



## **Retail Tariff Review – Retail Tariffs 2026**

### **Decision & Order**

Order #20251203

Date: 03 December 2025

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## I. BACKGROUND

Section 35(1) of the Electricity Act 2016 (**EA**) requires the Regulatory Authority of Bermuda (**RA**) to determine the Retail Tariff in accordance with a methodology set by general determination. The relevant framework for the current Retail Tariff exercise was set by the RA in the Regulatory Authority (**Retail Tariff Methodology**) Interim General Determination 2023 dated 10 April 2023 and continued 29 December 2023 (**GD**). The principles set out in part 6 of the EA also govern this exercise.

In particular, sections 35(5) and 35(6) provide that:

*“A licensee may not charge an end-user any other tariff or make use of provisions in agreements other than that determined or approved by the Authority pursuant to this Act and the regulations and rules; and no licensee shall vary the tariff or any published schedule of prices or charges for electricity unless notice in writing of the intention to vary the tariff, and the amount of the variation, has been approved by the Authority.”*

On 3 November 2025, through Order #20251103, the RA set BELCO’s Allowed Revenue for the twelve (12) month period, 1 January 2026 to 31 December 2026, as:

- a) a maximum of BMD 236,913,997;
- b) at a weighted average rate of return of approximately 7.85%.

The Allowed Revenue may subsequently be adjusted during the period, as a result of changes in BELCO’s fuel costs.

Subsequent to Order #20251103, the RA required BELCO to file detailed end-user tariffs that align with the above conditions and the Retail Tariff Design Instructions.

The approved tariff design:

- retains the current ratios between the different rates within the tariff (such as facility charges, volumetric charges, and demand charges), which will limit the range of impacts on customers with different consumption levels;
- allows for the transparent reflection of all fuel costs in the Fuel Adjustment Rate (“FAR”); and
- further encourages energy efficiency across all customer groups.

The new retail tariffs base rates (exclusive of fuel costs) are expected to yield a weighted average decrease in retail tariffs base rates (across all customer groups) of 10.5%.

All average overall rates will decrease. Residential rates will decrease by 7.7%, commercial rates by an average of 7.7%, and demand (larger users) rates, by an average of 7.1%.

The FAR may subsequently be adjusted during the 2026 period as a result of changes in BELCO’s fuel costs. The Regulatory Authority Fee (“RAF”) may subsequently be adjusted during the 2026 period, as a result of legislative changes to the relevant regulations.

## **II. ORDER**

1. Pursuant to section 35 of the Electricity Act 2016, the Regulatory Authority of Bermuda (“RA”) hereby approves the Facilities Charge, Energy Charges and Fuel Adjustment Rate (“FAR”) components of the Retail Tariffs for 2026 as represented in the table below.
2. The RA hereby confirms that the FAR and the RAF remain as shown below in the table, subject to subsequent RA approval, Order or government regulation, as applicable.
3. Further, this Order #20251203 requires the Bermuda Electric Light Company Limited (“BELCO”), in its capacity as the Transmission, Distribution, and Retail Licensee, to implement the approved Retail Tariffs for meters read commencing 1 January 2026.
4. This Order supersedes all previous Orders.

So ordered this 03 December 2025.

2026 Approved Rates							
		Unit	Existing	RD-1: Across the Board Approved Rates	Difference Relative to Existing		
					Difference \$		Difference %
<b>Schedule A - Residential</b>							
<u>Average Facilities Charge -Residential</u>			\$ 58.73	\$ 52.48	\$ (6.25)		-10.6%
GFC Tier 1	0-10 kWh per day	\$/month	\$ 28.47	\$ 25.44	\$ (3.03)		-10.6%
GFC Tier 2	10-15 kWh per day	\$/month	\$ 42.71	\$ 38.17	\$ (4.54)		-10.6%
GFC Tier 3	15-25 kWh per day	\$/month	\$ 56.88	\$ 50.83	\$ (6.05)		-10.6%
GFC Tier 4	25-50 kWh per day	\$/month	\$ 88.98	\$ 79.51	\$ (9.47)		-10.6%
GFC Tier 5	50+ kWh per day	\$/month	\$ 135.25	\$ 120.86	\$ (14.39)		-10.6%
<u>Energy Charges</u>							
0-250 kWh	First Block	\$/kWh	\$ 0.17193	\$ 0.15690	\$ (0.01503)		-8.7%
251-700 kWh	Second Block	\$/kWh	\$ 0.30698	\$ 0.27674	\$ (0.03024)		-9.9%
700+ kWh	Tail Block	\$/kWh	\$ 0.48350	\$ 0.42685	\$ (0.05665)		-11.7%
<b>Schedule B - Small Commercial</b>							
<u>Facilities Charge - Small Commercial</u>			\$ 55.25	\$ 50.43	\$ (4.82)		-8.7%
<u>Energy Charges</u>							
0-1000 kWh	First Block	\$/kWh	\$ 0.32633	\$ 0.29156	\$ (0.03477)		-10.7%
1001-5000 kWh	Second Block	\$/kWh	\$ 0.36888	\$ 0.32769	\$ (0.04119)		-11.2%
5001+kWh	Tail Block	\$/kWh	\$ 0.43857	\$ 0.39460	\$ (0.04397)		-10.0%
<b>Schedule C - Demand Service</b>							
<u>Facilities Charge - Demand Service</u>		\$/month	\$ 143.09	\$ 127.59	\$ (15.50)		-10.8%
<u>Demand Charges</u>							
A) All kW		\$/kW	\$ 17.39	\$ 15.72	\$ (1.67)		-9.6%
B) All kW		\$/kW	\$ 17.78	\$ 16.08	\$ (1.70)		-9.6%
C) All kW		\$/kW	\$ 17.93	\$ 16.21	\$ (1.72)		-9.6%
<u>Energy Charges</u>							
1st 200 x Demand		\$/kWh	\$ 0.37002	\$ 0.33103	\$ (0.03899)		-10.5%
2nd 200 x Demand		\$/kWh	\$ 0.18609	\$ 0.16644	\$ (0.01965)		-10.6%
remaining kW - energy		\$/kWh	\$ 0.07062	\$ 0.06209	\$ (0.00853)		-12.1%
<b>Schedule D - Miscellaneous Commercial</b>							
<u>Energy Charges</u>							
Street Lighting		\$/kWh	\$ 0.24691	\$ 0.22110	\$ (0.02581)		-10.5%
4308, 4408		\$/kWh	\$ 0.28076	\$ 0.25141	\$ (0.02935)		-10.5%
4309		\$/kWh	\$ 0.32455	\$ 0.29062	\$ (0.03393)		-10.5%
4417		\$/kWh	\$ 0.34693	\$ 0.31066	\$ (0.03627)		-10.5%
TD&R RAF		\$/kWh	\$ 0.00545	\$ 0.00545	\$ -		0.0%
FAR		\$/kWh	\$ 0.13799	\$ 0.13799	\$ -		0.0%