

**THE FAIR TRADING COMMISSION**

**IN THE MATTER** of the Application by the Barbados Light & Power Company Limited for approval of the Depreciation Policy of the Barbados Light & Power Company Limited.

**SUPPLEMENTAL AFFIDAVIT OF RICAIDO JENNINGS**

**I, RICAIDO JENNINGS**, of Prior Park in the parish of St. James in this island, being duly sworn hereby **MAKE OATH AND SAY AS FOLLOWS**:

1. I am the Director, Finance at The Barbados Light & Power Company Limited (the "Applicant"), a company registered under the Companies Act, Chapter 308 of the Laws of Barbados with its registered office situated at Garrison Hill in the parish of St. Michael. I am a Certified Accountant and a member of the Institute of Chartered Accountants of Barbados. I am duly authorized to depose to the following facts and matters in this Affidavit and the statement of facts herein are within my personal knowledge unless otherwise stated.

2. I am the same Ricaido Jennings who submitted earlier Affidavits for this depreciation proceeding on behalf of Barbados Light & Power Company Limited (“the Applicant”) dated April 24, 2019 and September 26, 2019 respectively.
3. On April 30, 2019, the Applicant submitted, for approval, its Depreciation Study (“Study”) pursuant to Section 16 of the Utilities Regulations Act Cap 282 of the Laws of Barbados.
4. The Study sets out the annual depreciation (capital recovery) rates for the Applicant’s depreciable electric plant as at December 31, 2017 as prepared by Duff & Phelps, consultants for the Applicant.
5. In May 2020, we requested Duff & Phelps to determine the annual depreciation and rates of the depreciable electric property of the Applicant as of December 31, 2019 (“2019 Update”). A true copy of the 2019 Update is annexed hereto marked Exhibit “**RJ1**”. We also requested that this 2019 Update include a scenario of capital recovery of all fossil fueled generation by 2030 (“2030 Scenario”). A copy of the 2030 Scenario is annexed hereto marked Exhibit “**RJ2**”.
6. In order to assist Duff & Phelps with this assignment, the Applicant provided information as requested including accounting data from the Applicant’s plant accounting records.

7. Based on the results of the 2019 Update, the Applicant seeks regulatory approval of the remaining lives and depreciation rates as shown in the 2019 Update, and the unrecovered amounts as reported in the audited financial statements as at December 31, 2019. A true copy of the audited financial statements as at December 31, 2019 is annexed hereto marked Exhibit “**RJ3**”. It is the Applicant’s view that once the depreciation rates as set out in Exhibit **RJ1** are approved as requested, the depreciation policy and amounts used for regulatory purposes and that used for financial reporting purposes will be the same. Accordingly, the Applicant hereby requests that the Fair Trading Commission adopt the updated 2019 depreciation rates which the Applicant uses for financial reporting purposes, and which themselves have been based on depreciation studies prepared by independent consultants retained by the Applicant; and that the Applicant be allowed to continue to calculate its depreciation rates using the remaining life method.
8. The Applicant’s electricity franchise currently expires in February 2028. With the passage of the Electric Light & Power Act in 2015 (“ELPA”), the Applicant has wrote to the Ministry of Energy and Water Resources (“MEWR”) to apply for an extension of its existing franchise (Licence). To date, the Applicant has not been awarded a new or amended Licence in accordance with the ELPA. However, the Applicant believes that following a period of negotiation that it will be awarded such a Licence before the

end of 2020. In the event that any conditions of the new Licence result in a change to our assumptions the Applicant will file an updated study with adjusted depreciation rates to reflect such changes.

**SWORN TO** by  
**RICAI DO JENNINGS**  
at Millennium Heights, St. Thomas  
this 9th day of June 2020

)  
) Ricardo Jennings  
)  
)

Before me:



\_\_\_\_\_  
LISA-ANN FRASER  
ATTORNEY-AT-LAW

**BARBADOS**

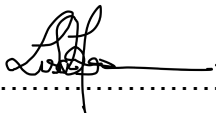
**THE FAIR TRADING COMMISSION**

**IN THE MATTER** of the Application by The Barbados Light & Power Company Limited for approval of the Depreciation Policy of The Barbados Light & Power Company Limited

**EXHIBIT "RJ1"**

This is a copy of the document marked Exhibit "**RJ1**" mentioned and referred to in paragraph 5 in the said Affidavit of Ricaido Jennings.

Before me:



.....  
LISA-ANN FRASER  
ATTORNEY-AT-LAW

**BARBADOS**

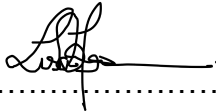
**THE FAIR TRADING COMMISSION**

**IN THE MATTER** of the Application by The Barbados Light & Power Company Limited for approval of the Depreciation Policy of The Barbados Light & Power Company Limited

**EXHIBIT "RJ2"**

This is a copy of the document marked Exhibit "**RJ2**" mentioned and referred to in paragraph 5 in the said Affidavit of Ricaido Jennings.

Before me:



.....  
LISA-ANN FRASER  
ATTORNEY-AT-LAW

**BARBADOS**

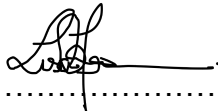
**THE FAIR TRADING COMMISSION**

**IN THE MATTER** of the Application by The Barbados Light & Power Company Limited for approval of the Depreciation Policy of The Barbados Light & Power Company Limited

**EXHIBIT "RJ3"**

This is a copy of the document marked Exhibit "**RJ3**" mentioned and referred to in paragraph 7 in the said Affidavit of Ricaido Jennings.

Before me:



.....  
LISA-ANN FRASER  
ATTORNEY-AT-LAW