



# British Virgin Islands Electricity Corporation



## 2006 ANNUAL REPORT







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## *Corporate Statement*

**T**he British Virgin Islands Electricity Corporation Ordinance No. 7 of 1978 was legislated in 1978 to provide for the establishment of a Statutory Corporation to be known as the British Virgin Islands Electricity Corporation. This Ordinance came into effect in January of 1979.

The major functions of the Corporation are the generation, transmission, supply, distribution and sale of electricity throughout the British Virgin Islands.

The Corporation is made up of a Chairman, four ordinary members and two Ex-officio members all appointed by Executive Council.

**T**he main goal and objective of the British Virgin Islands Electricity Corporation are to provide the best possible service to its customers and to aid in the development of the Territory's electrical infrastructure by adequately supplying a reliable and continuous electrical supply to the entire British Virgin Islands population at an affordable cost.

## BVIEC Board Members



- ◆ **Chairman** – *Mrs. Margaret A. Penn*, CPA was appointed to the Corporation October 1, 2003 for a period of three years. Mrs. Penn is a self employed businesswoman.



- ◆ **Vice Chairman** - *Mr. Verlin Crabbe*, was re-appointed as a member on October 1, 2003 for a period of four years. Mr. Crabbe is a self employed businessman.



- ◆ **Member** - *Mr. Robin Gaul*, ACCA was appointed to the Corporation on October 1, 2003 for a period of four years. Mr. Gaul is a retired Accountant.



- ◆ **Member** - *Ms. Bernice Sprauve* was reappointed to the Corporation on October 1, 2005 for a period of two years. Ms. Sprauve is retired.



- ◆ **Member** - *Mr. Troy Christopher* was reappointed to the Corporation on October 1, 2005 for a period of two years. Mr. Christopher is a self employed Computer Consultant.



- ◆ **Member** – *Mr. Frederick Creque* was appointed on October 1, 2003 for a period of three years. Mr. Creque is a retired Civil Servant and previously held the position of Acting Permanent Secretary in the Ministry of Communication and Works.



- ◆ **Ex-Officio Member** - *Mr. Leroy A. E. Abraham* was appointed Ex-Officio member since September 1, 2000 and was confirmed as General Manager on September 1, 2004.



- ◆ **Ex-Officio Member** - *Mr. Gary Penn*, Deputy Secretary of Ministry of Communications and Works.



## *Senior Management*

### **General Manager**

Mr. Leroy A.E. Abraham,  
B.Sc.EE, C. Eng, MIEE



### **Generation Engineer**

Mr. S. Rajmangal  
B.Sc.ME, M.B.A.,  
M.IDGTE, M.ASME



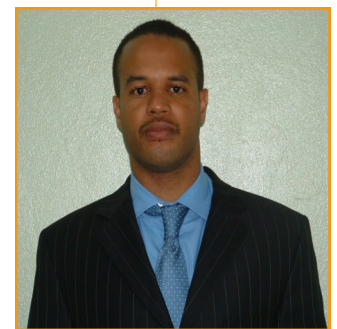
### **Human Resource Manager**

Ms. Roxane J. Ritter,  
B.Sc., M.B.A.



### **Financial Controller Ag.**

Ms. Denise Daniel  
FCCA, CA



### **Distribution Engineer**

Mr. Henry Creque  
B.EE (Hons), MIEEE.



## *Junior Management*

- ◆ **Deputy Human Resource Manager**  
Mrs. Tamara George-Barry  
B.Sc., M.P.A., M.H.A
- ◆ **Information Systems Management Officer III**  
Mr. Mark Daniel  
B.Sc. (Hon) Chemical Engineering
- ◆ **Senior Assistant Accountant**  
Mr. Kevin M. Richards,  
B.A. Acct, A.A Management
- ◆ **Information Systems Management Officer IV**  
Miss. Siyeeda Brewley  
B.S. Information Systems
- ◆ **Senior Assistant Accountant**  
Miss. Cleo Christian, A.S.C.  
Accounting
- ◆ **Information Systems Analyst**  
Miss. Takola M. Creque  
B.A. Business Administration/ Information Systems
- ◆ **Technical Officer V**  
Mr. Damian Creque  
B.S. (Hon) Automotive Technology

### **HEAD OFFICE**

Long Bush, Tortola,  
British Virgin Islands  
Mailing Address:  
P.O. Box 268  
Road Town, Tortola, B.V.I  
Tel: 284-494-3911  
Fax: 284-494-4291  
Email: bviecece@surfbvi.com

### **AUDITORS**

#### ***Principal***

Chief Auditor  
Audit Department  
B.V.I Government  
Road Town  
Tortola, B.V.I.

### ***Contracted***

Baker Tilly (BVI) Ltd.  
Chartered Accountants  
P.O. Box 650  
Tropical Isle Building  
Nibbs Street  
Road Town  
Tortola, B.V.I.

### **BANKERS**

Chase Manhattan Bank  
Road Town,  
Tortola B.V.I.

Banco Popular de Puerto Rico  
Road Town  
Tortola, B.V.I.

Development Bank of the Virgin  
Islands  
Road Town  
Tortola, B.V.I.

Barclay's Bank PLC  
Road Town  
Tortola, B.V.I.

Barclays Banks PLC  
Old Broad Street Branch  
London, England  
Scotia Bank (BVI) Limited  
Road Town  
Tortola, B.V.I

### **SOLICITORS**

O'Neal Webster  
Simmonds Building  
Wickham's Cay 1,  
Road Town,  
Tortola, B.V.I.



## Executive Summary

### Operating Revenues

At the end of the year in review, the Corporation realized operating revenue of \$45.71 million compared to \$40.36 million for the previous year. Revenue from electricity sales increased to \$44.86 million which was 12.76% over 2005 (\$39.78 million). During the year 79% of the revenue from the sale of electricity came from Tortola, 16% came from Vir-



Executive Assistant—H. McIntosh

gin Gorda, 2% came from the other islands and 3% came from Streetlights. Domestic customers contributed 36% of the revenue, commercial customers 57%, industrial customers 4% and streetlighting 3%.

### Operating Expenses

Operating expenses, which were 90.44% of total revenue included depreciation expenses of \$4.31 million. Overall, operating expenses increased from \$35.76 million in 2005 to \$41.34 million in 2006, an increase of 15.59%. Fuel cost of \$24.43 million, which was the single largest expense, increased from 20.07 million in 2005.

During the preparation of the 2006 budget, sales were projected to increase approximately 5.4% over the previous year's sales. This assumption was made in light of the previous year's growth, the projection from BVIEC's Power Development Study 2003-2013 and the economic outlook for the British Virgin Islands for the year 2006.

The above revenue and operating ex-

penses resulted in an operating profit of \$4.37 million compared to \$4.60 million in 2005.

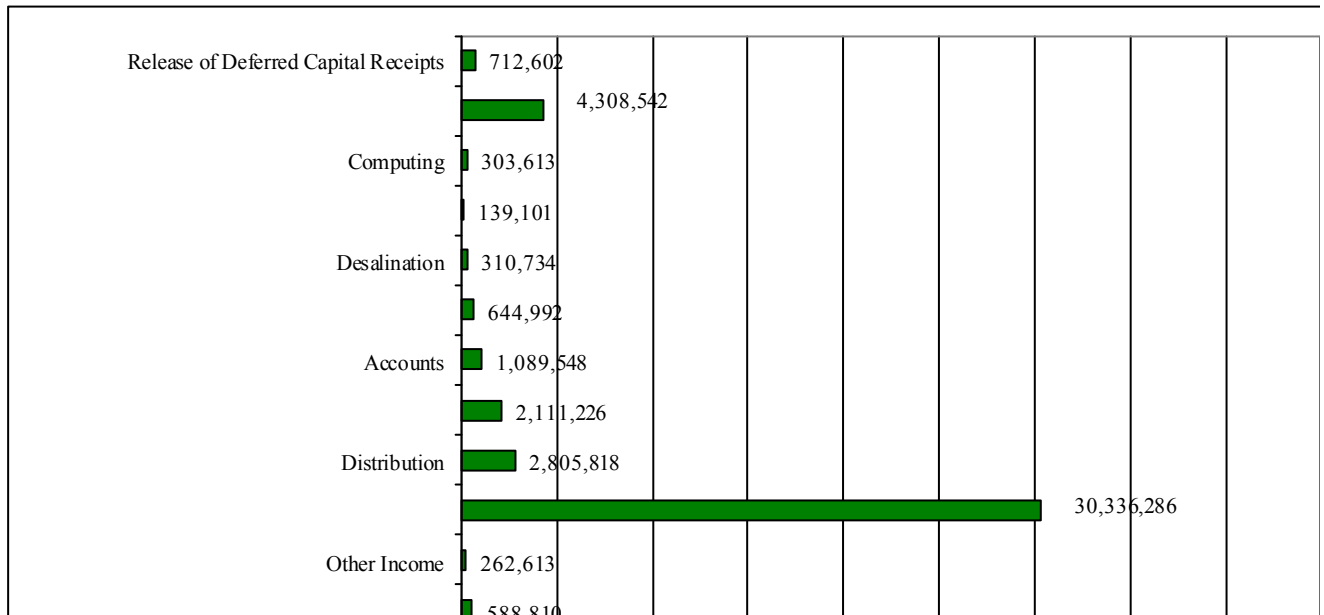
### Capital Expenditures

For the year in review, the Corporation spent 17.17 million dollars on capital additions. Details as follows: 94.06% was spent on Generating Plant and equipment, 4.35% on the Transmission and Distribution Systems, 0.30% on motor vehicles, 0.14% on furniture, 5% on computing equipment and 0.17% on Land and Building.

### Other Income and Expenses

Finance charges decreased by 81% mainly due to additional financing acquired to complete the Phase IV Development Project.

In 2006, there was an unrealized foreign exchange gain of \$13,905 compared with a gain of \$9,590 in 2005.





## Areas of Service

### SALES BY ISLANDS (\$1000) 2002 - 2006

ISLANDS	2002	2003	2004	2005	2006
Tortola	19,900	21,799	24,926	31,401	35,335
Virgin Gorda	4,259	4,673	5,368	6,570	7,291
Anegada	198	215	226	262	327
Jost Van Dyke	158	222	258	328	383
Camanoe	155	153	153	169	184
Streetlighting	930	1,058	1,121	1,256	1,337
<b>TOTAL</b>	<b>25,600</b>	<b>28,120</b>	<b>32,052</b>	<b>39,986</b>	<b>44,857</b>

The islands which were within the Corporation's area of service during 2006 were:

1. Tortola
2. Beef Island
3. Frenchman's Cay
4. Virgin Gorda
5. Great Camanoe
6. Jost Van Dyke
7. Marina Cay
8. Little Thatch
9. Scrub Island
10. Saba Rock
11. Buck Island
12. Anegada

The electrical demands of the first eleven (11) islands were met from the power stations on the island of Tortola, at Long Bush and Pockwood Pond. The electrical demand of the 12th Island - Anegada, was met by a small power station at that location with an installed capacity of 1680 kw.

#### Operations

During the preparation of the 2006 budget, the Corporation projected an increase of 5.4% in the sale of electricity over the preceding year's budget. The actual units sold were 148.1 million units; a nominal difference to the projected budget in terms of units sold, but a significant difference in terms of revenue for electricity sales was realized due to the significant increase in worldwide fuel prices.

During 2006, sales increased by 7.8 million units, an increase of 5.56% over 2005 and units generated increased 7.86 million units, an increase of 5% over 2007.

Fuel usage in 2006 increased slightly over 2005 by approximately 0.66 million gallons. The total cost of fuel however increased significantly to 23.09 million dollars in 2006 compared with 19.74 million dollars in 2005, an increase of 17% or 3.35 million dollars, mainly

due to continuing global increases in crude oil prices and subsequent petroleum products.

During 2006 an additional 370 customers were added to the Distribution Network bringing the total number of customers on the system at December 31, 2006, to 13,438. The revenue per unit metered increased 16.6% over 2005 and the cost per unit metered increased 12.9%.



Assistant Linesman — T. King

## Generation



*Removal of No. 7 Set*

*Diesel Mechanic Training*

*New Wartsila Unit to be Shipped*

In January 2006 the generating capacity of the Corporation was 45,650 KW installed. There were three different types of engines being used at the Pockwood Pond station: two Mirrlees k major MkIII engines, two 9L 38 stork Wartsila engines and three Allen 5012 engines. At the Long Bush station there were also three different types of engines being used: two Mirrlees engines - one M11 and one ESL12Mk2 Engine, one Ruston V12 engine and one V16 Caterpillar Engine.

On January 15, 2006 ground work was started on the phase IV project. The no.7 set, an Allen 5012 Engine was decommissioned and removed from the station in preparation for the installation of two 9L38 Stork engines, one to replace no.7 and the other was admitted to the station no.8. The no.8 set was commissioned in August 2006 and the no. 7 in September 2006. In October 2006 the remaining Allen sets, no.5 and the no. 6 were also decommissioned and removed from the station to the yard. They too were replaced with two 9L38 Stork engines. The installation of the final Engine of phase IV was completed in April of 2007 with the commissioning of the new no.5 unit, a Stork 9L38 Engine.

### Major Overhauls and breakdowns in 2006

1. January 18<sup>th</sup> 2006: no. 11 set at Long Bush started a 6000hrs. overhaul and finished in February 2006.
2. September 2006: a catastrophic crankshaft failure occurred to no.6 unit at Pock wood Pond. (An Allen Engine).
3. September 1<sup>st</sup> 2006: no. 3 at Pockwood Pond, a 1200hrs and a 72000hrs overhaul started and finished on September 22<sup>nd</sup> 2006.
4. June 8<sup>th</sup> 2006: no. 4 Pockwood Pond, a 12000hrs and a 72000hrs overhaul started and finished on July 5<sup>th</sup> 2006.
5. Between August 24<sup>th</sup> and November 4<sup>th</sup> 2006 no.10 at Long Bush had three major problems, (a) major water leak from all 12 cylinder heads, (b) damaged crankshaft on the 4<sup>th</sup> November 2006, and (c) the Engine electrical, protection system was changed.

### Anegada 2006

In January 2006, Anegada had a generating capacity of 1680KW installed. This was due to the installation of the no. 15 set from Tortola along with three John Deer sets, no. 1: 137KW, no. 2: 137KW, no. 3: 156KW, and no. 5: 1250KW, formerly no.15 of Tortola.

The duty of maintaining a reliable electrical supply to the territory continued to challenge the Corporation heading into the year 2006, mainly due to the unsatisfactory performance of the three Rolls Royce Allen Diesel Generators. The Corporation therefore made the very difficult decision to remove all three of the Rolls Royce generators and replace them with more proven generating sets. During the course of these works, however, the Corporation had to operate with a very small reserve margin of power and thus the challenge to provide a reliable power supply remained throughout most of the year.

Another challenge facing the Corporation was that the price of oil on the World Market continued its escalation to and past the important psychological level of \$70 per barrel. This correspondingly caused the price of Diesel and therefore the price of electrical energy for small grids such as these in the BVI to reach previously unseen levels.

BVIEC's customers understandably became increasingly apprehensive of their electrical energy costs. In response the T & D Department, with assistance from the HR Department and the Department of Disaster Management, launched a campaign to educate customers about energy use and conservation. In addition, the Corporation finalized an extensive and comprehensive exercise to select an Advanced Metering System. It is envisioned that this system will empower customers by providing significantly more information about their monthly, daily and hourly consumption patterns, and that the system would be able to further increase customer confidence in the Corporation's billing process as fixed billing dates would be offered. In addition, data entry errors would be practically eliminated through the replacement of several manual processes with more dependable automated systems.

The load on the distribution feeder which supplies the territory's primary financial and commercial center continued to approach 80% of its rated thermal limit. The Corporation had been planning for a few years to seize the opportunity of the Government's planned upgrade of the Blackburn Highway between the Road Town and Prospect roundabouts to simultaneously perform the upgrade in order to minimize interruptions to the motoring public. However, in light of the continued load growth in the aforementioned sector, the Department could no longer await that opportunity and therefore finalized all plans for the Wickhams Cay Feeder Relocation Project to commence the following year. One significant aspect of the plan was to utilize a type of Gas Insulated Switchgear, previously never utilized by BVIEC in this manner, which was expected to provide far better performance than the technology previously utilized in similar pad mounted switchgear applications. A number of the Department's personnel therefore visited the plant to familiarize themselves with the equipment, and to be trained in its installation, operation and maintenance.

In addition to the activities mentioned above, the Department performed the following projects during the course of 2006:

- Rebuilt the ageing tri-pole structure at the Cappaons Bay Switching Station
- Replaced all faulty control cables supplying the interconnector transformers at the Pockwood Pond and Long Bush Substations, and replaced the insulating oil in the tap-changing components of those units
- Upgraded the Long Bush Ridge & West End Feeder H-Pole structure at Long Bush
- Relocated a section of the Spare Road Town feeder mainline in the Johnson Ghut area.
- Completed another section of the HV mainline construction between Balsam Ghut and Hawks Nest
- Rebuilt and relocated an ageing and inaccessible section of the LB West End Feeder in the Cane Garden Bay area.
- Outsourced streetlight maintenance for the first time due to the increasing number of streetlight fault reports and the unavailability of sufficient resources in-house to address them timely

Some of the objectives the Department planned to accomplish in 2007 were:

- To commence the Wickhams Cay Feeder Relocation Project
- To perform service, maintenance and testing on all indoor Medium Voltage switchgear at the Corporations four substations.
- To retrieve and reuse all useful material from the Nail Bay relocation
- To cover more pad mounted switchgear
- To replace a significant number of the rotten wooden poles in the Settlement - Anegada
- To replace the ageing and corroded switchgear which controls the incoming power to the island of Jost Van Dyke.
- To relocate a section of the mainline between Pond Bay and Mahoe Bay, Virgin Gorda.
- To begin the construction of the Johnson Ghut to Long Trench link between the Spare Road Town and Ridge feeders.



## *Accounts*

### SUMMARY OF UNITS SOLD & REVENUE

Customer Type	Units Sold kwh	No. Of Customers	Sales (\$1000)
Domestic	50,215,851	11,562	15,903
Commercial	87,454,320	1,840	25,681
Industrial	6,918,981	35	1,939
Streetlighting	3,739,270	1	1,334
<b>Total</b>	<b>148,328,422</b>	<b>13,438</b>	<b>44,857</b>

Sales increased by approximately 12.18% from 39.99 million in 2005 to 44.86 million in 2006. The Units sold and number of customers also increased by 5.49% (7.72 million) and 2.83% (370) respectively.

### Goals For The Future

To increase initiatives to collect all accounts receivables within the standard thirty (30) days period and intensify efforts to collect all overdue accounts;

To enhance procedures and controls of the accounts payables operations to ensure complete, accurate and timely payment to our Suppliers;

To provide necessary training and development to employees of Accounts Department; to fully equip and motivate staff towards Excellent Standards Of Performance.

To continue to work with other departments to improve the quality of service to external as well as internal customers.



*Linesmen measure voltage levels*

*Junior Linesman—S. France at work*

## DEPARTMENT REPORT

# Administration

### EMPLOYEES

At the end of 2006 there were a total of 172 employees on the Corporation's payroll.

Employees by Departments 2003 – 2006

Department	2003	2004	2005	2006
Administration	12	11	10	11
Accounts	39	35	41	38
Distribution	43	44	45	45
Generation	69	70	71	74
Computer	4	4	4	4
<b>Total</b>	<b>167</b>	<b>164</b>	<b>171</b>	<b>172</b>

### ON THE JOB TRAINING

Four students from the BVI High School were given the opportunity to receive on the job training at the Corporation during 2006. They were assigned as follows:-

1. Eris James - Generation Department
2. Tyneshia Scatliffe - Accounts Department
3. Les George - Generation Department
4. Christina Skerritt - Administration Department

Two students from the Bregado Flax Educational Centre were given the opportunity to receive on the job training at the Corporation during 2006. They were rotated in the various departments as follows:-

1. Ramiz George - Distribution/Generation/Administration/Accounts/Computer Department
2. Felicia Robinson - Distribution/Generation/Administration/Accounts/ Computer Department

### SUMMER EMPLOYEES

Ten other students were given the opportunity to be employed by the Corporation during 2006. They were:

1. Molik Malone - Distribution
2. Aketha Penn - Dist. & Acc.
3. Ahmed Sattur - Distribution
4. Craig Morgan - Distribution
5. Akeem Wheatley - Distribution
6. Cerine Dasent - Acc. & Gen.
7. Shara Pollock - Accounts
8. Ansara Sattur - Generation
9. Elvin Stoutt - Generation
10. Lance McIntosh - Computer



*Admin staff at work*

## *Administration*

### TRAINING

During 2006 employees were trained and developed in the various areas of an electric utility operation. The training helped employees to improve their performance and skills resulting in a more positive image for the Corporation.

Department	Courses	Venue	Number of Employees
<b>Distribution:</b>	Distribute Conference 2006	Tampa, Florida	1
	Occupational Health Workshop & Conference	Antigua	1
	Linesman Training Level 2	BVIEC Training Room	12
	Administrative Assistants Conference	St. Thomas	1
	Personal Productivity	BVIEC Training Room	16
	First Aid	BVI Red Cross Headquarters	16
	Strategic Planning for Retirement	BVIEC Training Room	13
	Stress Management	BVIEC Training Room	3
	Linesman Training Level 2	BVIEC Training Room	10
	VHF Radiotelephone Workshop	BVIEC Training Room	1
	Office Professional Development Certificate Module 1	BVIEC Training Room	2
	Substation Maintenance 1	Texas	2
	Office Professional Development Certificate Module 2	BVIEC Training Room	2
	Office Professional Development Certificate Module 3	BVIEC Training Room	2
<b>Generation:</b>	Effective Business Writing	BVIEC Training Room	1
	Occupational Health Workshop & Conference	Antigua	1
	Power System Protection for Technicians	Grenada	1
	Diesel Mechanics Level 1	BVIEC Training Room	3
	Administrative Assistants Conference	St. Thomas	1
	First Aid	BVI Red Cross Head Quarters	15
	Strategic Planning for Retirement	BVIEC Training Room	4
	Power Plant Operators Level 1	BVIEC Training Room	4
	Excelling at Managing and Supervising People	St. Thomas	1
	Power Plant Operators Level 2	BVIEC Training Room	5
	Wind Energy Symposium	St. Lucia	1
	Power Plant Operators Level 3	BVIEC Training Room	8

DEPARTMENT REPORT

## Administration



*BVIEC team wins the Battle of the Corporations Fashion Show*

Department	Courses	Venue	Number of Employees
<b>Accounts:</b>	Effective Business Writing	BVIEC Training Room	1
	Harris South User Conference 2006	South Carolina	1
	Time Management	BVIEC Training Room	30
	Administrative Assistants Conference	St. Thomas	1
	Personal Productivity	BVIEC Training Room	10
	Strategic Planning for Retirement	BVIEC Training Room	3
	ICAC 24 <sup>th</sup> Caribbean Conference	Barbados	1
	Excelling at Managing and Supervising People	St. Thomas	1
	Stress Management	BVIEC Training Room	6
	Office Professional Development Certificate Module 1	BVIEC Training Room	2
	Electric Metering	St. Lucia	1
	Office Professional Development Certificate Module 2	BVIEC Training Room	2
	Office Professional Development Certificate Module 3	BVIEC Training Room	2
	<b>Administration:</b>	Time Management	BVIEC Training Room
CEO Symposium		Tampa, Florida	1
Administrative Assistants Conference		St. Thomas	1
Strategic Planning for Retirement		BVIEC Training Room	1
Excelling at Managing and Supervising People		St. Thomas	1
Office Professional Development Certificate Module 1		BVIEC Training Room	1
Office Professional Development Certificate Module 2		BVIEC Training Room	1
<b>Computer:</b>	Distribute Conference 2006	Tampa, Florida	1
	Harris South User Conference 2006	South Carolina	1

# Administration

## NEW EMPLOYEES

**Distribution:**

Akemo Callwood – Labourer  
 Kelvin Thomas – Labourer

**Generation:**

Jerry Jones –Trainee Assistant Mechanic  
 James Ragnauth –Apprentice Operator  
 Julian Scatliffe – Labourer  
 Tomas Henry – Labourer  
 Mervin Flaherty –Trainee Plant Operator  
 Daniel Vanterpool –Trainee Plant Operator  
 Swayne Thomas – Plant Operator

**Accounts:**

Vinette Connor – Trainee Cashier  
 Latoya Freeman – Senior Accounts Officer

**Administration:**

Kaama Baker –Trainee Filing Clerk

**Computer:**

Steve Phillip – Systems Administrator  
 Jason Blyden – Tech. Officer 3  
 Roxanne Isaacs – Systems Developer  
 Lance McIntosh – Trainee

## TERMINATIONS

**Distribution:**

Jeff Barry –Senior Linesman

**Generation:**

S. Rajmangal –Generation Engineer

**Computer:**

Steve Phillip –Systems Administrator

## RESIGNATIONS

**Distribution:**

Devon Christopher –Junior Linesman

**Generation:**

Eardley Warner –Plant Operator

**Accounts:**

Sherica Thomas –Cashier  
 Kareem Douglas –Trainee Meter Installer  
 Merick Smith –Meter Reader

## RETIREMENTS

**Generation:**

George Smith –Shift Supervisor

**Computer:**

Hastings Grant –Systems Administrator

## PROMOTIONS

**Distribution:**

Alton Vanterpool –Assistant Linesman/Cable Jointer  
 Sonia Dasent –Secretary III

**Generation:**

Martin Malone –Junior Mechanic  
 Nestor Ramirez –Junior Mechanic

**Administration:**

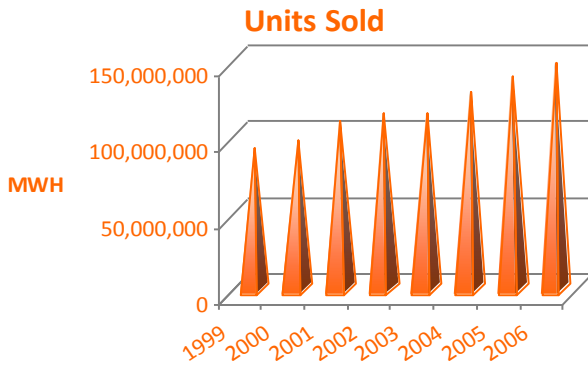
Relton Bryan –Labourer II



Senior Linesman—Mr. J. Safis

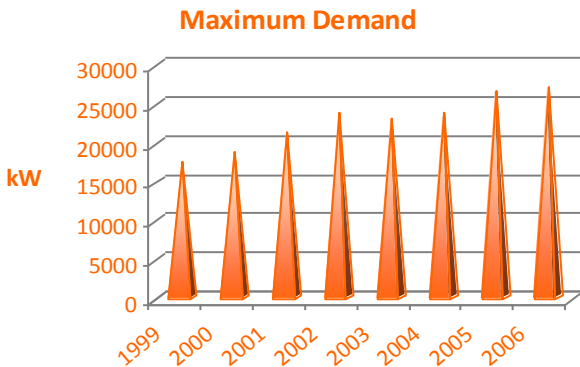


## Summary of Statistics



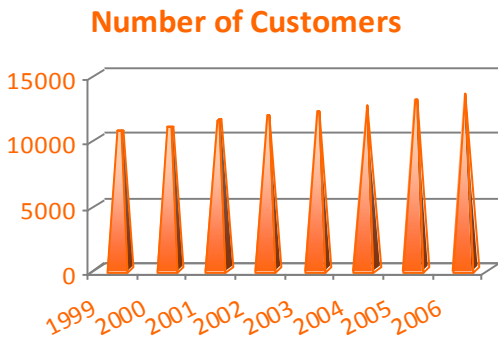
### UNITS SOLD

Units sold increased from approximately 140.3 million units in 2005 to 148.1 million units in 2006, an increase of 7.93%.



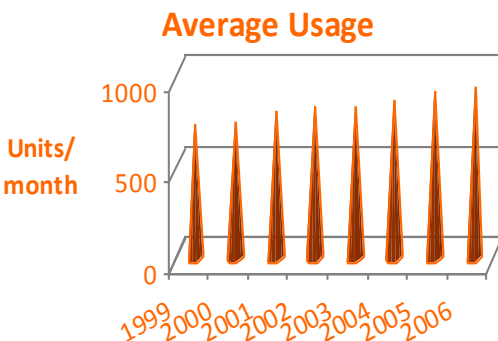
### MAXIMUM DEMAND

The maximum demand experienced during 2006 increased to 27,240KW, 1.83% over 2005's maximum demand of 26,750KW.



### CUSTOMERS

At the end of 2006 there were 13,438 domestic, 1,821 commercial, 36 industrial and 1 streetlighting customer on the system. The total number of customers rose from 13,068 in 2005 to 13,438 in 2006, an increase of 2.83%. Domestic and commercial customers were responsible for the increase in the total number of new customers.



### AVERAGE USAGE

The average usage per customer per month increased from 908 units in 2005 to 930 units in 2006, an increase of 2.42%.

### ANNUAL LOAD FACTOR

The annual load factor for 2006 of 64.67%, was slightly lower than the 2005's load factor of 64.80%.



## Statistics

### Street Lighting

There were approximately 2779 streetlights on the system at the end of 2006. There were 1166 mercury, 1566 sodium, 45 Urbis and 2 tungsten.

Island	Type of Fixture	Quantity	Wattage
Tortola	Mercury	954	166,950
	Sodium	1,248	187,200
	Urbis	44	3,080
	Tungsten	2	200
	<b>Total</b>	<b>2,248</b>	<b>357,430</b>
Virgin Gorda	Mercury	111	19,425
	Sodium	205	30,750
	<b>Total</b>	<b>316</b>	<b>50,175</b>
Jost Van Dyke	Mercury	16	2,800
	Sodium	88	13,200
	Urbis	1	70
	<b>Total</b>	<b>105</b>	<b>16,070</b>
Anegada	Mercury	85	14,875
	Sodium	25	3,750
	<b>Total</b>	<b>110</b>	<b>18,625</b>
<b>Grand Total</b>		<b>2,779</b>	<b>442,300</b>

### Long Bush and Pockwood Pond Pond

GENERATION		2006	2005
Installed Generating Capacity	KW	44,450	44,450
Generating Voltage LBPS	KV	13.2	13.2
Generating Voltage PPS	KV	3.3/6.6/13.2	3.3/6.6/13.2
Transmission Voltage	KV	13.2/34.5	13.2/34.5
System Maximum Demand	KW	27,240	26,750
Units Generated	KWH	166,165,654	158,302,730
Annual Load Factor	%	64.67	64.80
Units sent out	KWH	152,873,361	145,405,965
Fuel (used)	US Gals.	11,345,360	10,686,647
Total cost of Fuel	US\$	23,087,825.49	19,742,752.47
Average Cost of Fuel (US Gal.)	Cents	2.035	1.847
Fuel Required to Generate 1 Unit	US Gals.	0.0683	0.0675

## Statistics

TRANSMISSION & DISTRIBUTION NETWORK		2006	2005
34.5 KV Underground Cable	Miles	10.67	10.67
13.2 KV Overhead Lines	Miles	169.79	162.84
13.2 KV Underground Cable	Miles	41.43	40.01
13.2 KV Submarine Cable	Miles	32.00	32.00
34.5 KV Overhead Cable (Double Circuit)	Miles	2.28	2.28
34.5 KV Submarine Cable (Double Circuit)	Miles	19.88	19.88
LV Overhead Lines	Miles	209.16	206.08
LV Underground Cables	Miles	58.77	55.97
No. of Transformers	No.	1810	1754
Total Transformer Capacity	KVA	102,185.50	98,776.50
Average Size of Transformers	KVA	56.46	56.31
CUSTOMERS & SALES		<u>2006</u>	<u>2005</u>
Customers at 31st December	No.	13,438	13,068
Units Sold	KWH	148,093,666	140,315,053
Average units / customers / month	KWH	930	908
Total Revenue	\$	48,622,514.79	39,527,881.02
Revenue / Unit Metered	\$/KWH	0.3283	0.2817
Total Operating Expenditure	US\$	41,540,083.69	34,860,216.10
Cost / Unit Metered	US\$/KWH	0.2805	0.2484
Estimated Population of Territory	No.	23,098	22,000



BVIEC families enjoy a day together at the beach



## *Statistics*

### **ANEGADA**

<b>GENERATION</b>		<b>2007</b>	<b>2006</b>
Installed Capacity	KW	1680	1,680
Generating Voltage	KV	0.48	0.48
Transmission Voltage	KV	13.2	13.2
Maximum Demand	KW	235	285
Total Units Generated	KWH	529,094	1,397,648
Fuel (used)	US Gals.	124,762	138,843
Total cost of Fuel	US\$	325,115	337,517
Average Cost of Fuel (US Gal.)	\$/US Gal.	2.6059	2.4309
Fuel Required to Generate 1 Unit	US Gals.	0.2358	0.0993
<b>TRANSMISSION &amp; DISTRIBUTION NETWORK</b>		<b>2007</b>	<b>2006</b>
13.2 KV Overhead Lines	Miles	<b>15.88</b>	15.88
13.2 KV Underground Cable	Miles	<b>0.09</b>	0.09
LV Overhead Lines	Miles	<b>9.011</b>	8.92
LV Underground Cables	Miles	<b>0.537</b>	0.52
No. of Transformers	No.	<b>60</b>	60
Total Transformer Capacity	KVA	<b>1,995.5</b>	1,995.5
Average Size of Transformers	KVA	<b>33.26</b>	33.26
<b>CUSTOMERS &amp; SALES</b>		<b>2007</b>	<b>2006</b>
Customers at 31st December	No.	<b>163</b>	166
Units Sold	KWH	<b>1,102,931</b>	1,005,732
Average units / customers / month	KWH	<b>563.87</b>	518.15
Total Revenue	\$	<b>344,864.90</b>	326,817.10
Revenue / Unit Metered	\$/KWH	<b>0.3127</b>	0.3250
Total Operating Expenditure	US\$	<b>287,649.02</b>	478,057.20
Cost / Unit Metered	US\$/KWH	<b>0.2608</b>	0.4753
Estimated Population of Territory	No.	<b>N/A</b>	192
Units/head of population / month	KWH	<b>N/A</b>	436.516
Streetlights - a) No.		<b>110</b>	110
b) Wattage	W	<b>17250</b>	17250

# Chief Auditor's Report



## GOVERNMENT OF THE VIRGIN ISLANDS OFFICE OF THE AUDITOR GENERAL

PO Box 174, Road Town, Tortola, Virgin Islands  
Telephone: (284) 468-4144, Facsimile: (284) 468-4148

### Audit Certificate

I hereby certify that, in accordance with Section 21(3) of the British Virgin Islands Electricity Corporation Ordinance, CAP. 277, the accounts of the Corporation for the year ended 31 December 2006 as attached hereto have been examined.

The audit examination was carried out on my behalf by the firm of certified accountants, BDO Binder Limited, as provided for under Section 21(b) of the Audit Act 2003. The audit was conducted in accordance with International Standards on Auditing, which require that the audit be planned and performed to obtain reasonable assurance that the financial statements are free from material misstatements. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of judgments made by management in the preparation of financial statements.

I have received all the information and explanations which to the best of my knowledge and belief were necessary, and the Corporation has complied with all the financial provision of the British Virgin Islands Electricity Corporation Ordinance, with which it is the duty of the Corporation to comply including the maintenance of proper accounting and related records.

Based on the report submitted by the firm of chartered accountants, in my opinion the financial statements present fairly in all material respects the financial position of the British Virgin Islands Electricity Corporation as at 31 December 2006 and the results of its operations for the year then ended in conformity with International Accounting Standards applied on the basis consistent with the preceding year.

Sonia M. Webster (Ms)  
Auditor General

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“TOWARDS GREATER ACCOUNTABILITY”

# Auditor's Report



**BDO Binder**  
Accountants and Consultants

Sea Meadow House  
Tobacco Wharf  
P.O. Box 34  
Road Town, Tortola  
British Virgin Islands  
Telephone: (284) 494-3783  
Telefax: (284) 494-2220  
email: mail@bdobvi.com

## Independent Auditor's Report

To the Shareholder of  
British Virgin Islands Electricity Corporation  
Tortola, British Virgin Islands

We have audited the accompanying financial statements of British Virgin Islands Electricity Corporation which comprise of the balance sheet as at December 31, 2006, and the statements of income and retained earnings and cash flows for the year then ended, and the related notes, as set out on pages 3 to 17.

### *Management's Responsibility*

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Company for the year ended December 31, 2005, were audited by another auditor whose report dated November 9, 2006, expressed a qualified opinion on those statements. As described in Note 16, the Corporation has included an impairment loss of US\$7,694,207 for the engine numbers 5 and 6 in the 2005 financial statements that, in the previous auditor's opinion, should not be recognized until 2006 in order to conform with International Accounting Standard 36 *Impairment of Assets*. We have conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement, whether due to fraud or error.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditor considers internal controls relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on the financial statements.

### *Opinion*

In our opinion, the financial statements on pages 3 to 17 give a true and fair view of the financial position of British Virgin Islands Electricity Corporation as of December 31, 2006 and of its financial performance for the year then ended in accordance with International Financial Reporting Standards.

Tortola, British Virgin Islands  
June 18<sup>th</sup>, 2007

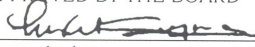
# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION


### Balance Sheet At December 31, 2006 Expressed in U.S. Dollars

	<u>Notes</u>	<u>2006</u>	<u>As restated (see Note 2) 2005</u>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		11,324,492	5,981,808
Receivables	3	6,365,040	9,352,449
Inventories	4	<u>7,437,386</u>	<u>5,438,560</u>
Total current assets		<u>25,126,918</u>	<u>20,772,817</u>
<b>Non-current assets</b>			
Construction in progress	5	1,979,466	3,534,254
Fixed assets	6	<u>54,971,254</u>	<u>42,113,874</u>
Total non-current assets		<u>56,950,720</u>	<u>45,648,128</u>
<b>TOTAL ASSETS</b>		US\$ <u>82,077,638</u>	US\$ <u>66,420,945</u>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>			
<b>Current liabilities</b>			
Bank overdraft		1,957,286	1,723,630
Payables	7	5,204,942	4,289,117
Customer deposits		1,265,157	935,412
Term loans payable within one year	8	<u>3,005,630</u>	<u>4,506,017</u>
Total current liabilities		<u>11,433,015</u>	<u>11,454,176</u>
<b>Non-current liabilities</b>			
Term loans payable outside one year	8	26,067,464	14,960,296
Pension fund liability	9	1,903,742	1,606,698
Deferred capital receipts	10	<u>6,058,839</u>	<u>5,994,662</u>
Total non-current liabilities		<u>34,030,045</u>	<u>22,561,656</u>
<b>Total liabilities</b>		<u>45,463,060</u>	<u>34,015,832</u>
<b>Shareholder's equity</b>			
Share capital	11	7,052,465	7,052,465
Contributed surplus	11	5,301,763	5,301,763
Retained earnings		<u>24,260,350</u>	<u>20,050,885</u>
Total shareholder's equity		<u>36,614,578</u>	<u>32,405,113</u>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>		US\$ <u>82,077,638</u>	US\$ <u>66,420,945</u>

APPROVED BY THE BOARD

 Director  
Fredrick Creque

December 10, 2007 Date approved

 Director  
Leroy A. E. Abraham

December 10, 2007 Date approved

The accompanying notes form an integral part of these financial statements



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Statement of Income and Retained Earnings For the year ended December 31, 2006

Expressed in U.S. Dollars

	<u>Notes</u>	<u>2006</u>	<u>As restated (see Note 2) 2005</u>
<b>INCOME</b>			
Sale of electricity		44,856,919	39,780,634
Sale of water		588,810	460,363
Other income		<u>262,613</u>	<u>117,321</u>
		<u>45,708,342</u>	<u>40,358,318</u>
<b>EXPENSES</b>			
Generation		30,336,286	25,469,027
Distribution		2,805,818	2,328,697
General and administrative		2,111,226	1,690,931
Accounts		1,089,548	991,252
Customer services and meter reading		644,992	586,324
Desalination		310,734	281,834
Vehicle		139,101	164,440
Computing		303,613	267,004
Depreciation	6	4,308,542	4,687,364
Release of deferred capital receipts	10	<u>( 712,602)</u>	<u>( 704,055)</u>
		<u>41,337,258</u>	<u>35,762,818</u>
<b>OPERATING PROFIT</b>		4,371,084	4,595,500
Interest expense		( 294,328)	( 1,533,534)
Interest income		118,804	70,741
Foreign exchange gain		13,905	9,590
Net impairment loss	16	<u>-</u>	<u>( 8,732,503)</u>
<b>NET PROFIT (LOSS) FOR THE YEAR</b>		4,209,465	( 5,590,206)
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>		<u>20,050,885</u>	<u>25,641,091</u>
<b>RETAINED EARNINGS, END OF YEAR</b>		US\$ <u>24,260,350</u>	US\$ <u>20,050,885</u>

The Corporation has no recognised gains or losses in the year other than those passing through the statement of income and retained earnings presented above.

The accompanying notes form an integral part of these financial statements



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Statement of Cash Flows For the year ended December 31, 2006 Expressed in U.S. Dollars

	<u>2006</u>	<u>As restated (see Note 2) 2005</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit (loss) for the year	4,209,465	( 5,590,206)
Adjustments for:		
Depreciation	4,308,542	4,687,364
Impairment loss	-	11,691,540
Interest expense	294,328	1,533,534
Interest and other income	( 118,804)	( 70,741)
Foreign exchange gain (loss)	<u>( 13,906)</u>	<u>73,249</u>
Operating profit before working capital changes	8,679,625	12,324,740
Decrease (increase) in trade and other receivables	2,987,409	( 3,320,559)
Increase in inventories	(1,998,826)	( 80,068)
Increase (decrease) in trade and other payables	915,825	( 1,444,378)
Increase (decrease) in pension fund liability	297,044	( 52,306)
Increase in deferred capital receipts	64,177	277,325
Increase in customer deposits	<u>329,745</u>	<u>54,242</u>
<i>Net cash flows from operating activities</i>	<u>11,274,999</u>	<u>7,758,996</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(17,165,922)	( 236,895)
Phase IV development costs	1,554,788	(3,229,552)
Interest received	<u>118,804</u>	<u>70,741</u>
<i>Net cash flows used in investing activities</i>	<u>(15,492,330)</u>	<u>(4,575,415)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of loans	( 4,506,305)	(16,709,792)
Acquisition of loans	14,095,191	15,912,809
Interest paid	<u>( 294,328)</u>	<u>( 2,041,309)</u>
<i>Net cash flows from (used in) financing activities</i>	<u>9,294,558</u>	<u>( 2,838,292)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	5,077,227	345,289
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	4,258,178	3,976,548
Effect of exchange rate fluctuations on cash and cash equivalents	<u>31,801</u>	<u>( 63,659)</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	US\$ <u>9,367,206</u>	US\$ <u>4,258,178</u>
<b>Cash and cash equivalents comprise the following items:</b>		
Bank and cash balances	8,055,097	4,056,812
Money market deposits	3,269,395	1,924,996
Overdraft	<u>( 1,957,286)</u>	<u>( 1,723,630)</u>
<b>Total</b>	US\$ <u>9,367,206</u>	US\$ <u>4,258,178</u>

The accompanying notes form an integral part of these financial statements



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

Expressed in U.S. Dollars

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#### 1. GENERAL INFORMATION

British Virgin Islands Electricity Corporation (the "Corporation") is a body corporate established in the British Virgin Islands under the British Virgin Islands Electricity Corporation Act, 1978 (the "Act") and is wholly owned by the Government of the British Virgin Islands (the "Government"). The principal activities of the Corporation are the generation, transmission, supply, distribution and sale of electricity within the British Virgin Islands. The financial records and statements are maintained and presented in U.S. Dollars.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the Corporation's financial statements are set out below.

##### (a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards, which comprise standards issued or adopted by the International Accounting Standards Board and interpretations issued by its Standing Interpretations Committee. They have been prepared under the historical costs convention and are expressed in U.S. dollars.

##### (b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### (c) Revenue and expenditure recognition

Revenue derived from the sale of electricity is recognised based on meter readings billed to customers on a monthly basis. In addition, the Corporation takes into account an estimated amount, which represents consumption for the days unread at the end of the year.

Interest and other income is recognised as it accrues. Expenses are recorded on the accrual basis as charged.

##### (d) Borrowing costs and change in accounting policy

Borrowing costs are capitalized if they are directly attributable to the acquisition or construction of a qualifying asset. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalised until the assets are substantially ready for their intended use. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded. Borrowing costs not directly attributable to the acquisition or construction of a qualifying asset are expensed when incurred.

Previously, borrowing costs were recognized as an expense in the period in which they were incurred. However, in 2006, the Corporation changed the accounting policy on borrowing cost to be capitalized. The effect of the change was reflected retroactively in prior year financial statements. The restatement of the financial statements resulted in a increase in net assets of US\$304,702 and an increase in retained earnings of US\$304,702.



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

Expressed in U.S. Dollars

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#### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (e) Inventories

Inventories are carried at the lower of cost and net realizable value. As items of inventory are used by the Corporation, they are transferred to fixed assets or expensed as repairs and maintenance, as appropriate.

##### (f) Fixed assets

Fixed assets are stated at cost and are depreciated using the straight-line method over their estimated useful lives. The cost of assets constructed by the Corporation includes the cost of materials and direct labour.

The rates of depreciation in use are based on the following estimated useful lives:

Freehold buildings	20-40	years
Generating plant and equipment	8-25	years
Distribution and transmission equipment	5-25	years
Motor vehicles	4	years
Computer and other equipment	5	years
Furniture and fittings	8	years

Freehold land is not depreciated where the cost is distinguishable from the cost of buildings.

Construction in progress and equipment under installation are stated at cost including cost of construction, equipment, and other direct costs. Borrowing costs that are directly attributable to the construction of property and equipment are capitalized during the construction period. Construction in progress and equipment under installation are not depreciated until such time as the relevant assets are completed and put into operational use.

##### (g) Impairment losses

The carrying amounts of the Corporation's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated at each balance sheet date. An impairment loss is recognised when the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of income and retained earnings.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the write-down, the write down is reversed through the statement of income and retained earnings.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

##### (h) Deferred capital receipts

Customer contributions towards distribution and transmission equipment are taken to deferred capital receipts on the transaction date and are credited to the statement of income and retained earnings on a systematic basis over the respective useful life of the assets.



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

*Expressed in U.S. Dollars*

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#### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**(i) Foreign currency transactions**

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Assets and liabilities are translated at the exchange rate in effect at the balance sheet date.

**(j) Trade and other receivables and payables**

Trade accounts receivable are recorded at invoiced amounts based on meter readings reduced by appropriate allowances for estimated irrecoverable amounts. The allowance for doubtful accounts is the Corporation's best estimate of the amount of probable credit losses in the Corporation's existing receivables balance. The Corporation determines the allowance based on historical write-off experience.

**(k) Cash and cash equivalents**

Cash and cash equivalents represent cash on hand, balances with banks, net of any overdrafts, and other highly liquid financial instruments with original maturities of three months or less from the date of acquisition.

**(l) Retirement benefit costs**

Retirement benefits cost is actuarially computed using the accrued benefit actuarial cost method (projected unit credit cost). This method reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries. Retirement benefits cost includes current service cost plus amortization of past service cost, experience adjustments and changes in actuarial assumptions over the average of the expected remaining working lives of covered employees.

**(m) Provisions**

Provisions are recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

**(n) Contingencies**

Contingent liabilities are not recognized in the Corporation's financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the Corporation's financial statements but are disclosed when an inflow of economic benefits is probable.

# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

Expressed in U.S. Dollars

#### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (o) Subsequent events

Post balance sheet events that provide additional information about the Corporation's position at balance sheet date, if any, are reflected in the Corporation's financial statements. However, post balance sheet events that are not adjusting events are disclosed in the notes to the financial statements when material.

#### 3. RECEIVABLES

	<u>2006</u>	<u>2005</u>
Accounts receivable, trade	6,127,185	7,427,910
Prepayments	234,595	404,765
Other receivables	<u>210,137</u>	<u>1,708,152</u>
	6,571,917	9,540,827
Provision for doubtful debts	<u>( 206,877)</u>	<u>( 188,378)</u>
	US\$ <u>6,365,040</u>	US\$ <u>9,352,449</u>

#### 4. INVENTORIES

	<u>2006</u>	<u>2005</u>
Generating plant and equipment parts	4,456,686	3,132,147
Distribution and transmission parts	1,266,352	1,150,458
Diesel fuel	923,611	693,214
Vehicle parts	54,992	29,881
Other spare parts and supplies	23,883	19,952
Goods in transit	<u>1,006,599</u>	<u>656,544</u>
	7,732,123	5,682,196
Provision for obsolete inventory	<u>( 294,737)</u>	<u>( 243,636)</u>
	US\$ <u>7,437,386</u>	US\$ <u>5,438,560</u>

#### 5. CONSTRUCTION IN PROGRESS

Construction in progress at December 31, 2006 amounting to US\$1,979,466 (2005: US\$3,534,254) is related to expenditures to acquire the engines and installation works for Phase IV development program. This amount includes borrowing costs incurred in connection with the construction of Engines 5 and 6. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization was 5.5% fixed interest rate per annum (see Note 8). The expected cost to completion of this development phase is US\$8,723,444, excluding future borrowing costs.

In September 2006, the construction of Engine 7 and 8 related to Phase IV development project has been completed. The total cost incurred of US\$14,516,634 has been included in fixed assets as part of generating plant and equipment (see Note 6). During the year, capitalized borrowing costs related to Phase IV project amounted to US\$1,174,590 (2005 (restated): US\$304,702).

As detailed in note 11, during the year ended December 31, 2006, the Government of the British Virgin Islands pledged US\$4,000,000 to aide with the cost of replacing engines 5 and 6, which are still under construction.

# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements

For the year ended December 31, 2006

Expressed in U.S. Dollars

6. FIXED ASSETS	Land & Buildings	Generating Plant & Equipment	Distribution & Transmission Equipment	Motor Vehicles	Computer & Other Equipment	Furniture & Fittings	Total
<b>Cost</b>							
At 1 January 2006	16,800,380	34,495,137	40,811,477	1,237,018	1,061,055	455,532	94,860,599
Additions	166,097	16,146,215	747,349	52,222	29,297	24,742	17,165,922
Disposals	-	-	-	( 24,350)	-	-	( 24,350)
At 31 December 2006	16,966,477	50,641,352	41,558,826	1,264,890	1,090,352	480,274	112,002,171
<b>Accumulated depreciation</b>							
At 1 January 2006	5,202,881	24,624,246	20,473,213	1,079,373	944,236	422,776	52,746,725
Charge for the year	383,017	1,891,498	1,859,854	116,558	47,643	9,972	4,308,542
Disposals	-	-	-	( 24,350)	-	-	( 24,350)
At 31 December 2006	5,585,898	26,515,744	22,333,067	1,171,581	991,879	432,748	57,030,917
<b>Net book value</b>							
At 31 December 2006	US\$ 11,380,579	US\$ 24,125,608	US\$ 19,225,759	US\$ 93,309	US\$ 98,473	US\$ 47,526	US\$ 54,971,254
At 31 December 2005	US\$ 11,597,499	US\$ 9,870,891	US\$ 20,338,264	US\$ 157,645	US\$ 116,819	US\$ 32,756	US\$ 42,113,874



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

Expressed in U.S. Dollars

#### 7. PAYABLES

	<u>2006</u>	<u>2005</u>
Accounts payable	4,709,179	3,525,897
Accrued expenses	495,763	474,409
Contractual liability withheld (see note 16)	<u>-</u>	<u>288,811</u>
	US\$ <u>5,204,942</u>	US\$ <u>4,289,117</u>

#### 8. TERM LOANS

	<u>2006</u>	<u>2005</u>
<b>Caribbean Development Bank</b>		
A total of \$2,889,550 was borrowed in four separate loans, one in Euro, one in British Pounds and two in US Dollars. The loans are repayable in 60 quarterly installments of \$48,380 which commenced June 1994 and bear interest on the original OCR portion of \$2,157,580 at a variable rate of 6.25% p.a. at December, 31 2006 (2005: 6.00% p.a) and on the original SFR portion of \$731,970 at an effective fixed rate of 6.0% p.a.	439,482	614,026
<b>British Virgin Islands Social Security Board</b>		
\$4,700,000 of an available loan of \$6,500,000 was borrowed for the building of a new power station in 1994. The loan is repayable in 30 semi-annual installments which commenced April 1994 and bears interest at a fixed rate of 8.0% p.a.	626,667	940,000
\$10,000,000 was borrowed in connection with the Phase II Development Programme. The loan is repayable in 20 semi-annual installments which commenced February 1997 and bears interest at a fixed rate of 6.5% p.a.	-	1,000,000
<b>British Virgin Islands Electricity Corporation Pension Fund</b>		
\$1,000,000 was borrowed in connection with the Phase II Development Programme. The loan is repayable in 20 semi-annual installments which commenced February 1997 and bears interest at fixed rate of 7.0% p.a.	50,000	150,000
<b>Banco Popular de Puerto Rico</b>		
\$9,000,000 was borrowed in connection with the Phase II Development Programme. The loan is repayable in 20 semi-annual installments of \$450,000 plus interest, with final payment due on May 31, 2007 and bears interest at a fixed rate of 7.0%p.a.	<u>449,612</u>	<u>1,349,612</u>
Balance carried forward	1,565,761	4,053,638



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

Expressed in U.S. Dollars

#### 8. TERM LOANS (Continued)

	<u>2006</u>	<u>2005</u>
Balance brought forward	1,565,761	4,053,638
<b>Banco Popular (Continued)</b> \$30,008,000 (2005: US\$ 15,912,809) was borrowed in connection with the Phase IV Development Programme. The loan is repayable in 60 quarterly installments of US\$500,133 which commenced December 31, 2005 and bears interest at a fixed rate of 5.5%p.a.	<u>27,507,333</u>	<u>15,412,675</u>
Less: repayable within one year	29,073,094 ( 3,005,630)	19,466,313 ( 4,506,017)
Repayable outside of one year	US\$ <u>26,067,464</u>	US\$ <u>14,960,296</u>

All of the above loans are guaranteed by the Government of the British Virgin Islands. The Banco Popular de Puerto Rico loan is additionally secured by a pledge of the Corporation's revenues.

#### 9. PENSION FUND LIABILITY

The Corporation has established a defined benefit plan which is fully funded. The assets of the plan are held independently of the Corporation's assets. The plan is valued by independent actuaries with the most recent valuation being carried out on July 23, 2007.

	<u>2006</u>	<u>2005</u>
Present value of funded obligations	14,488,151	12,418,545
Fair value of plan assets	( 8,958,008)	( 8,027,052)
Unrecognised loss	( 3,626,401)	( 2,784,795)
Liability in the balance sheet	US\$ <u>1,903,742</u>	US\$ <u>1,606,698</u>

The amount recognised in the statement of income and retained earnings as pension expense is as follows:

Current service cost	705,956	591,208
Interest cost	735,707	596,506
Amortised net loss	104,962	-
Expected return on plan assets	( 493,955)	( 515,787)
	US\$ <u>1,052,670</u>	US\$ <u>671,927</u>

The movement in the liability recognised in the balance sheet is as follows:

	<u>2006</u>	<u>2005</u>
Opening net liability	1,606,698	1,659,004
Net periodic pension cost	1,052,670	671,926
Contributions	( 755,626)	( 724,232)
	US\$ <u>1,903,742</u>	US\$ <u>1,606,698</u>





# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

Expressed in U.S. Dollars

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#### 9. PENSION FUND LIABILITY (Continued)

The principal actuarial assumptions used in calculating the pension fund liability are:

Discount rate	6%	6%
Expected rate of return on plan assets	7.5%	6%
Rate of compensation increase	4%	4%

#### 10. DEFERRED CAPITAL RECEIPTS

	<u>2006</u>	<u>2005</u>
Balance at 1 January	5,994,662	5,717,337
Customer contributions for the year	776,778	981,380
Released to the statement of income and retained earnings	( 712,601)	( 704,055)
Balance at 31 December	US\$ <u>6,058,839</u>	US\$ <u>5,994,662</u>

#### 11. SHARE CAPITAL

	<u>2006</u>	<u>2005</u>
Issue and fully paid: 7,052,465 shares of \$1.00 par value each	US\$ <u>7,052,465</u>	US\$ <u>7,052,465</u>

The Corporation has unlimited authorized share capital.

All shares in the Corporation are owned by the Government of the British Virgin Islands.

A Board of Directors has been appointed. The Chairman has a casting, as well as deliberative vote; however, the decision of the majority of the directors present and voting at any meeting of the Corporation is deemed to be the decision of the Corporation.

Contributed surplus represents amounts contributed by the Government of the British Virgin Islands in addition to its subscription to the issued share capital.

During 2005, \$5,000,000 of debt outstanding to the Government of the British Virgin Islands was converted into additional equity interest in the Corporation.

On March 16, 2006, the Government pledged to assist the Corporation with an amount totaling US\$4,000,000 as additional contributed surplus for use in offsetting the cost of replacing the Engines 5 and 6. As at December 31, 2006, none of this pledge had been received as the construction and installation of these engines was not yet complete (see Note 5). The government contribution was received, in full, in June 2007.



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

Expressed in U.S. Dollars

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#### 12. RELATED PARTY TRANSACTIONS

##### Sale of electricity

The Corporation earned US\$6,083,044 (2005: US\$5,501,988) in revenue from the Government of the British Virgin Islands, for the provision of products and services, of which US\$391,470 (2005: US\$1,704,286) was outstanding at the year end.

##### Loans payable

As at December 31, 2004, the Corporation owed US\$5,000,000 to the Government of the British Virgin Islands as part of a long-term loan. During the year ended December 31, 2005, a resolution was passed to convert to equity the aforementioned loan.

##### General and administrative expenses

Director's fees and expenses during the year amounted to US 44,979 (2005: US\$64,351).

#### 13. STAFF COSTS

	<u>2006</u>	<u>2005</u>
Wages and salaries	5,103,954	4,627,534
Social security	155,074	131,124
Pension expense	1,052,670	671,927
Payroll taxes	268,093	205,878
Other employee expenses	<u>367,488</u>	<u>322,546</u>
	US\$ <u>6,947,279</u>	US\$ <u>5,959,009</u>

The average number of full time employees in 2006 was 172 (2005: 171).

During the year ended December 31, 2006, the Corporation paid US\$43,280 for past service costs and US\$705,956 for current service costs to the defined benefit pension plan, which has been included as part of pension expense. Details of the pension plan can be found in note 9.

#### 14. COMMITMENTS

The Corporation signed a contract with Delta Petroleum Caribbean Ltd. ("Delta") for the exclusive supply of refined petroleum products, for the period September 1, 2006 to August 31, 2008. Based on current fuel prices, the contract is valued at approximately \$48,500,000. During the year, US\$5,265,853 was paid to Delta for supplies received. The contract with Shell expired effective August 31, 2006 and was not renewed. A total of US\$19,510,188 was paid under this contract from January 1, 2006 to August 31, 2006.

No Limit Cleaning Services was awarded a janitorial contract for the period 1 May 2006 to 30 April 2007 amounting to \$36,000 per annum, of which US\$ 24,000 had been paid at year-end for services provided.

The Corporation signed contracts with Leonard & Associates Security Services and Top Priority Security Services for the provision of security services for the year 2007. The contract prices were \$65,750 and \$67,200 per annum respectively, none of which had been paid at year-end. No services had been performed on these contracts at the year-end.



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

Expressed in U.S. Dollars

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#### 15. FINANCIAL INSTRUMENTS

Financial instruments carried on the balance sheet include cash and cash equivalents, receivables, payables, customer deposits, term loans, pension fund liability and deferred capital receipts. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

A financial instrument is any contract that gives rise to a financial asset of one enterprise or a financial liability or equity instrument of another enterprise.

Exposure to credit, interest rate, liquidity and foreign currency arise in the ordinary course of the Corporation's business.

##### (a) Credit risk

Credit risk is the risk that a party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial assets which potentially expose the Corporation to credit risk consist of cash and cash equivalents and trade and other receivables.

Money market deposits are allowed that management believes not to offer any significant credit risk. Based on their assessment, management does not expect any counter-parties to fail to meet their obligations.

The Corporation invests available cash with banks with high credit ratings. Credit risk on trade and other receivables is limited, as these are shown net of a provision for doubtful debts. The extent of the Corporation's exposure to credit risk in respect of these financial assets approximates their carrying values as recorded in the Corporation's balance sheet.

##### (b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Corporation has minimal exposure to interest rate risk as its investments are in fixed interest rate money market deposits.

##### (c) Liquidity risk

Liquidity risk also referred to as funding risk, is the risk that the Corporation will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, and the availability of any illiquid assets.

##### (d) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Corporation incurs foreign currency risk on transactions that are denominated in currencies other than the United States Dollar (US\$). The principal currency giving rise to this risk is the Euro (EUR) and British Pound (GBP)

At balance sheet date, the Corporation had net foreign currency exposure as follows:

	<u>EUR</u>	<u>GBP</u>
Cash and cash equivalents	-	218,837
Term loan	<u>( 94,037)</u>	<u>( 60,014)</u>
Total foreign currency exposure	€ <u>( 94,037)</u>	£ <u>158,823</u>



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Notes to and forming part of the Financial Statements For the year ended December 31, 2006

Expressed in U.S. Dollars

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#### 16. IMPAIRMENT LOSS

The Corporation signed a contract with Rolls Royce Power Engineering plc ("Rolls Royce") for the design and construction of major plant and equipment in connection with Phase III of its Development Programme. The final contract price was for an amount of \$ 19,225,413.

The Corporation withheld 10% (\$1,896,405) of the original contract value on the contract with Rolls Royce under Clause 27 due to failure to meet the contract deadline set. The Corporation partially provided for \$1,820,548 in prior years.

As a consequence of the functional problems experienced with operating the Rolls Royce Diesel Engines, the Corporation decided in 2005 to replace all such engines previously acquired, as follows:

- Engine number 7, with a net book value of \$3,997,333, was decommissioned on January 3, 2006 and replaced with a new engine in September 2006. The value in use of this engine was \$nil and no fair value could be reasonably ascertained as there is no active market for such an asset. The resulting impairment loss at December 31, 2005 amounted to \$3,997,333.
- Engine numbers 5 and 6, carrying a net book value of \$3,847,103 and \$3,947,104 respectively, were fully decommissioned in September 2006 and are expected to be replaced within the second quarter of 2007. These engines are not impaired at December 31, 2005 as their value in use in 2006 was greater than their net book values.

A claim was made by the Corporation on March 20, 2006, pursuant to a performance guarantee dated 29 November 1999, which was further extended on December 6, 2005 and March 6, 2006. Standard Chartered Bank plc agreed to guarantee the obligations of Rolls Royce in respect of the contract entered into by Rolls Royce and the Corporation in relation to the Pockwood Pond Power Station. On March 21 2006 the Corporation received \$1,427,300 from Standard Chartered Bank plc in relation to the performance guarantee.

On August 4, 2006 a settlement agreement which was made between the Corporation and Rolls Royce resulted in the Corporation making full and final payment of \$279,995. Associated legal costs incurred amounted to \$8,816.

In 2005, the net impairment loss comprising impairments to engine numbers 5, 6 and 7 at net book value, has been calculated net of rebates from Rolls Royce (in compliance with IAS 16) as follows:

Impairment to engine #7 at net book value	( 3,997,333)
Impairment to engines #5 and 6 at net book value	( 7,694,207)
Impairment loss	(11,691,540)
Performance guarantee	1,427,300
Reversal of prior years' provision	1,820,548
Final settlement inclusive of legal costs	( 288,811)
Net impairment loss	US\$ ( 8,732,503)



# *Auditor's Report*

## **BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION**

### **Notes to and forming part of the Financial Statements For the year ended December 31, 2006**

*Expressed in U.S. Dollars*

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#### **17. CONTINGENCIES**

The Corporation was a party to the following ongoing legal proceedings at December 31, 2006:

- One claim of vicarious liability against the Corporation by the estate of a deceased employee; death occurring during the course of employment. As at year end, damages are yet to be assessed.
- One claim of serious injury of an employee occurring during the course of employment. As at the year end, a formal claim has not been received.
- Two claims of wrongful dismissal. It is likely that these cases will either be settled or dismissed in favour of the Corporation.

#### **18. TAXATION**

In accordance with section 20 of Act, the Corporation is exempt from customs duties, land and house taxes, stamp duties and income taxes.

Effective January 1, 2005, the Government of the British Virgin Islands, by virtue of the introduction of the Payroll Taxes Act, 2004, effectively abolished both personal and corporate income tax in the Territory. Further, beginning January 1, 2005, the Corporation became subject to a payroll tax equating to 6% of all salaries, wages and benefits paid to employees.



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Schedule to the Financial Statements - Expenses For the year ended December 31, 2006

Expressed in U.S. Dollars

	<u>2006</u>	<u>2005</u>
<b>Generation</b>		
Fuel usage	24,432,981	20,066,880
Lubricating oil	238,947	272,074
Materials and maintenance	2,707,133	2,594,087
Wages and salaries	2,041,341	1,846,196
Social security	57,092	50,306
Pension expense	385,713	236,178
Payroll tax	89,027	75,043
Other employee expenses	146,224	128,458
Other generation expenses	<u>237,828</u>	<u>199,805</u>
	US\$ <u>30,336,286</u>	US\$ <u>25,469,027</u>
<b>Distribution</b>		
Materials and maintenance	727,458	380,755
Wages and salaries	1,351,657	1,273,083
Social security	40,188	33,469
Pension expense	286,623	195,282
Payroll tax	83,125	58,990
Other employee expenses	93,305	81,522
Other distribution expenses	<u>223,462</u>	<u>305,596</u>
	US\$ <u>2,805,818</u>	US\$ <u>2,328,697</u>
<b>General and administrative</b>		
Insurance	524,969	648,940
Legal and professional fees	400,639	381,599
Wages and salaries	364,123	199,017
Social security	9,381	5,785
Pension expense	88,917	29,064
Payroll tax	17,523	14,529
Other employee expenses	25,979	17,522
Bank charges and commissions	-	81,932
Other expenses	<u>679,695</u>	<u>312,543</u>
	US\$ <u>2,111,226</u>	US\$ <u>1,690,931</u>
<b>Accounts</b>		
Wages and salaries	650,682	644,749
Social security	22,449	20,298
Pension expense	149,829	100,666
Payroll tax	43,572	24,900
Other employee expenses	48,489	45,111
Other expenses	<u>174,527</u>	<u>155,528</u>
	US\$ <u>1,089,548</u>	US\$ <u>991,252</u>



# Auditor's Report

## BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION

### Schedule to the Financial Statements - Expenses For the year ended December 31, 2006

Expressed in U.S. Dollars

	<u>2006</u>	<u>2005</u>
<b>Generation</b>		
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Pension expense	149,829	100,666
Payroll tax	43,572	24,900
Other employee expenses	48,489	45,111
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**BRITISH VIRGIN ISLANDS ELECTRICITY CORPORATION**

**Schedule to the Financial Statements - Expenses  
For the year ended December 31, 2006**

*Expressed in U.S. Dollars*

	<u>2006</u>	<u>2005</u>
<b>Customer service and meter reading</b>		
Wages and salaries	389,078	354,842
Social security	14,250	11,814
Pension expense	69,312	58,869
Payroll tax	17,390	13,910
Other employee expenses	31,470	29,327
Meter maintenance	61,541	67,549
Other expenses	<u>61,951</u>	<u>50,013</u>
	US\$ <u>644,992</u>	US\$ <u>586,324</u>
<b>Desalination</b>		
Desalination plant	194,193	211,702
Wages and salaries	81,063	47,179
Social security	4,240	1,864
Pension expense	15,652	8,692
Payroll tax	7,376	8,201
Other employee expenses	8,210	4,073
Other expenses	<u>-</u>	<u>123</u>
	US\$ <u>310,734</u>	US\$ <u>281,834</u>
<b>Vehicle</b>		
Wages and salaries	102,848	124,864
Social security	3,720	3,899
Pension expense	16,360	18,167
Payroll tax	4,775	4,375
Other employee expenses	8,227	8,967
Other expenses	<u>3,171</u>	<u>4,168</u>
	US\$ <u>139,101</u>	US\$ <u>164,440</u>
<b>Computing</b>		
Wages and salaries	123,162	137,604
Social security	3,753	3,689
Pension expense	36,876	25,009
Payroll tax	5,305	5,930
Other employee expenses	5,584	7,566
Other computing expenses	<u>128,933</u>	<u>87,206</u>
	US\$ <u>303,613</u>	US\$ <u>267,004</u>



# TABLES

## Generation and Sales Statistics 1999—2006

	2000	2001	2002	2003	2004	2005	2006
<b>Units Generated (MWh)</b>	107,131	122,906.6	139,009	138,895	146,034	158,303	<b>166,166</b>
<b>Annual Increase (%)</b>	3.32	14.73	13.1	-0.08	5.14	8.40	<b>4.97</b>
<b>Units Sent Out (MWh)</b>	103,591	119,947	134,196	131,020	135,462	145,406	<b>152,873</b>
<b>Annual Increase (%)</b>	(0.44)	15.78	12.36	-2.37	3.39	7.34	<b>5.14</b>
<b>Units Sold (MWh)</b>	97,505	110,139.5	115,377.4	120,541	129,447	140,315	<b>148,097</b>
<b>Annual Increase (%)</b>	5.26	6.32	4.76	4.48	7.39	8.40	<b>5.54</b>
<b>Loss % Net Generation</b>	9.134	9.185	9.24	8.00	4.44	5.46	<b>5.29</b>
<b>Max. Demand (KW)</b>	18,910	21,340	23,870	23,080	23,840	26,750	<b>27,240</b>
<b>Annual Increase (%)</b>	8.03	12.85	11.86	-3.31	3.29	12.21	<b>1.83</b>
<b>System Load Factor (%) (generated basis)</b>	64.5	65.57	66.3	68.51	69.74	64.80	<b>64.67</b>
<b>Customers at Year End</b>	10,956	11,446	11,807	12,172	12,610	13,068	<b>13,438</b>
<b>(%) Increase</b>	2.78	4.47	3.15	3.09	3.60	3.63	<b>2.83</b>

## Units Generated at Long Bush and Pockwood Power Stations 1999-2006

Months	2000	2001	2002	2003	2004	2005	2006
<b>January</b>	8,449	9,826	10,639	10,179	11,705	12,004	<b>12,972</b>
<b>February</b>	8,076	8,919	9,478	11,007	11,055	10,929	<b>11,577</b>
<b>March</b>	7,905	10,094	10,796	11,130	11,594	13,342	<b>13,502</b>
<b>April</b>	8,388	9,517	10,376	10,971	12,039	13,287	<b>13,400</b>
<b>May</b>	8,592	10,077	10,200	11,879	12,268	13,405	<b>14,484</b>
<b>June</b>	8,651	10,484	12,642	11,513	12,804	14,262	<b>14,403</b>
<b>July</b>	9,691	10,412	13,376	12,617	13,373	14,418	<b>14,785</b>
<b>August</b>	9,273	10,947	11,588	12,231	12,826	13,575	<b>14,250</b>
<b>September</b>	8,903	9,632	12,331	11,320	11,654	13,315	<b>12,941</b>
<b>October</b>	9,694	11,290	13,103	12,364	12,395	13,091	<b>14,589</b>
<b>November</b>	9,615	10,795	12,917	11,569	11,861	13,444	<b>14,702</b>
<b>December</b>	9,893	10,913	11,561	12,117	12,460	13,230	<b>14,560</b>
<b>Total</b>	107,130	122,906	139,007	138,897	146,034	158,303	<b>166,166</b>



# TABLES

## Generator Sets

Units	Long Bush				Pockwood Pond							
	10	11	14	17	1	2	3	4	5	6	7	8
Installed KVA	2927	3210	2050	2000	3891	3891	6875	6875			6875	6875
Installed KW	2342	2568	1640	1600	3112	3112	5500	5500			5500	5500
Effective KW	2000	2300	1550	700	3100	3100	5500	5500			5500	5500
Engine Mfr.	Ruston	Mirlees	Mirlees	Caterpillar	Mirlees	Mirlees	Wartsilla	Wartsilla			Wartsilla	Wartsilla
Engine Model	12 ATC	K6M K11	ESL12 MK2	3516	KMAJ MK3	KMAJ MK3	9L38	9L38			9L38	9L38
Engine Speed rpm	600	600	900	1800	600	600	600	600			600	600
Alternator	Brush	Brush	Brush	Caterpillar	Brush	Brush	ABB	ABB			ABB	ABB
Generating Voltage	13200	13200	13200	480	3300	3300	6600	6600			6600	6600
Installation year	1981	1983	1988	2000	1990	1990	1995	1995			2006	2006
Commissioned	Dec.	Dec.	May	Feb.	Sep.	Sep.	Nov.	Dec.			Sep.	Aug.
Age in years	24.08	22.08	17.67	6.08	15.34	15.34	10.17	10.08			0.33	.42
Hours run to 12/31/06	121,254	110,546	65,822	12,988	89,303	94,602	79,886	78,266			2,497	2,826

# TABLES

## Vehicle Fleet

Item	Des.	Number	Type	Year	Section	Location
1	CM1163		Chevrolet Colorado Extra Cab Pickup Truck	2006	Distribution	Tortola
2	CM497		Chevrolet Colorado Pickup Truck	2006	Distribution	Tortola
3	CM3880		Chevrolet Envoy	2005	Administration	Tortola
4	CM3577		Chevrolet Colorado Pickup Truck	2004	Distribution	Tortola
5	CM476		Chevrolet Extra Cab Full Size Pickup Truck	2004	Distribution	Tortola
6	CM500		Chevrolet Full Size Pickup Truck	2004	Distribution	Tortola
7	CM483		Chevrolet Full Size Pickup Truck	2004	Distribution	Tortola
8	CM499		Chevrolet Colorado Pickup Truck	2004	Generation	Tortola
9	CM497		Chevrolet S-10 Pickup Truck	2003	Distribution	Tortola
10	CM495		Chevrolet S-10 Pickup Truck	2003	Distribution	Tortola
11	CM487		Chevrolet S-10 Pickup Truck	2003	Distribution	Tortola
12	CM502		Ford Ranger Pickup Truck	2003	Distribution	Virgin Gorda
13	CM486		Chevrolet S-10 Pickup Truck	2003	Generation	Tortola
14	CM480		Chevrolet S-10 Pickup Truck	2003	Meter Reading	Tortola
15	CM3254		Chevrolet S-10 Pickup Truck	2003	Meter Reading	Tortola
16	CM498		Ford Ranger Pickup Truck	2003	Meter Reading	Tortola
17	CM1049		Chevrolet S-10 Pickup Truck	2002	Customer Services	Tortola
18	CM488		Chevrolet S-10 Pickup Truck	2002	Customer Services	Tortola
19	CM496		Chevrolet S-10 Pickup Truck	2002	Customer Services	Tortola
20	CM491		Chevrolet Full Size Pickup Truck	2002	Distribution	Tortola
21	CM484		Ford F450 Dump Truck	2002	Distribution	Tortola
22	CM477		Chevrolet Full Size Pickup Truck	2002	Generation	Tortola
23	CM2879		Chevrolet Pickup 2500HD	2001	Distribution	Tortola
24	CM2245		2000 Suzuki Vitara	2000	Administration	Tortola
25	CM481		Mitsubishi Montero	2000	Distribution	Tortola
26	CM2564		Ford F550 Bucket Truck	2000	Distribution	Tortola
27	CM479		Ford F550 Bucket Truck	2000	Distribution	Tortola
28	CM507		Ford F550 Bucket Truck	2000	Distribution	Tortola
29	CM2595		Chevrolet Pickup Truck	2000	Distribution	Virgin Gorda
30	CM501		Mitsubishi Montero	1999	Administration	Tortola
31	CM478		Chevrolet Pick Up	1999	Distribution	Tortola
32	CM505		Chevrolet Pickup	1999	Distribution	Tortola
33	CM482		Chevrolet S-10 Pickup Truck	1999	Stores and Purchasing	Tortola
34	CM1829		Mazda Pickup Truck	1998	Customer Services	Tortola
35	CM1672		Ford F-150 Full Size Pickup Truck	1997	Distribution	Tortola
36	CM1162		Mitsubishi Montero	1997	Meter Reading	Anegada
37	CM503		Mitsubishi Truck	1995	Distribution	Anegada
38	CM504		Mitsubishi Truck	1995	Distribution	Jost Van Dyke
39	CM2465		Chevrolet Bucket Truck	1994	Distribution	Tortola
40	CM493		Mitsubishi Montero	1993	Distribution	Generation
41	CM492		Mitsubishi Montero	1993	Distribution	Tortola
42	CM494		Mitsubishi Montero	1993	Distribution	Tortola
43	CM489		Chevrolet Full Size Pick-Up	1991	Generation	Tortola
44	CM490		Ford Bucket Truck F350	1990	Distribution	Tortola
45	CM485		Ford Bucket Truck F350	1990	Distribution	Virgin Gorda
46	CM1050		Altec Truck Model D880A-TB	1988	Distribution	Tortola
47	CM508		Ford Bucket Truck F800	1979	Distribution	Tortola



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