



**Summary of Proceedings
Public Hearing**

**Joint Select Committee on Local Authorities, Service Commissions and
Statutory Authorities (including the THA)**
held on Wednesday March 28th, 2018

Subject Matter: Inquiry into the Efficiency and Effectiveness of the Regulated Industries Commission (RIC).

Objectives of the Inquiry

The objectives of the inquiry are as follows:

- i. Assess the efficiency of the operations of the RIC at this time.
- ii. Assess the effectiveness of the RIC in promoting greater efficiency of services in public utilities.
- iii. To determine the adequacy of the current legislative framework governing the operations of the RIC

Venue: The hearing was held on Wednesday March 28th, 2018 from 10:15 a.m. to 12:45 p.m. in the J. Hamilton Maurice Room, Mezzanine Floor, Office of the Parliament, Tower D, The Port of Spain International Waterfront Centre, 1A Wrightson Road, Port-of-Spain.

Committee Members

The following Members were present:

- Mr. H.R Ian Roach (Chairman)
- Mr. Esmond Forde, MP
- Dr. Lovell Francis, MP
- Mr. Nigel De Freitas
- Ms. Khadijah Ameen

Witnesses who appeared

The following officials of the **Ministry of Public Utilities (MPU)** appeared before the Committee:

- Ms. Beverly Khan Deputy Permanent Secretary
- Ms. Anika Sarah Farmer Director, Legal Services
- Ms. Gale Dulal Electrification Sector Specialist
- Mrs. Sara-Jade Govia Water Sector Specialist

The following officials of the **Regulated Industries Commission (RIC)** appeared before the Committee:

- Dr. Hyacinth Guy Chairman
- Dr. James Lee Young Executive Director
- Ms. Carol Balkaran Deputy Executive Director
- Ms. Nadia J.A. John Legal/Corporate Secretary

The following officials of the **Trinidad and Tobago Electricity Commission (T&TEC)** appeared before the Committee:

- Mr. Keith Sirju Chairman
- Mr. Kelvin Ramsook General Manager
- Mr. Cortenay Mark Asst. General Manager-Engineering
- Mr. Neil Balgobin Chief Financial Officer
- Mr. Gerard E. Rodriguez Head Corporate Services, (Ag.)
- Ms. Annabelle Bransnell Corporate Communications Manager

The following officials of the **Water and Sewage Authority (WASA)** appeared before the Committee:

- Mr. Romney Thomas Chairman, Board of Commissioners
- Dr. Ellis Borris Chief Executive Officer
- Mr. Dion Abdool General Counsel & Corporate Secretary
- Mrs. Denise Lee-Sing Pereira Director, Programmers & Change Management
- Mr. Sherland Sheppard Director, Operations
- Mr. Alan Poon-King Director Customer Care
- Ms. Rachelle Wilkie Director Finance

Key Issues Discussed

The following are the main issues highlighted during discussions with **the Trinidad and Tobago Electricity Commission**

- i. The relationship between T&TEC and the RIC which includes the preparation and scrutiny of business plans for the determination of tariffs;
- ii. T&TEC's compliance with the Act when addressing complaints;
- iii. The existing communication relationship between the T&TEC and the RIC with reference to complaints;
- iv. The inadequacy of the Act to empower the RIC to mandate the T&TEC to enforce its suggested recommendations for addressing complaints;
- v. The high cost of implementing new technology such as e-Tendering, RFID, pre-paid metering and remote disconnection;
- vi. The improvements that can be materialised from a rate increase;
- vii. The \$900 M annual debt that is being incurred by the T&TEC for the supply of natural gas by the NGC, resulting in \$2.5 outstanding debt to NGC;
- viii. The role of the T&TEC to provide a service versus realise profits;
- ix. The disparity between the cost to produce electricity and its retail price;
- x. The status of the Feed in Tariff (FIT) policy and Phase 2 of the Energy Efficiency and Renewable Energy Project which falls under the purview of the Ministry of Energy and Energy Affairs;
- xi. The increased efficiency of electricity through improved gas supplies from the Trinidad Generation Unlimited (TGU);
- xii. The possibility of implementing solar panels at public parks;
- xiii. The existence of small scale renewable projects in rural Trinidad;
- xiv. 2% of households are without access to electricity due to remoteness and the high maintenance cost;
- xv. The inefficiency of the hotline;

The following are the main issues highlighted during discussions with **the Water and Sewage Authority**:

- i. The role of the quality assurance officer to determine the quality of water;
- ii. The inefficiency of the 800 – LEAK hotline and the long period for WASA to address these leaks;
- iii. The need for the greater utilisation of modern technology platforms;

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- iv. Status of replacing aged pipelines;
- v. The status of the Quality of Service Standards document which will be published after rates have been determined;
- vi. The role of the RIC in advising the most prudent rate for efficient operations;
- vii. The practice of benchmarking policies against other regional bodies to highlight inefficiencies with WASA;
- viii. The utilisations of a water shortage rebate system;
- ix. The increase in water reliability due to a pipe laying project which took place;
- x. The inability of WASA to provide water for citizens who are elevated at 300M and above;
- xi. The upgrade of the Trinity Power Plant;
- xii. The cost of \$70 000US to hire a foreign Consultant to assist WASA in the preparation of a business plan and to meet the other requirements of the RIC for the rate review.

The hearing can be viewed on our YouTube channel via the following link:
<https://youtu.be/7tyxErzYjCc>

Contact the Committee's Secretary

You may contact the Committee's Secretary at jsclascsa@tpparliament.org or 624-7275 Ext. 2283

*Committees Unit
April 03, 2018*