



Government of Bermuda

MINISTERIAL STATEMENT

By

**The Hon. Alexa Lightbourne, JP, MP
Minister of Home Affairs**

Friday, 17th July 2026

Integrated Resource Plan Pause and Alignment with the National Electricity Sector Policy

Mr. Speaker,

I rise today to report to Honourable Members and the public on the temporary suspension of the Integrated Resource Plan, the IRP, proceeding, and on the grounds on which that suspension now has legal effect.

As Honourable Members will be aware, the Electricity (Integrated Resource Planning Process Suspension and Reconstitution) Order 2026 was tabled in this Honourable House on 12 June 2026 and in the Senate on 17 June 2026. Following the completion of the required parliamentary process, the Order was signed and published in the

Official Gazette on 6 July 2026. The current IRP proceeding is now formally suspended for a period of up to eighteen months.

The Order is made under sections 13A and 45B of the Electricity Act 2016, powers created by the Electricity Amendment Act 2026 passed by this Honourable House. The Act sets conditions before any suspension can be made. The Minister must first consult the Regulatory Authority and the TD&R Licensee, and that consultation took place. The Minister must be satisfied that suspension is necessary to secure consistency between Government policy and the proposed plan, and that continuing the process would be contrary to the public interest. The Order states its grounds on its face: to finalise the reform of Government policy for the electricity sector and secure an Integrated Resource Plan aligned with it, to embed consumer affordability protections expressly within the IRP, and to ensure that electricity planning reflects the economic reality Bermudians live with and the Government's policy to reduce energy costs. The suspension is bounded. The Regulatory Authority must publish a notice before it expires setting out when and how the process resumes.

Mr. Speaker, the grounds for this decision are documented, and they are quantified.

The Integrated Resource Plan determines Bermuda's future electricity generation mix for the next fifteen to twenty years. The decisions

arising from this process will have far-reaching implications for every resident and business on our island. They will influence how electricity is generated, the pace and scale of renewable energy deployment, future investments in energy infrastructure, and ultimately the cost of electricity paid by consumers.

Those decisions must be guided by current national policy. The Government will not permit further significant decisions and expenditures until the Integrated Resource Plan is aligned with the updated National Electricity Sector Policy.

The record before the Government is specific. The IRP has been in various stages of development since 2019. IRP cycles in comparable jurisdictions complete within twelve to twenty-four months. The 2019 plan set a target of 85 per cent renewable generation by 2035. In 2025, fossil fuel generators supplied 91 per cent of the 594 gigawatt hours generated on this island, and solar supplied under six per cent. No Innovative Licence has been awarded. No offshore wind has advanced. Seven years of process have not moved the generation mix.

Misalignment carries a price, and consumers pay it. At the current Fuel Adjustment Rate of 13.799 cents per kilowatt hour, the fuel component of the electricity generated in 2025 stands in the order of \$80 million a year, recovered from consumers. Every percentage point of renewable generation the plan fails to deliver leaves roughly six gigawatt hours a year on imported fuel, close to \$800,000 in annual fuel purchases at today's rate. The average retail tariff stands at 53 cents per kilowatt

hour, among the highest in the region. Every year of planning that runs contrary to national policy holds those numbers in place.

Mr. Speaker,

The Integrated Resource Plan represents one of the most significant planning exercises undertaken within Bermuda's electricity sector. The process has involved substantial investments of time, technical expertise, and financial resources by the Regulatory Authority, Bermuda Electric Light Company Limited, technical consultants, and other stakeholders.

The costs associated with this work are ultimately borne by electricity consumers. Regulatory Authority expenditures are funded through regulatory fees levied on regulated entities and ultimately recovered from consumers, while utility expenditures are reflected in rates approved under the regulatory framework. Modelling and consultancy work performed on assumptions that a new national policy will supersede must be performed again, and consumers would pay for that work twice. Suspending the process now, weeks before the final Policy issues, stops that double charge.

Mr. Speaker,

The current National Electricity Sector Policy was issued in 2015 and is now more than eleven years old. Since its publication, Bermuda's energy landscape has evolved considerably. Advances in renewable energy technologies, battery energy storage systems, distributed energy

resources, electric vehicles, digital technologies, and international best practices have transformed how jurisdictions around the world approach electricity planning, energy security, affordability, resilience, and decarbonisation. Bermuda has changed with them. Distributed solar generation on this island has doubled, from 7 megawatts in 2017 to more than 14 megawatts today.

Recognising these developments, the Ministry undertook a comprehensive review of the National Electricity Sector Policy, and built collaboration into the work from the start. The Ministry convened the Energy Policy Steering Committee to bring voices from across the electricity sector into the drafting. The Committee reviewed the draft first and submitted 131 comments across every section of the Policy, and the Department evaluated each one on its merits. The Ministry then published the draft Policy for public consultation on the Citizens' Forum from 20 April to 21 May 2026 and held a public town hall on 18 May.

Mr. Speaker,

The public consultation has concluded. Submissions came from the Regulatory Authority, from industry participants, and from young Bermudians writing in their own names. Across submissions from an independent regulator to students, two demands converged: affordability, and fairness between generations. The Department is incorporating that feedback into the final Policy now, and the revised National Electricity Sector Policy is in its final stages of completion.

The revised policy will establish the Government's strategic vision and objectives for Bermuda's electricity sector and provide the framework necessary to guide future regulatory and planning decisions.

Mr. Speaker,

Honourable Members will have noted the announcement that electricity rates will be restructured with effect from 1 August 2026, as approved by the Regulatory Authority. Cost-reflective charging is the correct principle. It has been Government policy since 27 May 2025, when the Ministerial Direction issued to the Regulatory Authority expressly contemplated differentiated tariff classes for customers fully, partially, and minimally reliant on the grid. Fourteen months separate that Direction from this change. The cost-of-service analysis underpinning the change indicates that residential customers have carried a disproportionate share of the system's fixed costs for years. And the adjustment arrives while the long-term system plan that pricing should rest on remains out of alignment with national policy. Rate changes divorced from systems planning are precisely what the public has asked this Government to end. Pricing must follow planning, and planning must follow policy. The suspension restores that order.

Mr. Speaker,

The structural point beneath all of this must be stated. The Electricity Act 2016 placed the authorship of the Integrated Resource Plan with the utility. Ten years have tested that design, and the last two proposed

plans submitted by the utility recommended generation inconsistent with the Government's policy. Since November 2020, BELCO has been owned by Algonquin Power and Utilities, a publicly traded company headquartered overseas. Its directors owe their first duty to its shareholders, and company law binds them to it. The utility brings engineering and operational knowledge that national planning needs, and its Bermudian workforce serves this island with skill. The duty to lead the public interest rests with the public's institutions: the Government, which sets national policy, and the Regulatory Authority, which regulates the sector within it. A utility informs the plan. The reforms this House passed in 2026, and the Policy now being finalised, give that principle effect.

Mr. Speaker,

The collaborative architecture that built this Policy will form part of the Integrated Resource Plan process when it resumes. A standing forum of sector voices, structured public consultation, and published reasoning belong inside resource planning, and the reconstitution provisions of the Order make room for exactly that. The Government's expectation of the reconstituted process is on the record today.

Mr. Speaker,

The future of this sector belongs to Bermudians who are in classrooms today, and the Ministry is acting on that now. This summer the Department of Energy welcomed two bursary recipients as summer

students. The Department gave them the consultation draft and asked for their honest assessment. Their feedback, on affordability, on training pathways, and on planning for the whole of Bermuda, was specific: equitable access to renewable energy, with community solar carrying the benefits of the transition beyond property owners; the workforce, technology and digital infrastructure that battery storage, demand management and grid modernisation will demand; and clearer communication of the Policy to young Bermudians through secondary schools, Bermuda College and regular public reporting on implementation. Every one of those topics is being integrated into the final document alongside the formal submissions, and the Department is evaluating the interns' proposals for implementation. The Ministry has further awarded two scholarships to Bermudian students pursuing energy-related studies. The 2027 Energy Bursary Programme is open for applications until 31 July 2026. A sector that plans twenty years ahead must invest in the people who will run it, and that investment has begun.

Upon the completion and publication of the revised National Electricity Sector Policy, which is anticipated in the near term, the Government will engage the Regulatory Authority and stakeholders on the reconstituted process, and the Authority will issue its notice of resumption before the suspension period expires, as the Act requires.

Mr. Speaker,

Alignment between national policy and long-term resource planning protects the country, electricity consumers, and the generations who will inherit these decisions. The decisions made through the IRP will shape what every household on this island pays for power for decades. The policy framework, the legislation, and the public record are now in place to make those decisions properly, and the plan that follows will be measured against one test: what it delivers for the Bermudian consumer.

Thank you, Mr. Speaker.