



TCIG FUEL FACTOR RELIEF PROGRAM: UNDERSTANDING YOUR JULY BILL

Frequently Asked Questions

Electricity bills for July are based on three key factors: how the TCIG Fuel Factor Relief Program works, changes in fuel factor rates in July, and individual electricity consumption.



HOW DOES THE TCIG FUEL FACTOR RELIEF PROGRAM WORK?

The TCIG Fuel Factor Relief Program temporarily caps the Fuel Factor Rate at US\$0.22 per kilowatt-hour (kWh) for eligible residential customers. Whenever the actual Fuel Factor Rate exceeds \$0.22 per kWh, the Government pays the difference directly to the utility company on the customer's behalf.

To qualify, residential customers must have a three-month rolling average of less than US\$1,500 based on their previous three months of electricity bills. The program was designed to shield eligible customers from exceptionally high fuel-related costs driven by global fuel prices, which remain beyond the Utility Company's control.

WHY DID SOME BILLS INCREASE DESPITE THE SUBSIDY?

While the Fuel Factor Rate Cap provides meaningful relief, it does not automatically guarantee lower electricity bills. For many customers, the Fuel Factor Rate paid in July even with the rate cap was still slightly higher than the rate paid in June.

- **Providenciales, North Caicos and Middle Caicos** saw Fuel Factor Rates increase from **\$0.2118 per kWh in June** to the capped rate of **\$0.22 per kWh in July**.
- **Grand Turk and Salt Cay** saw rates increase from **\$0.1964 per kWh in June** to **\$0.22 per kWh cap in July**.
- **South Caicos** was the exception, where the Fuel Factor Rate decreased from **\$0.2925 per kWh in June** to the capped rate of **\$0.22 per kWh in July**.

In addition to paying a higher Fuel Factor Rate on some islands, many customers also used more electricity during July, resulting in higher overall bills.

WHAT WOULD CUSTOMERS HAVE PAID WITHOUT THE PROGRAM?

The TCIG Fuel Factor Relief Program significantly reduced the impact of July's record-high fuel factor rates, which are driven by global fuel prices. Without the Government-funded assistance:

- Customers in **Providenciales, North Caicos and Middle Caicos** would have paid a Fuel Factor Rate of **\$0.3017 per kWh**.
- Customers in **Grand Turk and Salt Cay** would have paid **\$0.2636 per kWh**.
- Customers in **South Caicos** would have paid **\$0.2831 per kWh**.

Commercial customers, industrial customers, government accounts, and residential customers who do not meet the eligibility criteria continue to pay the full Fuel Factor Rate and therefore experienced the full impact of July's higher fuel factor rate.

IS THE RELIEF PROGRAM MAKING A DIFFERENCE?

Although customers have seen increases in their power bills, the TCIG Rate Cap still provides important relief. Rather than lowering bills below what customers have typically paid, the cap limits what they are charged for the fuel factor rate.

The Government-funded portion of the Fuel Factor Rate is clearly displayed on eligible residential customers' bills, allowing customers to see the amount being covered on their behalf.

The TCIG Fuel Factor Relief Program protects eligible customers from the full impact of unprecedented global fuel costs. However, because the capped rate of \$0.22 per kWh remains relatively high compared to fuel factor rates experienced

earlier this year and in late 2025 of around \$0.15 per kWh, the subsidy may not always result in lowering the bill the customer pays during the program period from July to October.

WHAT CAN CUSTOMERS EXPECT GOING FORWARD?

Customers who qualify for the relief program are most likely to see lower electricity bills when:

- 1 The Fuel Factor Rate falls below \$0.22 per kWh cap; and
- 2 Their electricity consumption remains the same or decreases.

Customers who are not eligible for the relief and are currently paying the full Fuel Factor Rate would see a reduction in their electricity bill when the actual fuel factor rate falls.

WHY ARE FUEL COSTS SO HIGH?

Fuel Factor Rates are currently at record levels due to ongoing geopolitical events affecting global fuel markets. In July, fuel-related costs increased to the point where the Fuel Factor Rate exceeded the Electric Rate, or base rate, a rare occurrence in the Turks and Caicos Islands.

Pelican Energy TCI advised customers and the public through various channels in May that Fuel Factor Rates were projected to rise above 30 cents per kWh in July, encouraging customers to plan ahead and take energy-saving measures during the warmer summer months, when energy usage is historically higher.

PELICAN ENERGY TCI'S LONG-TERM STRATEGY

At the same time, the company is advancing its long-term strategy of increasing renewable energy generation, particularly solar energy, to reduce reliance on imported fuel and lessen exposure to fluctuations in global fuel prices.

The more energy we generate from renewable sources, the less vulnerable customers will be to global fuel market volatility. Our commitment is to help customers understand their bills, and invest in energy solutions that will provide greater price stability for the Turks and Caicos Islands.

CUSTOMER SUPPORT

Customers with questions about the TCIG Fuel Factor Relief Program or their electricity bills are encouraged to contact Pelican Energy TCI's **Customer Service Team at (649) 946-4316 or email customerservice@pelicanenergytci.com**.

Customers can also review their energy consumption history on their PDF bill or access Pelican Energy TCI's free customer portal to analyze their electricity usage by day, hour, and month.