-19	97.0330	97.9380
Nov-19	83.1016	92.2466
Feb-20	90.5660	91.6810
May-20	70.5751	71.5431
Aug-20	87.1696	76.5190
Oct-20	84.5686	75.8652
Feb-21	95.4515	79.0093
Apr-21	103.3829	81.8130

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Fuel Adjustment Report
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Diesel Fuel Oil Purchased



	Market Price	BELCO Purchase Price
Jul-17	102.8318	102.8318
Sep-17	119.5800	119.5800
Oct-17	117.5972	117.5972
Dec-17	122.3334	122.3334
Jul-18	133.3779	133.3779
Oct-18	139.0600	139.0600
Jan-19	117.9766	117.9766
May-19	128.9776	128.9776
Jul-19	118.1136	118.1136
Sep-19	119.4807	119.4807
Sep-19	119.4807	119.4807
Apr-20	83.0916	83.0916



Fuel Adjustment Report
Q3, 2021

Heavy Fuel Oil Costs Per Shipment
Previous Twelve Months
(\$ Millions)

Description	May 2020	%	Jun 2020	%	Jul 2020	%	Aug 2020	%	Sep 2020	%	Oct 2020	%	Nov 2019	%	Dec 2019	%	Jan 2020	%	Feb 2021	%	Mar 2021	%	Apr 2021	%
Inland Shipping																								
Bda Gov. Duty	\$ 4.95	44.43%					\$ 5.09	41.57%			\$ 5.17	41.91%							\$ 5.09	39.89%			\$ 5.08	38.86%
St. Georges tank storage																								
Interest																								
Unesco Tax	\$ 0.06	0.54%					\$ 0.06	0.49%			\$ 0.06	0.49%							\$ 0.06	0.47%			\$ 0.06	0.46%



Fuel Adjustment Report
Q3, 2021

Diesel Fuel Oil Costs Per Shipment
Previous Twelve Months
(\$ Millions)

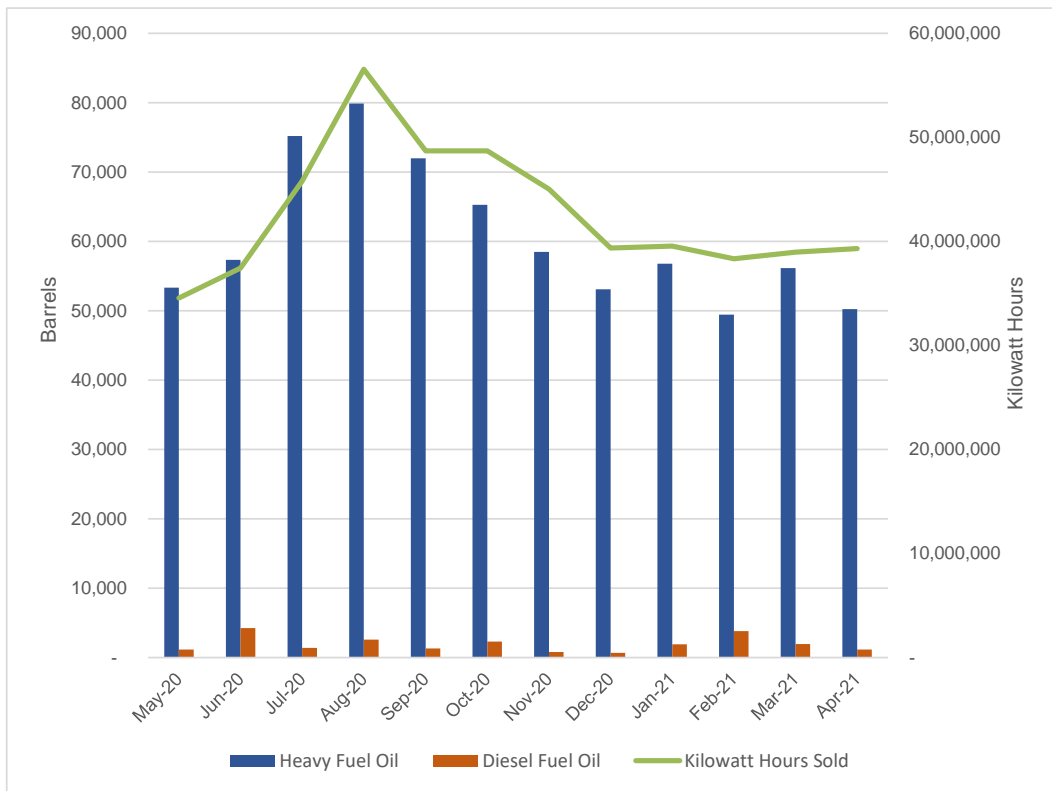
Description	May 2020	%	Jun 2020	%	Jul 2020	%	Aug 2020	%	Sep 2020	%	Oct 2020	%	Nov 2020	%	Dec 2020	%	Jan 2021	%	Feb 2021	%	Mar 2021	%	Apr 2021	%
Inland Shipping																								
Bda Gov. Duty																								
St. Georges tank storage																								
Interest																								
Unesco Tax																								



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Fuel Adjustment Report
Q3, 2021

Fuel Consumption Versus Kilowatt Hour Sales

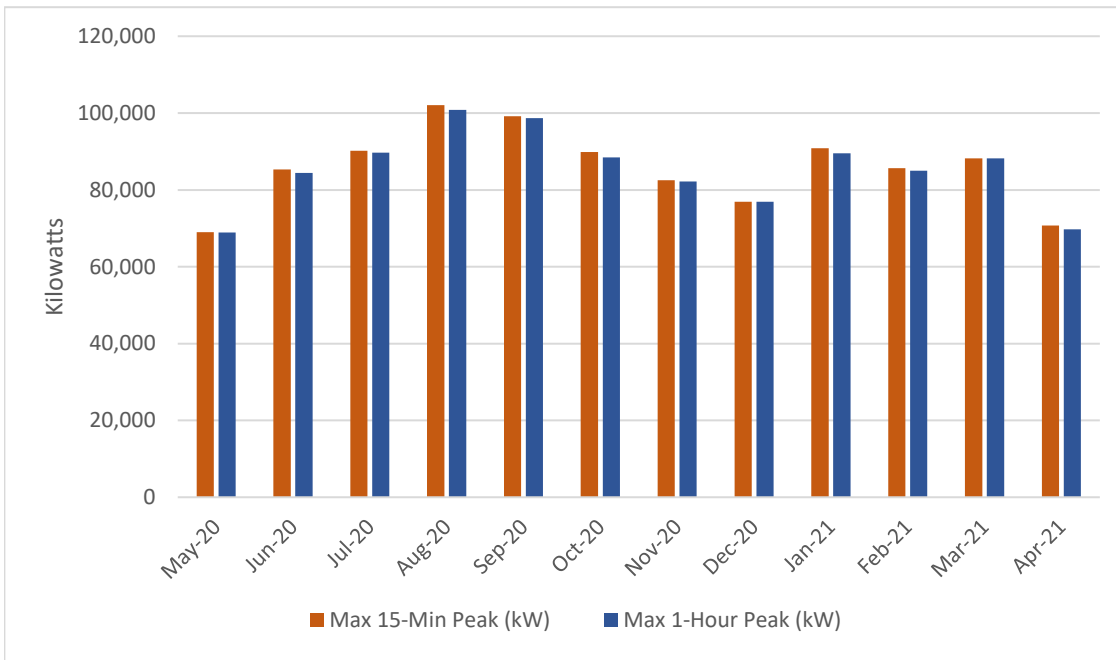


	Heavy Fuel Oil	Diesel Fuel Oil	Kilowatt Hours Sold
May-20	53,346	1,165	34,557,843
Jun-20	57,326	4,236	37,431,110
Jul-20	75,210	1,399	45,802,723
Aug-20	79,891	2,575	56,545,921
Sep-20	71,972	1,305	48,698,757
Oct-20	65,286	2,316	48,689,702
Nov-20	58,481	799	45,032,737
Dec-20	53,097	680	39,366,203
Jan-21	56,791	1,918	39,558,739
Feb-21	49,434	3,822	38,328,087
Mar-21	56,151	1,941	38,958,395
Apr-21	50,226	1,170	39,312,364



Fuel Adjustment Report
Q3, 2021

**Maximum 15-Minute & Hourly Peak Kilowatt Hour Demand
Previous Twelve Months**



	Max 15-Min Peak (kW)	Max 1-Hour Peak (kW)
May-20	68,987	68,945
Jun-20	85,348	84,413
Jul-20	90,169	89,721
Aug-20	102,072	100,808
Sep-20	99,188	98,661
Oct-20	89,880	88,454
Nov-20	82,494	82,181
Dec-20	76,879	76,879
Jan-21	90,859	89,539
Feb-21	85,658	84,959
Mar-21	88,208	88,208
Apr-21	70,722	69,704

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Fuel Adjustment Report

Fuel Usage and Cost

Shipment Date	Type	Hedged	Amount (Barrels)	Cost/Barrel
February 2021	Heavy	Yes	47,999	73.2119
April 2021	Heavy	No	47,854	103.3829
April 2021	Heavy	Yes	112,000	72.5969
Remaining 2021	Heavy	No	292,865	103.3829
December 2019	Diesel	No	8,497	121.3168
April 2020	Diesel	No	50,096	83.0916

Actual		Shipment Date	Barrels	Cost/Barrel	Total Cost
Jan-21	Diesel		1,918	\$ (121.32)	\$ (232,667.43)
	Heavy		56,791	\$ (71.93)	\$ (4,084,828.14)
	Total		58,709	\$ (73.54)	\$ (4,317,495.57)

Feb-21	Diesel		3,822	\$ (121.32)	\$ (463,715.00)
	Heavy		43,572	\$ (72.17)	\$ (3,144,576.00)
	Heavy		5,863	\$ (95.45)	\$ (559,590.00)
	Total		53,257	\$ (78.26)	\$ (4,167,881.00)

Mar-21	Diesel		1,941	\$ (121.32)	\$ (235,435.00)
	Heavy		42,376	\$ (95.45)	\$ (4,044,815.00)
	Heavy		13,775	\$ (71.93)	\$ (990,809.00)
	Total		58,038	\$ (90.82)	\$ (5,271,059.00)

Apr-21	Diesel		1,170	\$ (121.32)	\$ (141,965.00)
	Heavy		50,226	\$ (73.21)	\$ (3,677,111.00)
	Total		51,396	\$ (74.31)	\$ (3,819,076.00)

Projected

May-21	Diesel	December 2019	1,888	\$ (121.32)	\$ (229,046.00)
	Heavy	February 2021	47,999	\$ (73.21)	\$ (3,514,121.00)
	Heavy	April 2021	7,483	\$ (103.38)	\$ (773,581.00)
	Total		57,370	\$ (78.73)	\$ (4,516,748.00)

Jun-21	Diesel	December 2019	1,638	\$ (121.32)	\$ (198,717.00)
	Heavy	April 2021	40,371	\$ (103.38)	\$ (4,173,718.00)
	Heavy	April 2021	18,237	\$ (72.60)	\$ (1,323,917.00)
	Total		60,246	\$ (94.55)	\$ (5,696,352.00)

Q3	Diesel	December 2019	4,971	\$ (121.32)	\$ (603,111.93)
	Diesel	April 2020	192	\$ (83.09)	\$ (15,922.01)
	Heavy	April 2021	93,763	\$ (72.60)	\$ (6,806,935.51)
	Heavy	Remaining 2021	124,050	\$ (103.38)	\$ (12,824,690.80)
	Total		222,977	\$ (90.82)	\$ (20,250,660.25)

Q4	Diesel	April 2020	5,413	\$ (83.09)	\$ (449,733.17)
	Heavy	Remaining 2021	168,814	\$ (103.38)	\$ (17,452,515.95)
	Total		174,227	\$ (102.75)	\$ (17,902,249.12)

Total			736,219		\$ (65,941,520.93)
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Fuel Adjustment Report

Generators Available for Service

April 2021

Generator	Available	Type of fuel Consumed	Barrels of Fuel Consumed	Efficiency Rating*
E5	Yes	HFO	6,866	688
E6	Yes	HFO	9,764	694
E7	Yes	HFO	8,393	709
E8	Yes	HFO	6,360	725
GT5	Yes	LFO	-	NA
GT6	Yes	LFO	29	415
GT7	Yes	LFO	15	420
GT8	Yes	LFO	24	409
N1	Yes	HFO	5,072	733
N2	Yes	HFO	1,090	724
N3	Yes	HFO	9,247	726
N4	Yes	HFO	6,745	735

March 2021

Generator	Available	Type of fuel Consumed	Barrels of Fuel Consumed	Efficiency Rating*
E5	Yes	HFO	11,470	691
E6	Yes	HFO	11,034	695
E7	Yes	HFO	11,484	709
E8	Yes	HFO	7,931	724
GT5	Yes	LFO	436	405
GT6	Yes	LFO	362	438
GT7	Yes	LFO	49	435
GT8	NO	LFO	-	NA
N1	Yes	HFO	4,466	728
N2	Yes	HFO	1,577	724
N3	Yes	HFO	9,099	725
N4	Yes	HFO	3,181	724

February 2021

Generator	Available	Type of fuel Consumed	Barrels of Fuel Consumed	Efficiency Rating*
E5	Yes	HFO	9,936	691
E6	Yes	HFO	9,608	693
E7	Yes	HFO	6,912	704
E8	Yes	HFO	8,100	721
GT5	Yes	LFO	101	344
GT6	Yes	LFO	78	428
GT7	Yes	LFO	40	408
GT8	NO	LFO	62	402
N1	Yes	HFO	602	719
N2	Yes	HFO	8,636	720
N3	Yes	HFO	1,990	708
N4	Yes	HFO	9,085	718

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

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Fuel Adjustment Report

Generators Out of Service

February to April 2021

Unit	Category	Type	Forced Outage Details	Outage Date	Return Date
GT8	Main Engine	FO (Postpone)	high vibration on the outlet bearing (40um)	4-Feb-2021	8-Feb-2021
E7	Auxiliary Systems	SE of PO	E7 outage for Fuel oil Duplex filter	4-Feb-2021	5-Feb-2021
E7	Main Engine	MO	various follow up jobs	5-Feb-2021	5-Feb-2021
E5	Main Engine	FO (Immediate)	cylinder 3A injector	7-Feb-2021	7-Feb-2021
N1	Main Engine	PO	6K service	9-Feb-2021	9-Feb-2021
E7	Auxiliary Systems	FO (Immediate)	Lube Oil leak on cylinder 6B from delivery pipe	11-Feb-2021	11-Feb-2021
E7	Electrical System	MO	E7 cyl 5B thermocouple cable chaffed	13-Feb-2021	13-Feb-2021
E6	Other Systems	MO	INC to replace slow turn cable J. Minors is the Plant Operator on duty	16-Feb-2021	16-Feb-2021
E8	Main Engine	FO (Immediate)	Exhaust leak	17-Feb-2021	18-Feb-2021
N3	Main Engine	MO	turbocharger repair and crankcase deflections	19-Feb-2021	1-Mar-2021
E7	Main Engine	FO (Immediate)	E7 cyl 2B fuel leak	21-Feb-2021	21-Feb-2021
GT8	Main Engine	FO (Immediate)	GT8 hi vibration trip at approximately 3.7 MW	21-Feb-2021	22-Feb-2021
GT5	Main Engine	FO (Immediate)	High vibration alternator	24-Feb-2021	25-Feb-2021
E8	Main Engine	FO (Postpone)	cylinder 1A fuel delivery pipe	9-Mar-2021	9-Mar-2021
N3	Instrumentation & Control System	FO (Immediate)	N3 tried to close before engine at rated speed. In HMI showing reverse power alarm and on Main VCB showing overcurrent alarm and earth fault with tripping relay activated	10-Mar-2021	10-Mar-2021
E7	Main Engine	MO	E7 exhaust stack inspection	10-Mar-2021	11-Mar-2021
N4	Main Engine	MO	N4 6K service	10-Mar-2021	6-Apr-2021
E8	Main Engine	FO (Immediate)	E8 Cyl 6B leaking	11-Mar-2021	11-Mar-2021
GT5	Auxiliary Systems	FO (Start-Up Failure)	GT5 generator vent fan failure creating a start block.	11-Mar-2021	11-Mar-2021
E8	Main Engine	MO	Exhaust stack inspections	11-Mar-2021	12-Mar-2021
E5	Main Engine	FO (Immediate)	CYL.2B fuel rail seal leaking	15-Mar-2021	15-Mar-2021
E8	Main Engine	FO (Immediate)	Splash oil temp. deviation cyls.4A/4B	15-Mar-2021	15-Mar-2021
N2	Electrical System	FO (Immediate)	generator excitation fault	15-Mar-2021	
GT5	Main Engine	FO (Start-Up Failure)	High vibration for generator	15-Mar-2021	16-Mar-2021
N1	Main Engine	MO	Crank case inspection after run in period.	16-Mar-2021	16-Mar-2021
E8	Main Engine	FO (Immediate)	Tripped for high splash oil temp.	17-Mar-2021	17-Mar-2021
E6	Main Engine	MO	6A fuel injector and 1B fuel rail seal leak	1-Apr-2021	2-Apr-2021
E6	Auxiliary Systems	MO	E6 out for n/s line repair and fuel skid actuator repair	13-Apr-2021	14-Apr-2021
E8	Main Engine	FO (Immediate)	cylinder 1A injector failure	14-Apr-2021	14-Apr-2021
E7	Main Engine	MO		16-Apr-2021	16-Apr-2021
E8	Auxiliary Systems	MO	E8 rad bundle repair	17-Apr-2021	18-Apr-2021
E7	Main Engine	FO (Immediate)	Gov. drive fault	19-Apr-2021	20-Apr-2021
E7	Instrumentation & Control System	FO (Immediate)	governor reference error	22-Apr-2021	23-Apr-2021
E5	Auxiliary Systems	FO (Immediate)	fuel leak from rails on the Bbank side	24-Apr-2021	25-Apr-2021
E5	Main Engine	FO (Immediate)	cyl. 3A fuel leak at right side of pump	27-Apr-2021	28-Apr-2021
E5	Main Engine	FO (Immediate)	Cyl. 3B fuel seal leak at pump	29-Apr-2021	30-Apr-2021
E7	Instrumentation & Control System	FO (Postpone)	governor reference error	19-Apr-2021	20-Apr-2021
E7	Main Engine	FO (Immediate)	Injector failure on cylinder 2A	28-Apr-2021	28-Apr-2021

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Fuel Adjustment Report
Q3, 2021

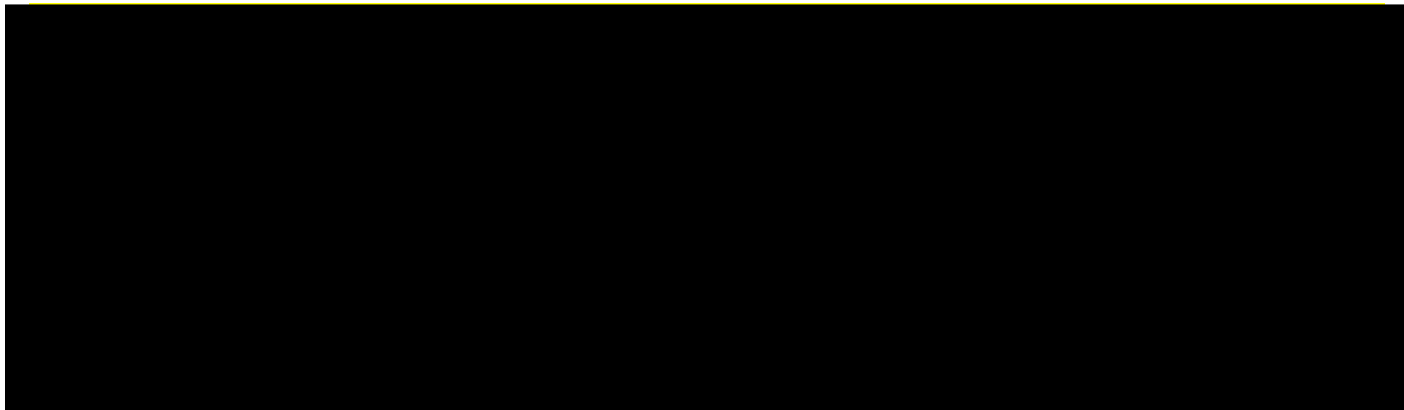
Scheduled Generator Maintenance May 2021

Generator	Maintenance Type	Outage Date	Return Date
N3	6K	3-May-2021	16-May-2021
E5	6K	17-May-2021	30-May-2021

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Factors affecting the Fuel Adjustment rate

1. Sales projections for May and the remainder of 2021 are management's best estimates based on the current economic conditions. These projections are consistent with the Rate Case 2021 which was updated and submitted on April 27, 2021



29 June 2021

BY EMAIL

Bermuda Electric Light Co. Ltd.
P.O. Box HM 1026
Hamilton HM DX

Attn: Joe Barbosa, Finance Director

Dear Mr. Barbosa,

Re: Fuel Adjustment Rate Filing – 1 July 2021 to 30 September 2021

The Regulatory Authority of Bermuda (the “RA”) has reviewed the 2021 3rd quarter Fuel Adjustment Rate (“FAR”) filing for the period between 1 July 2021 to 30 September 2021 submitted by Bermuda Electric Light Co. Ltd. (“BELCO”) on 7 June 2021 requesting to increase the existing FAR from \$0.12369 to \$0.13486.

Based on its review, the RA approves the proposed FAR rate of \$0.13486.

The FAR rate of \$0.13486 shall be in place for the period between 1 July 2021 to 30 September 2021.

Yours sincerely,



Nigel Burgess
Sr. Manager Electricity Analysis and Planning

*Cc: Jozelle Opoku, Head of Regulation
Shonette Harrison, Regulatory Financial Analyst
Zayna Foggo, Regulatory Economic Analyst*