GOVERNMENT OF THE VIRGIN ISLANDS

PRESS RELEASE

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GOV'T APPROVES $2.5M ELECTRICITY SUBSIDY THROUGH END OF 2026

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The Government of the Virgin Islands has approved an additional $2.5 million electricity subsidy to provide relief to residents and businesses for the final three months of 2026, as elevated international fuel prices continue to impact the cost of electricity across the Territory.

Minister for Communications and Works, Honourable Kye M. Rymer, announced the additional funding during the September 30 edition of the Government's *Virgin Islands Voice*. Also participating in the programme were Premier and Minister of Finance Honourable Dr. Natalio D. Wheatley, BVI Electricity Corporation General Manager Dr. Neil Smith, and Director of the Water and Sewerage Department Mr. Lyndon Hodge.

Minister Rymer said the funding has received Cabinet approval and is included in a Schedule of Additional Provisions (SAP) to be taken before the House of Assembly. The allocation will support electricity subsidies through the remainder of the year.

"I must say thanks again to the Premier, the Minister of Finance, for making available another $2.5 million for subsidies that will take us to the end of the year," Minister Rymer said.

The latest intervention comes amid continued increases in international fuel prices associated with the ongoing United States-Iran conflict and disruptions affecting global petroleum markets. It also builds on substantial electricity relief already provided by the Government during 2026. Earlier this year, the Government allocated $1 million per month for March, April and May, providing a total of $3 million in subsidies to help offset rising fuel costs. Following the unusually high electricity bills received by customers in August, reflecting July's record fuel costs, the Government again intervened by providing a credit equivalent to $0.069623 per kWh, representing approximately $1 million in additional assistance to customers.

Minister Rymer said the August bills demonstrated the significant impact previous subsidies had been having in shielding consumers from the full cost of electricity.

"When the August bills came out, persons were shocked to see what the actual cost of electricity was," Minister Rymer said, noting that Government subsequently

moved to provide further assistance.

He added that the latest allocation is intended to provide continued relief to consumers during the final quarter of the year.

“We want to make sure that the residents and consumers of these Virgin Islands won’t stress that much about their fuel bills as they did in August,” Minister Rymer said.

BVIEC General Manager Dr. Neil Smith also underscored the impact of the earlier Government intervention, noting that customers became more aware of the value of the subsidy once it was no longer reflected in their bills.

“The intervention that the Government made on the electricity bill during that three-month period made a significant difference,” Dr. Smith said. “It was only when the subsidy was not applied that the customer realised how significant that intervention was.”

Dr. Smith said reducing the amount households spend on electricity also allows residents to retain more disposable income for other essential expenses.

Premier and Minister of Finance Honourable Dr. Natalio D. Wheatley said the Territory remains exposed to global economic conditions that are beyond its control, including the impact of ongoing international conflict on petroleum prices.

“There are certain things that we cannot control, the external environment,” Premier Wheatley said. “There is a conflict taking place in the Middle East. It is happening far away, but it is having an impact all over the world.”

The Premier said Government continues to balance the need to fund public services and infrastructure with the need to provide concessions and direct assistance to help residents manage rising costs.

“Sometimes it doesn’t even seem to the consumer that those things are having an impact because they do not realise that, if not for these concessions, the price would have been sky-high,” Premier Wheatley said.

He added that Government will continue monitoring global fuel prices and their effect on The Virgin Islands while considering measures to help soften the impact on consumers.

“We are hopeful that this subsidy that the Minister just announced would assist persons in having a good fourth quarter of the year and a good Christmas,” Premier Wheatley said.

The Ministry of Communications and Works will continue working with the Ministry of Finance, the BVI Electricity Corporation and other relevant stakeholders to monitor developments affecting electricity costs and support measures aimed at easing the impact of elevated fuel prices on consumers.

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Additional Documents or Media

- press_release_gov't_approves_$2.5m_electricity_subsidy_through_end_of_2026.pdf