

THIS LICENCE is made the 17th day of December 2003



BETWEEN:

- (a) The Governor in Council of the Cayman Islands of Government Administration Building George Town Grand Cayman, Cayman Islands (hereinafter the "Government") of the **FIRST PART**: and
- (b) Cayman Brac Power and Light Company Limited, a company duly incorporated and registered under the laws of the Cayman Islands (the "Undertakers") of the **SECOND PART**.

WHEREAS:

- (1) By a Licence issued pursuant to the provisions of section 6 of the Electricity Law (Law 17 of 1974) (the "Principal Law") on 18th April 1984 the Undertakers were authorised to generate, transmit, distribute and supply, commercially, electricity for public and private purposes in the entire area of the islands of Cayman Brac and Little Cayman, Cayman Islands, B.W.I.
- (2) The said Licence expired on 6th October 2000.
- (3) By a Licence issued pursuant to the Electricity Law (2000 Revision) on 20th June 2002 the undertakers were authorized to generate, transmit, distribute and supply, commercially, electricity for public and private purposes in the entire area of the islands of Cayman Brac and Little Cayman, B.W.I.

- (4) The said licence was valid from 7th October 2000 and expired on 6th October 2003.
- (5) The Government is prepared to grant a new licence to the Undertakers under the provisions of the Electricity Law (2003 Revision) in the manner and subject to the terms, covenants and conditions hereinafter set forth.

NOW THIS LICENCE WITNESSETH as follows:

- (A) The Government in exercise of all its powers and authorities hereby grants to the Undertakers such licences, powers and authorities as hereinafter appear for the period specified herein all subject to the terms and conditions hereof to generate, transmit, distribute and supply, commercially, electricity in the entire area of the islands of Cayman Brac and Little Cayman, Cayman Islands, B.W.I.
- (B) In consideration of the grant of the rights licences and authorities aforesaid the Undertakers shall pay to the Government a licence fee more particularly described in Clause 11 hereof.
- (C) The licences hereby granted shall commence on the 17th December 2003 and expire on the 16th December 2018.

AND IT IS HEREBY AGREED AND DECLARED as follows:

1. This Licence shall be read and construed subject in all respects to the provisions of the Electricity Law (2003 Revision) and all amendments thereto and all regulations made pursuant thereto.

2. (i) The Undertakers shall have the right to enter and inspect any premises or equipment within the area defined in this Licence where any danger to property or person is apprehended and may disconnect any main supply until satisfied that the danger has been removed.

(ii) Subject to the provisions of the Development and Planning Law (2003 Revision) as amended and any other provisions of any Law from time to time existing where such provisions are applicable, the Undertakers may enter upon any public or private land and there cut traces, install mains, poles, wires or associated equipment and control vegetation by the uprooting, felling or lopping of trees and shrubs;

Provided that

(a) in the case of public land, the consent of the Governor is first obtained in that behalf and the Undertaker complies with such terms and conditions as the Governor sees fit to impose; or

(b) in the case of private land the Undertaker obtains a licence upon such terms as may be mutually agreed from any person whose interest in the said land is thereby affected:

Provided further that where the undertaker and any interested party are unable to reach agreement for the purpose of paragraph (b) above the dispute shall be submitted to arbitration under the Arbitration Law (2001 Revision) and the award of the Arbitrator or Umpire, as the case may be, shall be final and binding upon the parties.

3. Any electric power or control line or associated equipment which may adversely affect the working of any telephone, telegraph, audio and/or visual signal circuits by reason of its close proximity to such circuits shall be of such special construction as the

Government may direct. No work in close proximity to telephone, telegraph, audio and/or visual signal circuits shall be commenced (except in case of emergency) without prior notice in writing addressed to the Superintendent of Work Cayman Brac or other Officer responsible for the maintenance and operation of the said telephone, telegraph, audio and/or visual circuit or circuits. Such notice shall be posted so as to be in the hand of the Superintendent of Works, Cayman Brac (or other officer) at least 24 hours before any work is put in hand.

4. Meters shall be provided by the Undertakers for the purpose of recording the amount of electrical energy supplied to any customer. Any meter so provided under the provisions of this Clause shall be of a type approved by the Governor and shall be maintained by the Undertakers at all times and kept calibrated as to accuracy so as to ensure that, at any load between one tenth and twice the rated full load of the meter, the accuracy of such meter is within the limits of plus or minus 2 per centum. In the event of dispute as to the accuracy of any meter it shall, if required by either party, be tested in such manner as the Governor may specify and if the results of such test reveal that the registration of the meter is not within the limits of accuracy herein specified, adjustment shall be based on the results of the aforesaid test and the costs of the test shall be borne by the Undertakers. In the event of the test proving that the regulation of the meter is within the prescribed limits of accuracy the party requiring the meter to be subjected to test shall bear all costs incidental thereto. The Undertakers shall be permitted to charge a deposit for each electrical point of supply such deposit to be assessed in accordance with Schedule I hereto, and is to be paid by the consumer prior to the supply of electrical power.

- 5.(1) The Governor may at any time appoint one or more qualified persons to act as Government Electrical Inspectors (hereinafter Inspectors) who shall test and inspect the lines, installation works or plant (including wires and apparatus on consumers premises) of any persons or company connected with the generation, transmission and/or use of electrical energy so as to ensure compliance with the terms of this licence, the Principal Law and any Regulations made by virtue of

section 34 of the Principal Law. Such Inspectors shall have power, on reasonable notice served on the Undertakers, to interrupt generation or distribution or both if this should be necessary for the proper performance of their duties.

- (2) The Principal Law and Regulations made thereunder are designed to secure the safety of the public and to ensure a proper and sufficient supply of electrical energy and the provisions of the Regulations are incorporated in this Licence and are referred to as the "Regulations".
- (3) Any tests and inspections ordered to be carried out by the Governor under the terms of the Principal Law or by virtue of Regulations made under Section 34 of that Law, shall be defrayed out of the general revenue of the Cayman Islands unless otherwise provided for. In all other cases the expense of testing by the Inspector and of all work done by the Inspector shall in the first instance be borne by the person or body requiring the test to be made according to a scale of fees to be fixed from time to time by the Governor. Such fees shall be paid to the Treasury and the Treasurer's receipt shall be the inspector's authority to do the work. Those expenses shall be repaid by the Undertakers to the person or body requiring the test to be made unless the Inspector is satisfied that the person or body requiring the test to be made was unreasonable in so doing or was guilty of any neglect or default. Any person or party dissatisfied with the decision of the Inspector may appeal to the Governor whose decision shall be final and conclusive.
- (4) The Governor shall have power to require the Undertakers to do any and everything necessary for the due compliance by them with the provisions of the Electricity Law and the terms of this licence. For that purpose it shall be lawful for the Inspector from time to time and at all reasonable times to visit and inspect the works and buildings and lines of the Undertakers.

- (5) In the event of any difference between the Inspector and the Undertakers as to which no special provision is made, the matter in difference shall be referred to the Governor whose decision shall be final and conclusive.
- (6) Any Inspector appointed under the Regulations may at any reasonable time test the electric lines and instruments of the Undertakers and in case the same are not in order, he may require the Undertakers forthwith to have the same put in order.
- (7) The Undertakers may if they think fit on each occasion of the testing or inspection of any main or service line or the testing or inspection of any instrument of the Undertakers, by an Inspector, be represented by some officer or other agent but such officer or agent shall not interfere with the testing or inspection
- (8) Such Inspector shall on the same day or on the day immediately following, make and deliver a report of the result of his testing to the Authority or person by whom he was required to make such testing and to the Undertakers and shall within the same time furnish a copy of such report to the Governor who shall thereupon enquire into and decide upon the matter and his decision shall be final and binding on all parties.

6. The Undertakers shall at all times maintain at the consumer's terminals frequency within the limits of plus or minus one percent of the frequency so declared and six percent of the voltage so declared in Schedule 2 hereof subject to the current frequency and voltage of the supply conforming to those obtaining in modern standard systems such as are present operating in Great Britain or North America;

Provided that the frequency limits and voltage to be maintained by the Undertakers at the consumer's terminal shall be in accordance with such standards as the Governor may require and the Governor may accordingly amend the provisions of Schedule 2.

Compliance with the requirement of this Clause shall not relieve the Undertakers of their obligations under the Regulations or under any other written Law.

7. Where general distribution mains are provided in any street or part of a street within the area of supply any Company or person shall be entitled to demand a supply of electricity subject to the premises to be supplied not being a greater distance than 60 feet from the street or that part of the street in which distribution lines have been erected. In cases where premises are at a greater distance than 60 feet from any distributing main the Undertakers shall not be under any obligation to give a supply to a prospective consumer, unless the consumer is willing to bear the cost of service lines in excess of 60 feet from the main.

8. (1) Subject as hereinafter appears, the Undertakers shall be bound by and adhere to the tariff rates in force as at the date of signature of this Agreement by both parties to this Licence and shall not increase the said rates during the term of this Agreement.

(2) Within twenty-one days of the end of each financial year the Undertakers shall submit to the Financial Secretary of the Government an Interim Return in the form set out in Part A of Schedule 4 to this Licence containing the particulars referred to in such form in relation to the operations of the Undertakers during such financial year and stating the interim rate of return for that financial year as calculated in accordance with the formula set out in Part B of the said Schedule 4 (hereinafter referred to as the "Interim Rate of Return") together with the Undertakers unaudited internal Management Accounts for the financial year in question. No expense, amount for depreciation of any asset, item of inventory prepayment or sum of working capital shall be taken into account for the purposes of determining an Interim Rate of Return for any financial year under this Clause and Schedule unless such expense, amount, item, prepayment or sum has been reasonably and necessarily incurred, expended, made and employed in producing the operating revenues for that year and no item shall be included or allowed in such determination at any figure in excess of its true and fair market value in the closest, free

and convenient continental market together with the costs and expenses of its transportation to and importation into the Cayman Islands. In the event of any conflict between the wording of this Licence and that of the formula set out in Schedule 4 the wording of Schedule 4 shall prevail.

(3) Not later than three months after the end of its financial year the Undertakers shall submit to the Financial Secretary of the Government:

(a) a full and accurate set of the accounts of the Undertakers for the financial year including a Profit and Loss Account, Balance Sheet and accompanying Notes and Statements duly certified and reported on by independent auditors, such auditors being qualified as accountants by one of the Institutes of Chartered Accountants in England and Wales, Ireland and Scotland or the Canadian Institute of Chartered Accountants or the American Institute of Certified Public Accountants and such independent auditors being approved by the Government and the Undertakers or failing such mutual approval approved by the President for the time being of the Cayman Islands Society of Professional Accountants or failing such approval by such President within fifteen days of his being requested to give it, the Undertakers' Bankers (providing such Bankers are licensed to carry on banking business in the Cayman Islands) shall submit to the Government a list of three independent auditors (being qualified as hereinbefore stated) acceptable to the Undertakers and the Government shall within fifteen days of being given such list by the Undertakers' Bankers choose one from amongst the said three names to be the auditors to the Undertakers and failing such choice by the Government within such time the Undertakers shall choose one from amongst the said three names to be the auditors to the Undertakers.

(b) a certificate by the auditors stating that the particulars given in the Interim Return accord with the relevant particulars contained in the accounts of the Undertakers for such financial year as audited or, if such particulars do not so accord, furnishing a Final Return in the same form as that prescribed for the Interim Return set out in Part A of Schedule 4 and giving the particulars required therein which do accord with those in the audited accounts:

(9) The Government may at any time at its expense cause an independent auditor being qualified as set forth in sub-paragraph (a) of sub-clause (6) of this Clause and not being employed in the public service to make a separate and independent audit of all or any part of the Undertakers' financial affairs and for that purpose such auditor shall have the power to call for the production of any books, or papers in the possession or power of the Undertakers and to inspect or make copies of or extracts from any such books and papers and at all reasonable times have access to and power to inspect (with or without valuers) any property of the Undertakers or in its power or possession.

Provided the powers conferred by this sub-clause shall not be used capriciously or for harassment and shall be used in such a manner as to cause as little disruption as possible to the normal working and operating procedure of the Undertakers.

And provided further that the Undertakers shall be entitled to twenty-one days' notice before producing such books or papers to the said independent auditors.

(10) In the event of the Government or the Undertakers having a grievance in relation to any matter which is the subject matter of this clause, the aggrieved party may request a consultation meeting with the other party by notice in writing, whereupon the parties shall arrange such a meeting for a mutually convenient time not more than five (5) working days subsequent to the date of delivery of such notice in writing. At any such meeting, Government shall be represented by not less than two Members of Cabinet, one of whom shall be either the Financial Secretary or the Minister with responsibility for the Ministry

under which falls the subject matter of this Licence, and the Undertakers shall be represented by not less than two Directors, one of whom shall be the Managing Director.

9. (1) Adjustments may be made in accordance with the provisions of this Clause when variations occur in the cost to the Undertakers of fuel oil used in the generation of electricity under this Licence. Within fifteen days of the end of any month in which any such variation occurs, the Undertakers shall determine the Fuel Adjustment Factor for that month in accordance with the formula set out in Schedule 5 of this Licence and give notice thereof to the Financial Secretary together with evidence if requested by Government of the purchase and consumption of fuel oil during that month by means of:

- (a) copies of suppliers' invoices, certified correct by them; and,
- (b) measurements of fuel stocks made by employees of the Undertakers by means of readings of meters, calibrated tapes or level indicating meters.

The Undertakers shall reduce or increase (as the case may require) their charges for every kilowatt hour of electricity charged in any bill issued after the end of the month in which the Fuel Adjustment Factor is so determined by the amount of the Fuel Adjustment Factor until such time as another Fuel Adjustment Factor has been determined under this Clause.

For the purposes of this Clause, the cost of fuel oil used in any month shall be determined on a "first in, first out" basis and the volume thereof shall be determined by taking the total of all deliveries of fuel oil received by the Undertakers at their plants during the month and adjusting it for changes in the level of fuel oil stocks at the beginning and the end of, the month as measured by means of meters, calibrated tapes or level indicating meters. Government reserves the right to witness the measurement of any monthly fuel stocks.

(2) The Undertakers shall at all times maintain reserves of fuel such that the Undertakers shall be able to supply electricity for not less than twenty days at a level equal to peak power demand.

(3) One year from the date hereof and thereafter not later than three months after the end of each financial year the Undertakers shall supply to the Government a report on the technical aspects of the Undertakers operations during that year which report shall include the following information:

- (a) installed generating capacity at the beginning and the end of the year;
- (b) capacity and commissioning date of any new generating plant installed during the year;
- (c) kilowatt hours of electricity generated in each month;
- (d) kilowatt hours of electricity sold in each month;
- (e) maximum peak fifteen minute load generated in each month;
- (f) imperial gallons of fuel consumed in each month;
- (g) total number of consumers at the end of the year divided into tariff categories.

(4) The Undertakers shall not generate electricity by any means other than fossil fuels without the consent of the Government having been first obtained.

(5) Electricity shall be supplied by the Undertakers continuously, (Acts of God, *force majeure*, the Queen 's enemies and conditions outside the control of the Undertakers

always excepted) but provided that the Undertakers use their best endeavours to ensure the maintenance of electricity supplies in the Islands of Cayman Brac and Little Cayman and diligently pursue that object.

10. Any machinery, materials, equipment, trucks, fuel oil or lubricants (including transformer or switch oil) imported into the Islands for use exclusively in connection with the generation, transformation, transmission or distribution of electric power as provided for under the terms of this Licence shall be admitted free of import duty.

11. From and after the date hereof, the Undertakers shall pay to Government an annual Licence Fee at the rate of C\$15,000 (fifteen thousand Cayman Islands Dollars per annum). Such annual Licence Fee shall be payable in arrears in four equal (excepting the first such instalments) quarterly instalments on the 30th April, 31st July, 30th October and 31st December in each year, commencing the first such instalment (pro-rated accordingly) on the 30th October 2003.

12. If at any time, from insolvency or other cause (Acts of God, force majeure, the Queen's enemies and conditions outside the control of the Undertakers always excepted) the Undertakers shall be unable to continue to supply electricity in the area covered by this Licence, it shall be lawful for the Governor of the Cayman Islands to enter upon and take possession of all the works of the Undertakers and to maintain the same in working order as may be necessary for the sale or other disposal of the same.

13. The Undertakers shall not assign transfer or delegate any right or obligation arising under this Licence without the prior consent in writing of the Governor such consent not to be unreasonably withheld.

In witness whereof the parties have hereunto set their hands and seals the day and year first above written

THE PUBLIC SEAL of the)
Cayman Islands was hereunto affixed)
By His Excellency)
The Governor of the Cayman Islands)



B. H. Mundy

THE GOVERNOR OF THE CAYMAN ISLANDS

The Common Seal of Cayman Brac Power)
and Light Company Ltd)
was hereunto affixed by a Director and by)
a Director/the Secretary/Assistant Secretary)

CAYMAN BRAC POWER AND LIGHT
COMPANY LTD.

per *[Signature]*

in the presence of:

[Signature]
Witness

and per *[Signature]*

SCHEDULE 1

DEPOSITS

HOUSES

CAYMANIANS	\$100.00
NON-CAYMANIANS	\$150.00

APARTMENTS/CONDOMINIUMS

CAYMANIANS	\$150.00
NON-CAYMANIANS	\$300.00

HOTELS	\$1,000.00
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EACH ADDITIONAL METER	\$500.00
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SCHEDULE 2

STANDARDS

CURRENCY

[C.I. \$]

FREQUENCY

[MONTHLY]

VOLTAGE

[60 CYCLES]

SCHEDULE 3

CAYMAN BRAC POWER & LIGHT CO.

RATE ONE - BILLING SCHEDULE

			<u>CAYMAN BRAC</u>	<u>LITTLE CAYMAN</u>
MINIMUM CHARGE	PER MONTH		\$5.25	\$5.75
FIRST 100 KWH	" "		\$0.242	\$0.288
NEXT 400 KWH	" "		\$0.219	\$0.263
NEXT 1500 KWH	" "		\$0.207	\$0.238
NEXT 6000 KWH	" "		\$0.196	\$0.213
NEXT 8000 KWH	" "		\$0.173	\$0.188

The above rate is subject to an additional fuel price adjustment as approved by the Cayman Islands Government from time to time in the event of variation in the price of fuel oil.

CAYMAN BRAC POWER & LIGHT CO.

RATE THREE - BILLING SCHEDULE

This rate is applicable to large Users whose monthly consumption exceeds 8,000 KWHS.

The unit charge per KWH on this rate is 0.173 cents per KWH with a minimum charge N/A per month.

Any consumer contracting for Rate Three will be charged the monthly Rate One, should the consumption fall below the level of 8,000 KWHS per month.

This rate will become effective only on letter of application by the consumer, and on such application being approved by Cayman Brac Power and Light Co., in writing, the contract so agreed will be effective from the next billing after such approval of application.

Ninety days notice of cancellation of contract must be given by the consumer to Cayman Brac Power and Light Co., and the rate so quoted below will be subject to variation from time to time, such variation being approved by Government and implemented in the next effective billing after such approval of variation.

A force majeure clause will be effective for the term of such agreement.

Minimum charge monthly

\$ Applicable Rate One

Over 8,000 KWHS per month 0.173 cents per KWH

The above rate is subject to an additional fuel price adjustment as approved by Government from time to time in the event of variation in the price of fuel oil.

SCHEDULE 4

PART A

INTERIM RETURN

(Under Clause 8 of the Licence)

PARTICULARS IN RESPECT OF FINANCIAL YEAR ENDING

(ALL amounts to be expressed in Cayman Islands currency and given to nearest dollar).

1. TOTAL REVENUE FROM BILLINGS FOR ELECTRICITY CONSUMED

2. TOTAL OPERATING EXPENSES DIVIDED BETWEEN:

a) Generation expenses

b) General and Administration expenses showing Director's remuneration and expenses as a separate item

c) Customer service and promotion expenses

d) Distribution expenses

e) Maintenance

f) Interest in excess of percent on moneys borrowed

g) Any tax or imposition of any kind imposed by the Cayman Islands Government or any of its statutory authorities.

3. TOTAL DEPRECIATION CHARGED OR FIVE PER CENTUM OF THE HISTORICAL COST OF THE UNDERTAKERS PHYSICAL ASSETS WHICHEVER BE THE LESSER (Depreciation provision may not be included if it does not accord with generally accepted accounting principles).

4. OPERATING INCOME (being item 1 less the total of items 2 and 3 above)

5. FIXED PHYSICAL ASSETS VALUED AT HISTORICAL COST EMPLOYED BY THE UNDERTAKERS AT THE BEGINNING AND END OF THE FINANCIAL YEAR INCLUDING ELECTRIC PLANT IN SERVICE CAPABLE OF SUPPLYING AT LEAST 80% OF MAXIMUM INITIAL INSTALLED RATED CAPACITY LESS AMOUNT OF TOTAL ACCUMULATED DEPRECIATION.

(a) Beginning of year

(b) End of year

Allowable value shall be the average of (a) and (b).

No amount for interest on borrowings, amortisation, goodwill or franchise costs will be allowed as expenses in determining operating income.

Construction work in progress is not included in net plant.

6. ALLOWABLE INVENTORY (i.e. allowable material and stock plus allowable fuel defined in this item).

(1) All material and stock used in the operation of the undertaking excluding fuel.

a) Beginning of year

b) End of year

Allowable material and stock inventory shall be the average of (a) and (b). Provided that in the event of such average exceeding an amount equivalent to 12½% of the value of the annual average of the gross fixed assets the latter amount only is allowable.

(2) Allowable value of fuel stock being fuel stock calculated in accordance with the formula

A = maximum monthly fuel oil consumption during the year expressed in Imperial Gallons.

B = average price paid per Imperial Gallon for the fuel consumed for the generation of electricity under the Licence during the year.

\$ _____ allowable value of fuel oil stock.

7. PREPAYMENTS AND DEPOSITS

Beginning of year balance

End of year balance

Allowable prepayments and deposits, i.e. the average of (a) and (b) or 1½% of the average net fixed assets whichever be the lesser.

8. ALLOWABLE CASH WORKING CAPITAL

One eight of the total operating expenses (as listed in Paragraph 2)

9. INTERIM RATE OF RETURN

For the year calculated in accordance with the formula set out in Part B of Schedule 4 to the Licence

I CERTIFY TO THE BEST OF MY KNOWLEDGE, THESE PARTICULARS TO BE CORRECT.

MANAGING DIRECTOR OR SECRETARY
CAYMAN BRAC POWER AND LIGHT CO.

SCHEDULE 4

PART B

RATE OF RETURN FORMULA

(Under Clause 8 (1) of the Licence)

Rate of Return equals --

Operating income as per Item 4 of the Interim Return x 100%

Over Rate Base

Where

- (a) THE RATE BASE EQUALS AN AVERAGE OF THE BEGINNING AND END OF YEAR BALANCE OF ASSETS AS PER ITEM 5 (a) AND (b) OF THE INTERIM RETURN PLUS WORKING CAPITAL
- (b) WORKING CAPITAL EQUALS ALLOWABLE INVENTORY PLUS ALLOWABLE PREPAYMENTS PLUS ALLOWABLE CASH WORKING CAPITAL AS PER ITEMS 6, 7 AND 8 OF THE INTERIM RETURN.

SCHEDULE 5

(Clause 9 of the Licence)

FUEL ADJUSTMENT FORMULA

When only one grade of fuel is used, the calculation shall be as follows:-

$$\frac{A - B \times 100 \text{ Cents}}{C} \quad \text{(rounded to nearest one hundredth of a cent):}$$

A = Total cost in Cayman Islands Currency of the fuel actually used by the Undertaker during the relevant month of its plants in generating electricity under the Licence.

B = The base cost in Cayman Islands Currency being the number of imperial gallons of fuel used in such month for generating electricity multiplied by the base fuel oil price per gallon.

C = The kilowatt hours of electricity actually sold by the Undertaker during such month.

The base cost of fuel oil is 90.75 cents per Imperial Gallon for the period of the Licence.

Where two grades of fuel are used the calculation shall be as follows:-

$$(D - E) + (G - H) = J \text{ where:}$$

D = Total cost in Cayman Islands currency of the lighter class of fuel oil actually used by Undertakers during the relevant month in its plants in generating electricity under the

Licence.

E = The base cost in Cayman Islands currency, being the number of imperial gallons of the lighter class of fuel oil used in such month for the generation of electricity multiplied by the base price per imperial gallon for this type of fuel.

G = Total cost in Cayman Islands currency of the heavier class of fuel oil actually used by the Undertaker during the relevant month in its plants in generating electricity under the Licence.

H = The base cost in Cayman Islands currency being the number of imperial gallons of the heavier class of fuel oil used in such month for the generation of electricity multiplied by the base price per imperial gallon for this type of fuel.

J = The cost difference in Cayman Islands currency of fuel oil above the base cost.

The fuel cost adjustment per kilowatt-hour is the cost difference J divided by the total kilowatt-hours sold by the Undertaker during the month under review.

If more than two grades of fuel oil are used the same methodology shall apply as is outlined above for two grades.