Utilities Regulatory Authority

2.3% 2.7% 8.9% 86.1% Diesel Hydro Wind Solar Copra oil

VANUATU MONTHLY ENERGY MARKET SNAPSHOT IN FEBRUARY 2018

Electricity source

The graph on the left shows the different types of energy sources used to produce electricity in Vanuatu during the month of February 2018. The main energy source was diesel combustion which contributed 86.1% of the total electricity produced. The hydro in Santo generated 8.9% of electricity whilst Solar farms and the Windmills at Devils point contributed 2.7% and 2.3% respectively.

Electricity generation by area

The top part of the table on the right shows the total energy production from all available energy sources and the total quantity of diesel used to generate electricity in each concession area in February 2018. The bottom part of the table reveals the respective contribution in % of the available energy generation sources in each concession area.

Renewable Energy Generation

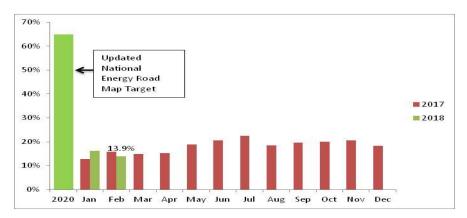
The graph on the right presents the % portion of electricity generated from renewable energy sources¹ during the month in Vanuatu. The 2017 renewable contributions can be compared with the year-to-date (YTD) 2018. Furthermore, it provides an overview on where Vanuatu renewable electricity generation stands in comparison to the NERM's² target.

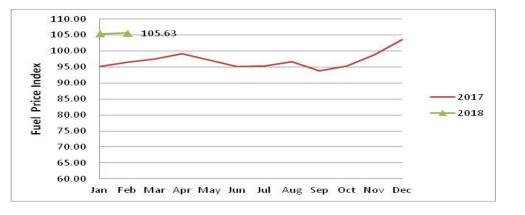
Fuel cost index

Graph on the right discloses the fuel price index. It is not showing the price per litre of diesel but the evolution or movement of fuel price for 2017 and 2018. The index started with 100pt base in January 2016.

Port Vila	Luganville*	Malekula	Tanna
5,601,038	852,674	67,949	94,221
1,292,629	77,453	18,953	27,480
94.2%	30.6%	96.4%	98.2%
-	-	-	-
-	68.8%	-	-
2.8%	-	-	-
3.1%	0.6%	3.6%	1.8%
	5,601,038 1,292,629 94.2% - - 2.8%	Joint Control Joint Control 5,601,038 852,674 1,292,629 77,453 94.2% 30.6% - - - 68.8% 2.8% -	Joint Joint 5,601,038 852,674 67,949 1,292,629 77,453 18,953 94.2% 30.6% 96.4% - - - 2.8% - -

*Luganville monthly data as of Feb-17 includes Port Olry micro-grid operations





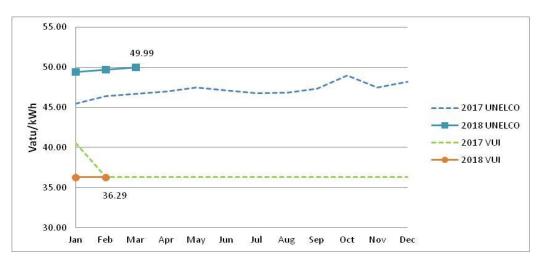
¹ Renewable sources include copra oil, hydro, solar and wind.

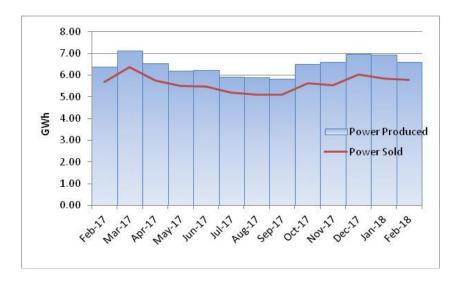
² Update National Energy Road Map 2016 - 2030

Electricity Price

UNELCO³ tariff for the month of March 2018 is 49.99 Vatu/kWh. VUI's⁴ applicable tariff for February is 36.29 Vatu/kWh.

UNELCO's actual operational parameters for the reporting month are utilized to compute electricity tariff for the following month while VUI's electricity tariff is adjusted on an annual basis.





Total Electricity Generated and Sold

Total power prodcued decreased by 4.7% from preceding month but a 3.8% increase compared to the equivalent month in previous year.

Total power sold decreased by 1.2% from prior month but an increase of 1.8% corresponding month in 2017.

The data utilized in creating this monthly energy snapshot does not include electricity production outside of a concession agreement or MOU.





About the Utilities Regulatory Authority (URA)

The URA is the independent economic regulator for water and electricity services in Vanuatu, established by the URA Act no. 11 of 2007 with amendments.

As part of its functions, the Commission is monitoring the provision of electricity and water by utility companies and public services, promoting access and the long term interest of the customers.

Please call us if you have any question on (678) 23335 or visit our office at the Office of the Utilities Regulatory Authority, VNPF Compound, Corner Pierre Lamy & Andre Ballande Street, Port Vila, Vanuatu.

<u>www.ura.gov.vu</u>

The URA welcomes suggestions and feedbacks from readers of this report. Any readers desiring to seek clarity of this report are encouraged to seek clarity from the URA should they do not understand any part of this report.

³ Union Electrique du Vanuatu Limited, <<UNELCO LIMITED>>, supply electricity in Port Vila, Malekula and Tanna

⁴ Vanuatu Utilities Infrastructure, supply electricity in Luganville and Port Olry, Santo