BERMUDA ELECTRIC LIGHT COMPANY LIMITED

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PLEASE QUOTE OUR REF.

July 18, 2016

The Energy Commission
c/o The Ministry of Energy, Telecommunications and E-Commerce
PO Box HM 101
Hamilton, HM AX

Attention: Mr. Michael Leverock, Chairman

TARIFF FILING

Dear Mr. Leverock,

This is to advise you that we wish to make the following changes to the fuel adjustment rate ("FAR") and Commercial renewable system excess energy rate ("CRSEER"):

1. **FAR** - **Maintain the existing rate of 8.75 cents per kilowatt-hour sold for August 2016; and**

2. **CRSEER** - **Decrease from 13.97 cents per kilowatt-hour for July 2016 to 13.82 cents per kilowatt-hour for all meters read during the month of August 2016.**

   The CRSEER represents the rate BELCO will pay commercial owners for excess energy they have generated but not consumed and have exported to BELCO.

As directed by the Energy Commission in accordance with Schedule 1 Paragraph 16 of the Energy Act 2009, our submission in support of this request is attached for your review.

The actual fuel adjustment cost recovery position as at 30th June, 2016 was $70,565 under recovered as compared to the projected $298,898 under recovery position projected in May. The $228,333 favorable variance is due to:

- The total actual barrels of fuel consumed in June were 1,030 barrels higher than projected. While there was more fuel consumed in total, the split between the types of fuel shifted, with less power purchased from Tynes Bay, which has the highest equivalent per barrel cost. As a result, there was a positive impact on the recovery position of $4,009;
- Net price variance positively impacted the recovery position by $1,627;
- Actual June electric sales were 3,586,921KWH's higher than projected. This variance resulted in a net positive impact on the fuel recovery position of $257,722; and
- Fuel interest finance cost incurred in June negatively impacted the recovery position by $35,025.

As always, we are available to meet with the Energy Commission to discuss our FAR submission. 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. Should you have any questions concerning the above, please do not hesitate to contact us.

Yours sincerely,

BERMUDA ELECTRIC LIGHT COMPANY LIMITED

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

Bermuda Electric Light Company Limited

Fuel Adjustment Submission

FOR PUBLIC DISCLOSURE

August 2016

This information is provided to the Bermuda Energy Commission as directed by them on December 30, 2013, in accordance with Schedule 1, Paragraph 16 of the Bermuda Energy Act 2009. This information should be read in conjunction with documents filed by Ascendant Group Limited with the Bermuda Stock Exchange. Please refer to the Company's website at www.belco.bm for further information describing Bermuda Electric Light Company Limited. 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.

Fuel Adjustment Submission

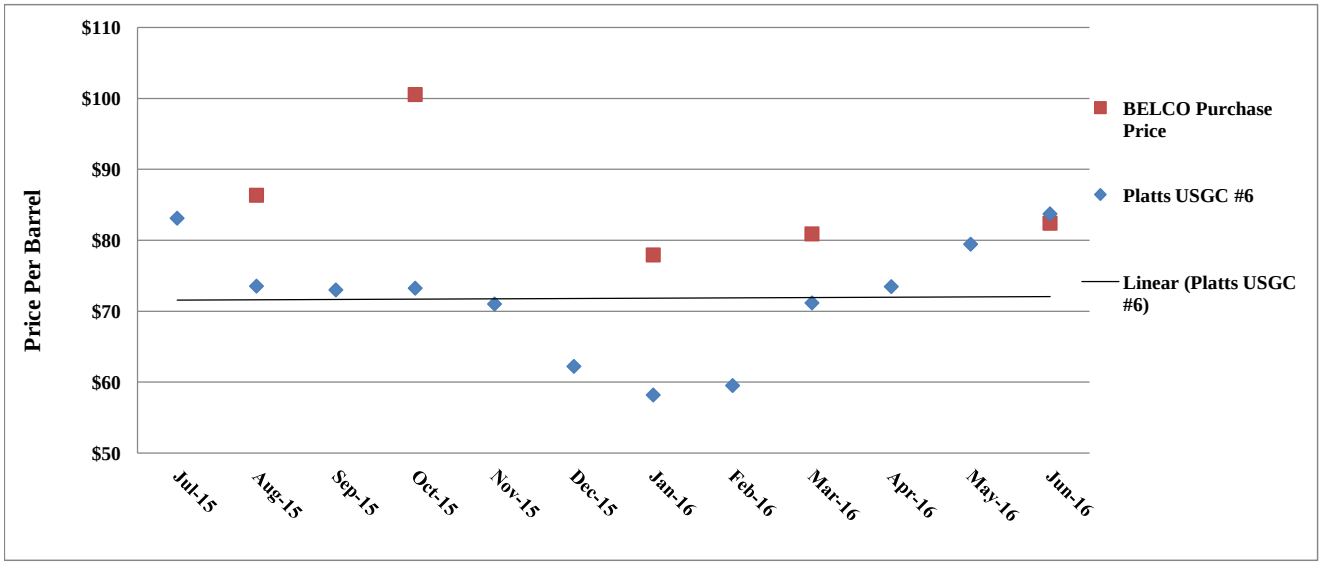
Table of Contents

Heavy Fuel Oil Purchased

Versus

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

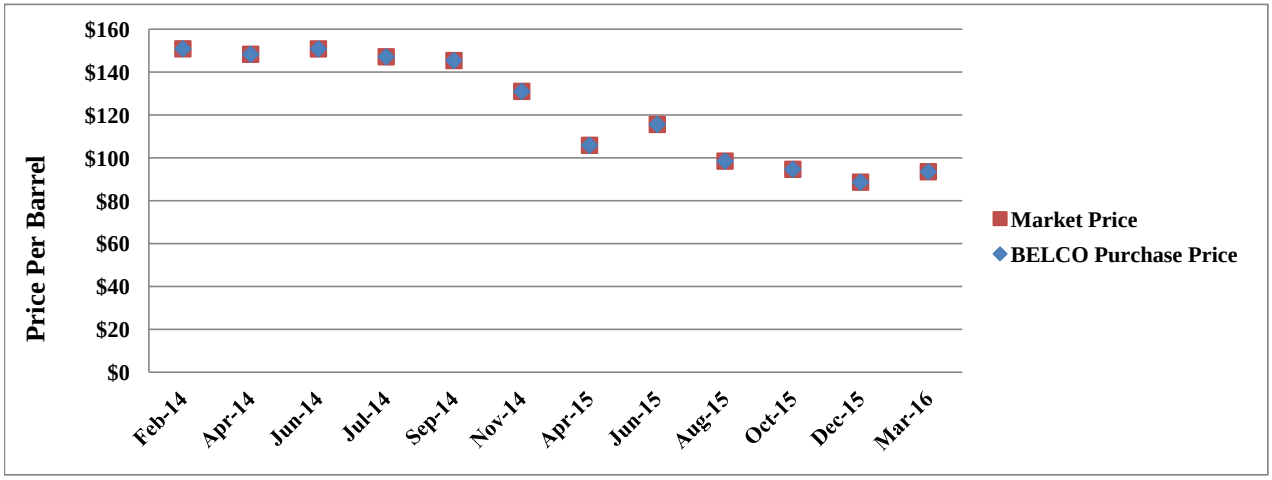
Previous Twelve Months



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 Months



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.

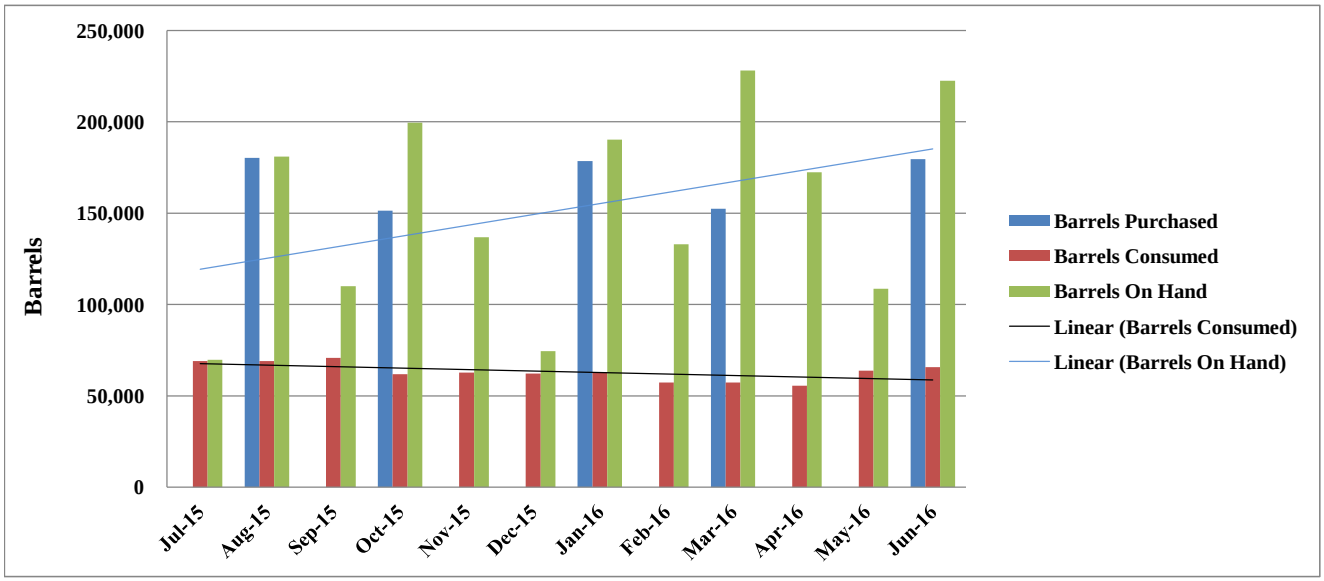
Heavy Fuel Oil Inventory Activity

Previous Twelve Months

Date	Barrels Purchased	Barrels Consumed	Barrels On Hand
July, 2015	-	69,022.00	69,750.72
August, 2015	180,297.11	69,125.00	180,922.83
September, 2015	-	70,852.00	110,070.83
October, 2015	151,329.70	61,874.55	199,525.98
November, 2015	-	62,737.00	136,788.98
December, 2015	-	62,251.00	74,553.17
January, 2016	178,534.67	62,874.00	190,213.84
February, 2016	-	57,254.00	132,959.84
March, 2016	152,460.51	57,382.00	228,038.35
April, 2016	-	55,652.00	172,386.35
May, 2016	-	63,805.00	108,581.35
June, 2016	179,621.88	65,692.00	222,511.23

Graph of Heavy Fuel Oil Inventory Activity

Previous Twelve Months



Diesel Fuel Oil Inventory Activity

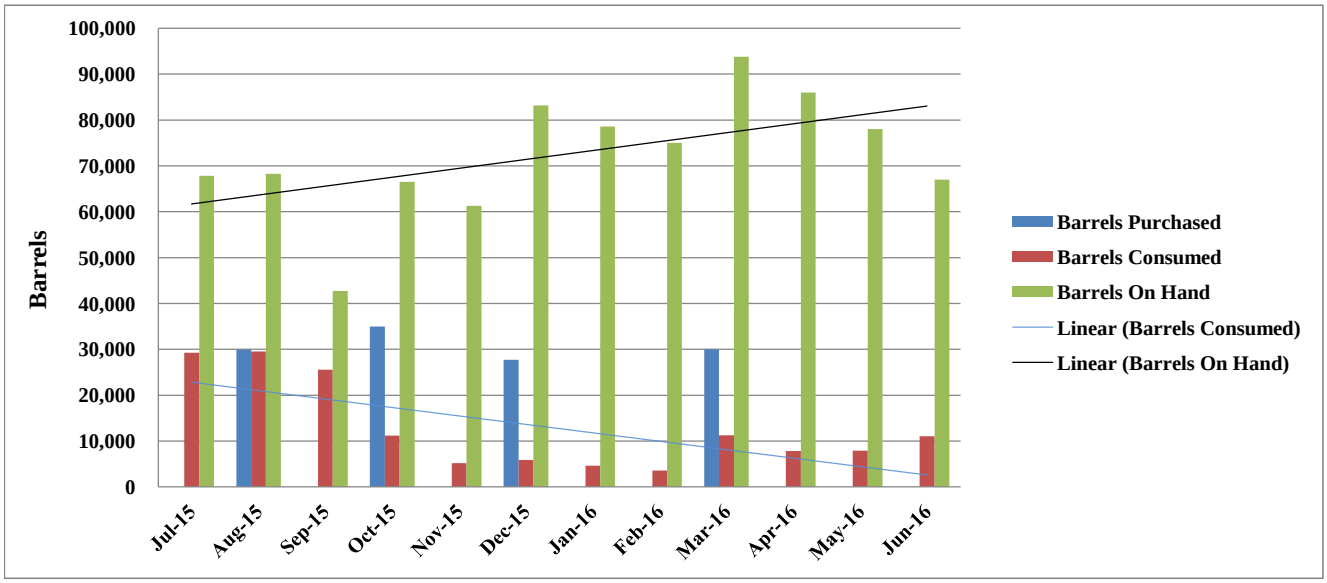
Previous Twelve Months

Date	Barrels Purchased	Barrels Consumed	Barrels On Hand
July, 2015	-	29,286.00	67,835.24
August, 2015	29,940.60	29,499.00	68,276.84
September, 2015	-	25,552.00	42,724.84
October, 2015	34,952.60	11,171.00	66,506.44
November, 2015	-	5,216.00	61,290.44
December, 2015	27,725.60	5,874.00	83,142.70
January, 2016	-	4,594.07	78,548.63
February, 2016	-	3,566.00	74,982.63
March, 2016	30,023.88	11,234.65	93,771.86
April, 2016	-	7,806.00	85,965.86
May, 2016	-	7,934.26	78,031.60
June, 2016	-	11,012.69	67,018.91

BELCO

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

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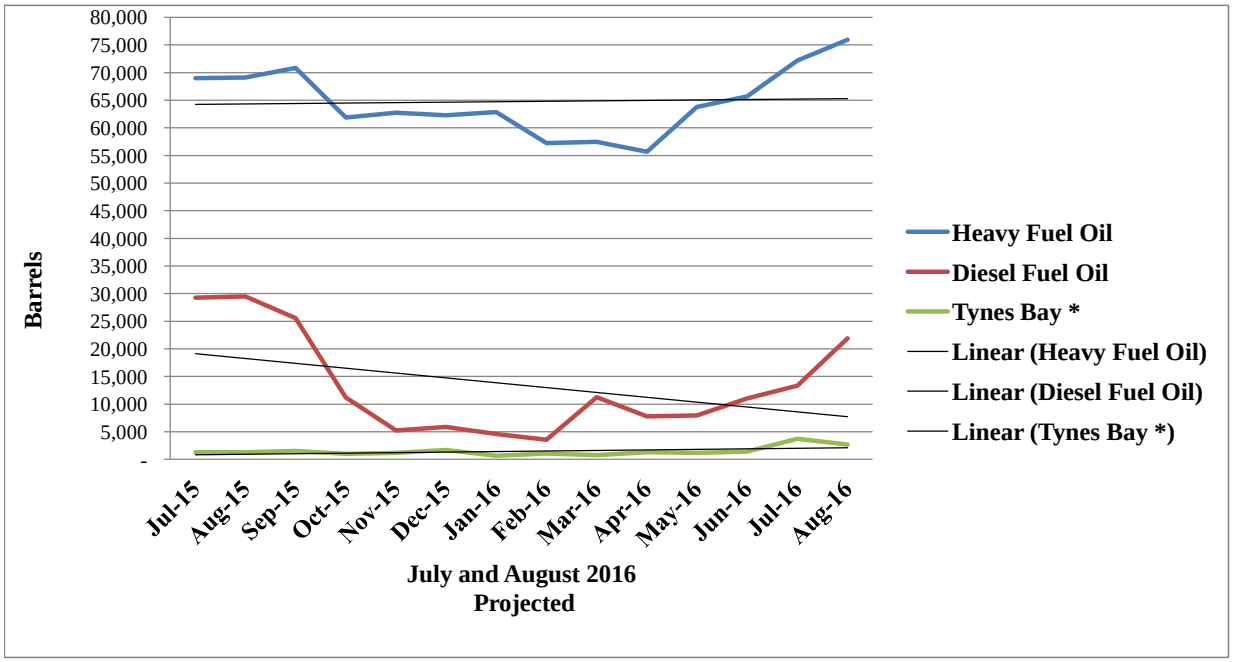
Barrels of Fuel Consumed

Previous Twelve Months

Plus Two Month Forward Projection

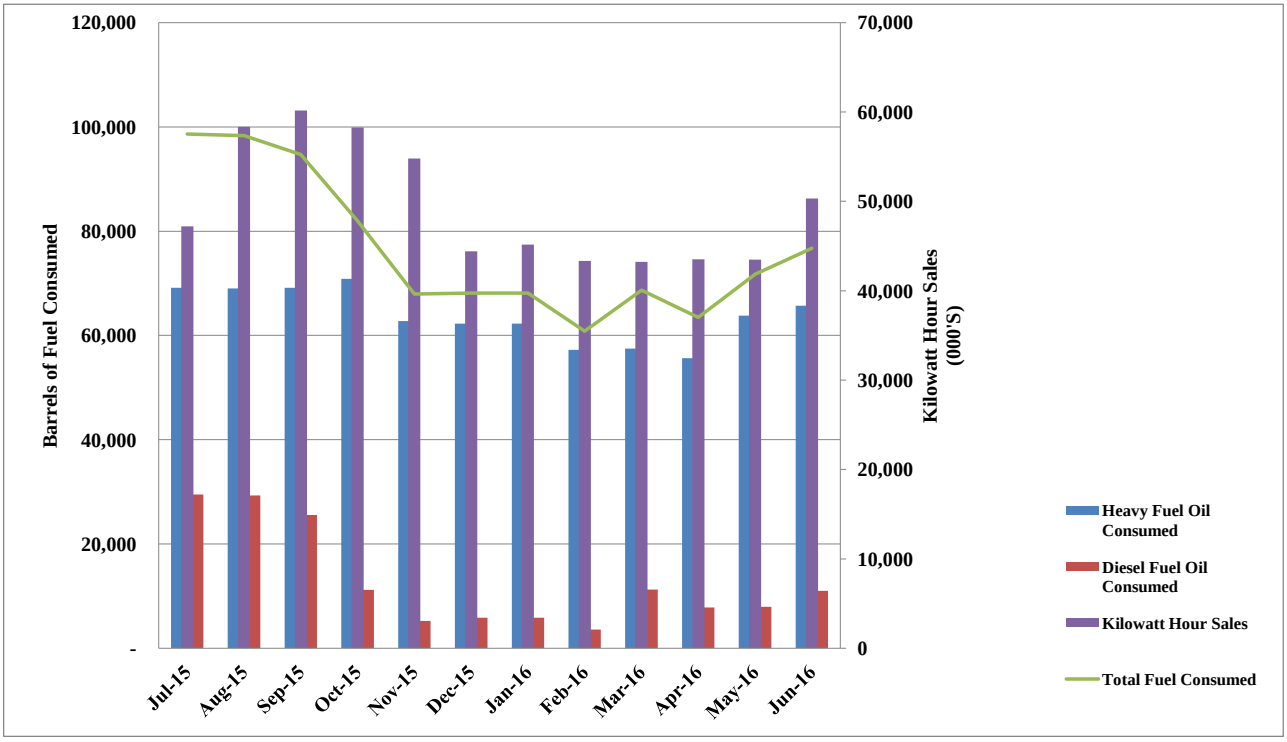


* BELCO calculates an efficiency rating for its generators on a monthly basis. This is calculated as the estimated kilowatt hours that will be generated that month divided by the estimated number of barrels of fuel that will be used. Therefore, the equivalent barrels of fuel is calculated for Tynes Bay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

Fuel Consumption

Versus

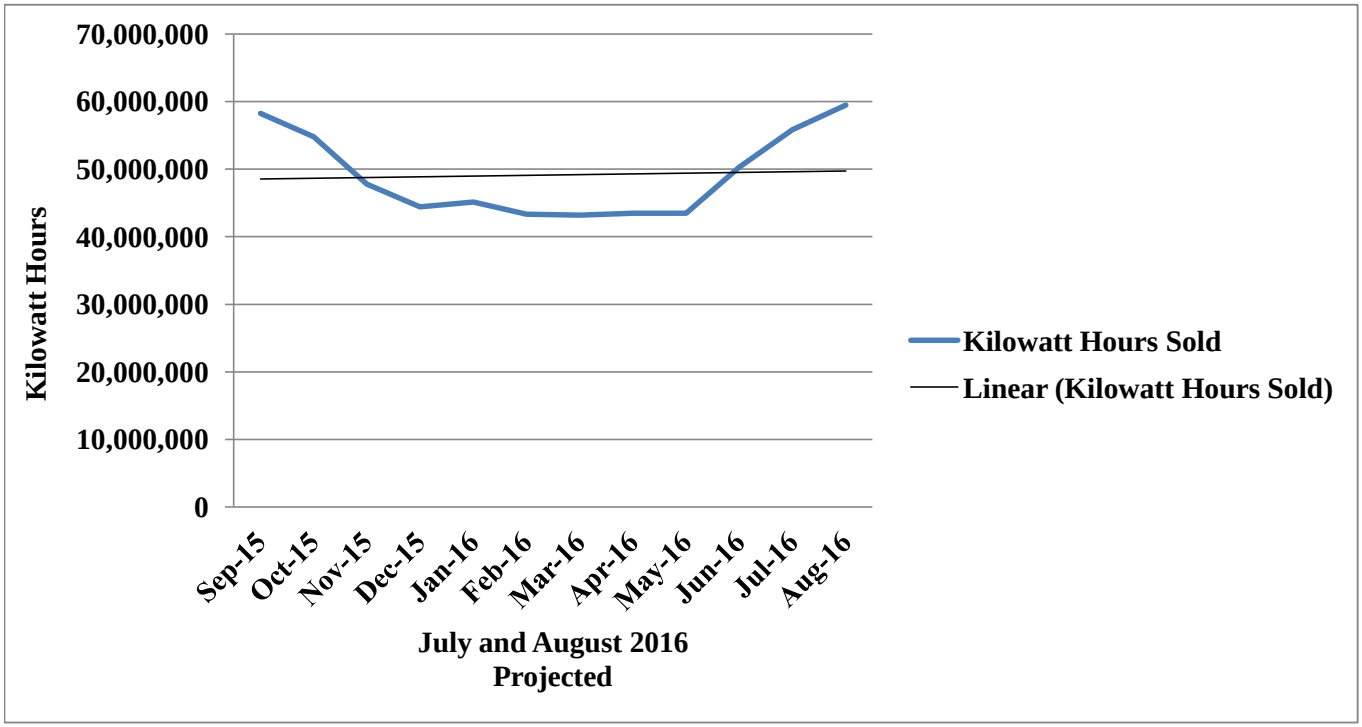
Kilowatt Hour Sales



Kilowatt Hour Sales

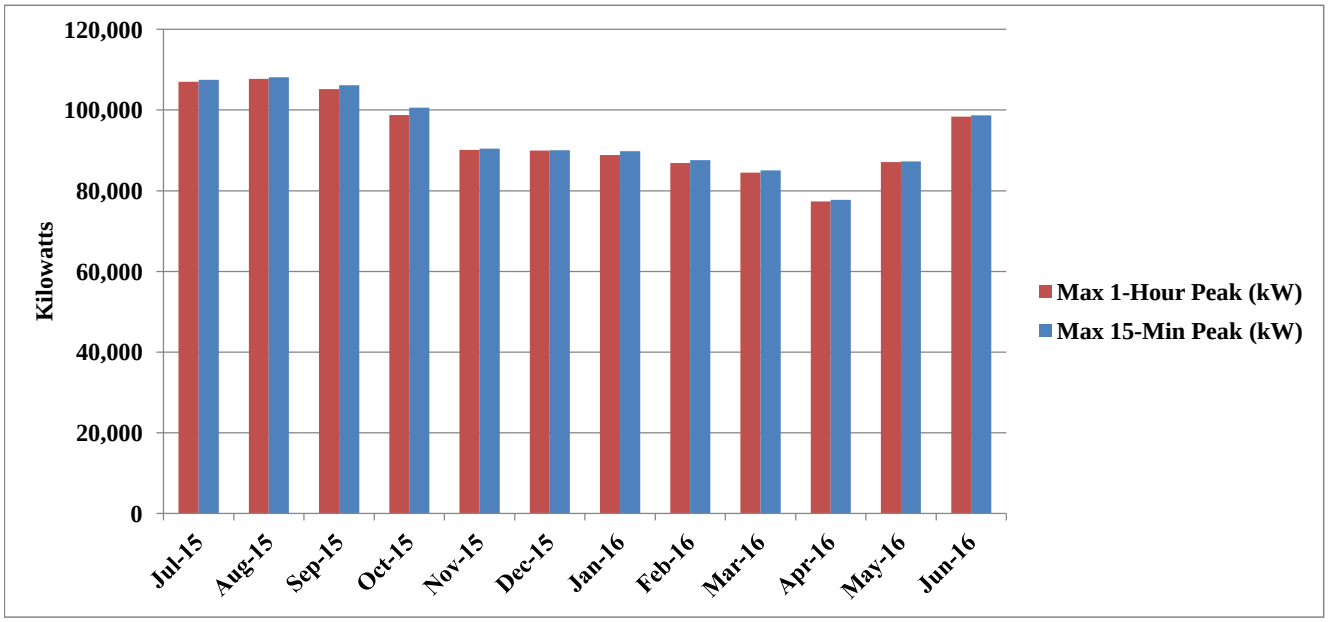
Previous Twelve Months

Plus Two Month Forward Projection



Maximum 15-Minute & Hourly Peak Kilowatt Hour Demand

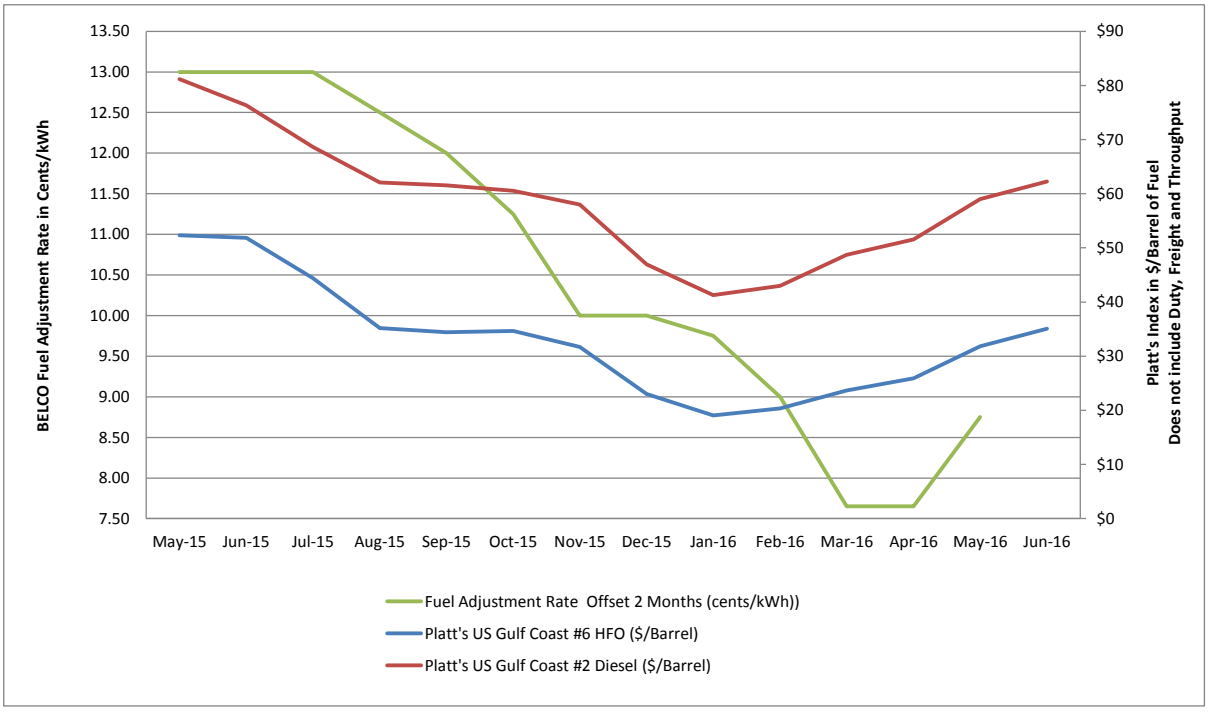
Previous Twelve Months



Fuel Adjustment Rate

Versus

Platt's Indices for Heavy and Diesel Fuel Oils



Fuel Adjustment Over / (Under) Recovery

For the Month Ended 30th June 2016

		$	$	$
Opening Balance at 1 June 2016				**561,152**
Fuel Consumption				
Diesel -11,012.69 @ $94.7667		1,043,636		
Less: Fuel Consumption @ $30/bbl		(330,381)	713,255	
Heavy - 16,120.84 bbls @ $88.5872		1,428,100		
Heavy - 30,000 bbls @ $85.4991		2,564,973		
Heavy - 19,571.16 bbls @ $71.2312		1,394,077		
Less: Fuel Consumption @ $30/bbl		(1,970,760)	3,416,390	
Tynes Bay - 938,156 kWh @ $0.185		173,559		
Less: (938,156 kWh /677.6) 1,384.53 bbls @ $30/bbl		(41,536)	132,023	
			4,261,668	
Deduct: Fuel Adjustment Revenue (after discount)				
	$3,845,121	@ .95315	3,664,977	
June over / (under) recovery				(596,692)
Interest Expense				(35,025)
Ending Balance at 30 June 2016				**(70,565)**

Fuel Consumption Projections

Forward Three Months

Shipment Date	Type	Hedged	Amount (Barrels)	Total Cost/Barrel	FADJ (less $30/bbl)
March 16	Heavy	No	42,889.35	71.2312	41.2312
June 2016	Heavy	Yes	30,000.00	86.0591	56.0591
June 2016	Heavy	Yes	30,000.00	83.3254	53.3254
June 2016	Heavy	Yes	30,000.00	78.7185	48.7185
June 2016	Heavy	Yes	89,621.88	82.1154	52.1154
October 15	Diesel	No	9,269.73	94.7667	64.7667
December 15	Diesel	No	27,725.30	94.9818	64.9818
March 16	Diesel	No	30,023.88	93.5711	63.5711

Fuel Adjustment Over/(Under) Recovery Projections

At Existing Fuel Adjustment Rate

Three Months Forward

					Over (Under) Recovery account as at end of previous month:	**$ (70,565)**
Projected kWh Sales - July 2016	55,851,193		FADJ	8.75	$ 4,886,979	
Projected fuel consumed		**Shipment Date**	**Barrels**	**FADJ Cost/Barrel**	**Total Cost**	
	Diesel	**October 2015**	9,270	$ (64.77)	$ (600,369.82)	
	Diesel	**December 15**	4,088	$ (64.98)	$ (265,663.14)	
	Heavy	**March 2016**	42,889	$ (41.23)	$ (1,768,379.37)	
	Heavy	**June 2016**	29,291	$ (56.06)	$ (1,641,916.68)	
	Tynes Bay	**N/A**	3,753	$ (95.41)	$ (358,124.58)	
	Total Barrels		**89,291**			252,526
					Projected Over (Under) Recovery account as at end of this month:	**181,961**
Projected kWh Sales - August 2016	59,484,232		FADJ	8.75	$ 5,204,870	
Projected fuel consumed		**Shipment Date**	**Barrels**	**FADJ Cost/Barrel**	**Total Cost**	
	Diesel	**December 15**	21,897	$ (64.98)	$ (1,422,906.47)	
	Heavy	**June 2016**	709	$ (56.06)	$ (39,763.32)	
	Heavy	**June 2016**	30,000	$ (53.32)	$ (1,599,666.00)	
	Heavy	**June 2016**	30,000	$ (48.72)	$ (1,461,462.00)	
	Heavy	**June 2016**	15,228	$ (52.12)	$ (793,595.07)	
	Tynes Bay	**N/A**	2,670	$ (93.23)	$ (248,907.92)	
	Total Barrels		**100,504**			(361,430)
					Projected Over (Under) Recovery account as at end of this month:	**(179,470)**
Projected kWh Sales - September 2016	56,427,246		FADJ	8.75	$ 4,937,384	
Projected fuel consumed		**Shipment Date**	**Barrels**	**FADJ Cost/Barrel**	**Total Cost**	
	Diesel	**December 2015**	1,740	$ (64.98)	$ (113,050.79)	
	Diesel	**March 2016**	8,343	$ (63.57)	$ (530,390.85)	
	Heavy	**June 2016**	72,785	$ (52.12)	$ (3,793,219.39)	
	Tynes Bay	**N/A**	3,638	$ (95.21)	$ (346,395.06)	
	Total Barrels		**86,506**			154,328
					Projected Over (Under) Recovery account as at end of this month:	**(25,142)**

Fuel Adjustment Over/(Under) Recovery Projections

At Requested Fuel Adjustment Rate

Three Months Forward

					Over (Under) Recovery account as at end of previous month:	**$ (70,565)**
Projected kWh Sales - July 2016	55,851,193		FADJ	8.75	$ 4,886,979	
Projected fuel consumed		**Shipment Date**	**Barrels**	**FADJ Cost/Barrel**	**Total Cost**	
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	Tynes Bay	**N/A**	2,670	$ (93.23)	$ (248,907.92)	
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	Diesel	**March 2016**	8,343	$ (63.57)	$ (530,390.85)	
	Heavy	**June 2016**	72,785	$ (52.12)	$ (3,793,219.39)	
	Tynes Bay	**N/A**	3,638	$ (95.21)	$ (346,395.06)	
	Total Barrels		**86,506**			154,328
					Projected Over (Under) Recovery account as at end of this month:	**(25,142)**

Fuel Adjustment Over/(Under) Recovery Projections

At Requested Fuel Adjustment Rate - Full Cost

Three Months Forward

					Projected Over (Under) Recovery account as at end of May:	**$ 181,961**
Projected kWh Sales - August 2016	59,484,232		FADJ	13.82	$ 8,220,721	
Projected fuel consumed		**Shipment Date**	**Barrels**	**FADJ Cost/Barrel**	**Total Cost**	
	Diesel	**December 15**	21,897	$ (94.98)	$ (2,079,816.47)	
	Heavy	**June 2016**	709	$ (86.06)	$ (61,043.82)	
	Heavy	**June 2016**	30,000	$ (83.32)	$ (2,499,666.00)	
	Heavy	**June 2016**	30,000	$ (78.72)	$ (2,361,462.00)	
	Heavy	**June 2016**	15,228	$ (82.12)	$ (1,250,424.57)	
	Tynes Bay	**N/A**	2,670	$ (123.23)	$ (329,004.00)	
	Total Barrels		**100,504**			(360,696)
					Projected Over (Under) Recovery account as at end of this month:	**(178,735)**
Projected kWh Sales - September 2016	56,427,246		FADJ	13.35	$ 7,533,037	
Projected fuel consumed		**Shipment Date**	**Barrels**	**FADJ Cost/Barrel**	**Total Cost**	
	Diesel	**December 2015**	1,740	$ (94.98)	$ (165,242.69)	
	Diesel	**March 2016**	8,343	$ (93.57)	$ (780,688.95)	
	Heavy	**June 2016**	72,785	$ (82.12)	$ (5,976,769.39)	
	Tynes Bay	**N/A**	3,638	$ (125.21)	$ (455,544.00)	
	Total Barrels		**86,506**			154,792
					Projected Over (Under) Recovery account as at end of this month:	**(23,943)**

Generators Available for Service

June 2016

Generator	Available	Type of fuel Consumed	Barrels of Fuel Consumed	Efficiency Rating*
E1	Yes	HFO	10606	687
E2	Yes	HFO	8207	685
E3	Yes	HFO	3580	709
E4	Yes	HFO	6675	701
E5	Yes	HFO	11697	700
E6	Yes	HFO	9864	712
E7	Yes	HFO	11816	725
E8	Yes	HFO	8395	742
D3	Yes	LFO	2510	618
D8	Yes	LFO	2976	622
D10	Yes	LFO	2800	603
D14	Yes	LFO	895	578
GT4	Yes	LFO	74	92
GT5	Yes	LFO	466	420
GT6	Yes	LFO	560	309
GT7	Yes	LFO	207	456
GT8	Yes	LFO	140	526

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

Generators Out of Service

May 2016

Unit	Category	Type	Forced Outage Details	Outage Date	Return Date
GT4	Auxilary Systems	FO (Immediate)	Unit shut down on high L/o temperature due to variable controller trip. Possible fault in MCB or controller tripped due to very high ambient air temperature in control room, due to lack of air conditioning. R. Burchall investigating.	06/30/16	NULL
E8	Instrumentation & Control System	MO	E8 PLC reboot by A. Swan to correct connection issue	06/30/16	07/01/16
D14	Auxilary Systems	MO	Unit out to repair leak on JCW pre heater	06/28/16	06/28/16
E6	Auxilary Systems	MO	Unit out to repair fuel rail brackets, rad fans # 3, 5, and 6. and main air spring pressure regulator valve.	06/22/16	06/25/16
D14	Auxilary Systems	MO	Unit out to repair exhaust leak	06/21/16	06/26/16
E4	Main Engine	FO (Immediate)	Pedestal bearing temperature rose into alarm condition. 75 degrees	06/18/16	06/18/16
E8	Auxilary Systems	FO (Immediate)	Unit forced out for air springs failure	06/17/16	06/17/16
E5	Auxilary Systems	FO (Immediate)	Unit out on HTCW high temperature. 3 way valve reacted too slowly to load change.	06/17/16	06/17/16
D10	Electrical System	FO (Start-Up Fail	D10 breaker fault.	06/14/16	06/14/16
E2	Electrical System	FO (Immediate)	E2 tripped on Biased Diff alarm	06/12/16	06/14/16
E8	Main Engine	MO	E8 follow up jobs	06/09/16	06/09/16
E6	Auxilary Systems	MO	Unit out to address HTCW leak at Air Cooler B	06/09/16	06/10/16
D14	Auxilary Systems	MO	Unit taken out to repair Cy #15 fuel outlet Block, top of pump southside.	06/08/16	06/08/16
E6	Auxilary Systems	MO	Unit out to address ICW leak.	06/07/16	06/07/16
GT7	Main Engine	FO (Immediate)	Unit Forced out due to excessive vibrations	06/06/16	06/26/16
D14	Auxilary Systems	MO	2 rad fans B and D OOS	06/04/16	06/04/16
E3	Main Engine	FO (Immediate)	Unit tripped on OMD shutdown.	06/01/16	06/02/16

Scheduled Generator Maintenance

July 2016

Generator	Maintenance Type	Outage Date	Return Date
E5	6k	7/8/2016	7/15/2016
E6	3K	7/18/2016	7/24/2016
E7	15K	7/25/2016	8/8/2016

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 incured 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.**
   The increase in duty on fuel imports effective 1 April 2016 increases fuel adjustment rates.

3. **Changes in Debt Facilities Affecting the Fuel Adjustment Rate.**
   The overdraft facility has been renewed.

4. **Change in the Discount calculated on customer invoices**
   Starting in July 2016 the early payment discount offered to customers will no longer be calculated on the fuel adjustment.