

STATEMENT

Tel: (284)468-2730

Official Government Website:

<https://gov.vg>

Statement by the Minister of Communication and Works-August 2026 Electricity Bills — Government Response and Path Forward

Release Date: 25 August, 2026



Good morning, everyone. Thank you for being here.

I want to begin by acknowledging the reality that is facing every household and business in the Virgin Islands right now. When the July electricity bills arrived, the reaction was immediate. I saw it, you saw it, we all did. There was shock, frustration, and genuine anxiety about how to manage these costs. Frankly, the conversation across our Territory became about one thing: those bills.

The concerns raised by the people of this Territory are valid, and this conversation is happening now because we have a responsibility to respond and to explain exactly what is happening and what we are going to do about it. That is why we are here today. You have spoken, and we are listening.

We Heard You and We Are Responding

Let me be direct. Central Government has been actively engaged in urgent discussions with the British Virgin Islands Electricity Corporation (BVIEC) to implement a solution for immediate relief. I can confirm today that the Government will apply a credit to your current electricity bills, the August bills, and we will also be providing a subsidy to the September bills.

Let me explain how this works. The August bills have already been posted and are currently reaching homes and businesses across the Territory. We cannot pull them back at this stage. So instead, we have asked BVIEC to apply a credit directly to your account; effectively allowing you to pay less than what you are invoiced for. That credit will be applied and reflected on your next statement, reducing the amount you actually owe.

The September subsidy will be applied directly to those bills as they are issued.

These measures are targeted directly at easing the financial pressure caused by these extraordinary global circumstances. The details regarding the calculation of the credit and the mechanics of the subsidy will be communicated ahead of September billing.

To give you some context, Government has already been providing significant support. Earlier this year, we introduced a three-month emergency fuel subsidy covering March, April, and May. That was a three million (\$3,000,000) intervention, providing one million (\$1,000,000) a month to absorb some of the fuel surcharge on behalf of customers. That assistance was provided in addition to the subsidy BVIEC already absorbed. When that programme ended, it highlighted just how much protection it had been providing.

Later in this press conference, Dr. Smith will walk you through exactly what that subsidy meant in dollar terms for each customer during those months, the actual benefit that was applied to your bills, so you can see the tangible impact of that Government support.

Understanding the August Bills

Now, I want to address the reason these bills are so high, because there is a lot of misinformation circulating.

Let me be clear. The increase customers are seeing has nothing to do with tariffs, nor is it the result of an increase in BVIEC's base electricity rates.

The bill you received reflects the exceptionally high cost of the fuel used to generate electricity during July 2026. Our Territory relies on imported diesel, and when international markets are disrupted by geopolitical events, those costs eventually reach our shores.

This is not a result of any policy change or inefficiency at BVIEC. To put it plainly, July was the most expensive fuel month in the history of BVIEC. Our General Manager, Dr. Neil Smith, will take you through the specific figures and will also explain how the fuel surcharge is applied to each customer's bill. It is important for you to hear the facts.

A Personal Perspective

I had a conversation recently with a resident, a working professional, who was understandably distraught after seeing their bill. We sat down, and I walked them through the mechanics of the Government's subsidy and the upcoming credit. I broke it down to show them exactly how the support works and how it reduces their financial burden.

After the conversation, they understood that the relief was real. I want to offer the same reassurance to everyone watching today. We will help you through this process as best as possible.

Relief Today and Security Tomorrow

While we must address the immediate crisis, we also have to recognise the bigger picture. We said from the beginning that we would review the subsidy after the three (3) month period ended, because we anticipated that the conflict in the region would have subsided. Unfortunately, that has not happened, and we have had to adapt.

However, repeatedly subsidising imported diesel is not a sustainable solution. The long-term answer is to reduce our dependence on imported fuel, and that is why our renewable-energy transition is critical.

The demand for solar systems under the Solar Technology Energy Programme (STEP) has increased dramatically, but we must be transparent. The pace of installation has not kept up with the demand. We focused on building local talent first, which was the right thing to do, but the need is immediate and urgent.

We have asked the BVIEC, sometime prior to this event, to enhance its efforts to engage installers for STEP from within and beyond our shores and to train local businesses that are interested in this field. You may have seen an Expression of Interest published by them recently in this regard as recently as last week. Our local businesses must be active participants in the growth of this new industry. It is aimed at making our energy costs more affordable. I am aware that BVIEC has already begun progressing with an aggressive and structured programme to install the systems more quickly and facilitate longer term capacity building for our local business and tradesmen. If you want to participate, we want to hear from you.

Let me tell you why an investment in renewable energy is within reach for every household. On average, a well-designed, high-quality grid tied solar installation for a regular residential household costs about ten thousand dollars (\$10,000). Through STEP the Government is paying half of that, five thousand (\$5,000),

upfront, for you, the customer, you are only responsible for repaying the balance of the five thousand (\$5,000).

Here is the best part. You are not paying anything out of your pocket today. That five thousand (\$5,000) will be structured as a loan that you repay through the actual savings generated by your reduced electricity bill. You won't even feel the repayment because it comes from the money you are no longer spending on diesel-generated power. Once that loan is paid off, all of those monthly savings go directly back into your pocket, lowering your bill even further for decades to come.

This is one of the hottest times of the year, and we know the pressure is real. But accelerating STEP is how we protect ourselves from global price shocks and build a more stable future for our electricity system, and realising the vision for renewable energy generation on a large scale is the solution once and for all.

Conclusion

Our approach today is two-pronged. First, immediate relief through credits and subsidies to ease the pain of these unprecedented global fuel prices.

Second, an accelerated investment in solar and renewable energy to ensure we are never this vulnerable to international events again.

These are challenging times, but we are committed to doing what we can to make life a bit easier and to give you a pathway to long-term savings.

With that, I will invite the General Manager of the BVI Electricity Corporation, Dr. Neil Smith, to provide the detailed figures and explain the technical aspects of the fuel surcharge.

Thank you.

For Additional Information Contact:

Paul Bridgewater
Information Officer
Department of Information and Public Relations
Telephone: 468-2747

Email: pbridgewater@gov.vg

Additional Documents or Media

- [statement by the minister of communication and works-august 2026 electricity bills — government response and path forward.pdf](#)