

MEDIA RELEASE:MEDIA CONTACT: Charmaine Burgess
Cburgess@rab.bm | 441 474-6017**The Regulatory Authority launches Bermuda's first IRP**

July 25, 2019, Hamilton, Bermuda - The Regulatory Authority, (the "RA") today announced the launch of Bermuda's first Integrated Resource Plan ("IRP"), which outlines the framework for Bermuda's energy requirements over the next 25 years. The IRP will use high levels of renewable energy resources to deliver cost-effective, sustainable and reliable sources of power for the island.

Guided by Bermuda's Energy and Fuel Policy objectives, the RA conducted a 20 month-long process, which included requesting BELCO to submit a proposal to meet the IRP criteria, the analysis of its submission, the receipt and the review of 8 alternative proposals, and feedback regarding those proposals from over 800 people during the public consultation. As a result of the RA's analysis, two distinct options emerged: 1) liquified natural gas as a fuel source with additional renewable energy and 2) no liquified natural gas with very high renewable energy penetration. The RA selected the high renewable option which will yield the **lowest long-term cost for a non-natural gas solution, while exceeding Bermuda's renewable energy policy objective.**

Chairman of the RA, Angela Berry commented: "We know that business as usual is not sustainable. We also know that investing in a natural gas solution would continue our dependency on fossil fuels for up to 50 years and provide fewer diverse investment opportunities. Therefore, the RA is confident that the energy plan will help to stabilize the cost of electricity, provide jobs to construct and support the new renewables infrastructure, increase investment opportunities for local and international investors, reduce our dependency on fossil fuels and place Bermuda significantly ahead of its renewables target."

The RA will move as quickly as possible to implement the IRP. Within the first six years of the plan, the island is slated to add 21 megawatts ("MW") of utility-scale solar photovoltaic, up to 30 MW of distributed generation e.g. residential and small scale solar, 60 MWs of wind power via an offshore wind farm, while specific engines at the Belco plant that are dependent on fossil fuels will be decommissioned. Biomass generation as another source of renewable energy is scheduled for deployment by 2028.

The next steps in the IRP implementation include conducting several pre-feasibility studies to - a) quantify the maximum amount of solar capacity available and future requirements b) undertake an investment grade study regarding the use of wind power and c) determine the feasibility of introducing biomass generation into the energy mix.

Ms. Berry added "It is important to note that the IRP is a living document, and as such, the RA will conduct another IRP within the next three to four years to include the results of the pre-feasibility studies, to identify new changes in technology and gauge public sentiment regarding energy."

For detailed information regarding the IRP, please visit www.rab.bm.