



## **REGULATED INDUSTRIES COMMISSION**

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### **THE REGULATED INDUSTRIES COMMISSION (RIC) COMPARES THE PERFORMANCE OF THE TRINIDAD AND TOBAGO ELECTRICITY COMMISSION (T&TEC) WITH OTHER ELECTRICITY PROVIDERS AROUND THE WORLD**

Comparing the performance of the Trinidad and Tobago Electricity Commission ((T&TEC) with other electricity providers around the world and to international best practice is the subject of the RIC's Information Document entitled *"Performance Indicators for the Trinidad and Tobago Electricity Commission"*

Benchmarking is an internationally recognized means by which utilities measure their performance with industry leaders to chart progress, correct inefficiencies and improve performance.

Why the need for RIC to compare the performance of T&TEC with other electricity providers around the world?

The RIC Act No. 26 of 1998, Section 6 and Sections 47 - 52 emphasizes the adoption of an incentive based regulatory regime that:

- Provides a fair and reasonable return to service providers on efficient investment;
- Fosters efficient operations and maintenance practices; and
- Provides an equitable allocation of efficiency gains among shareholders.

The RIC has examined T&TEC's performance on the following criteria:

**Technical:** Specifically, service coverage, production/consumption, network/grid performance;

**Administrative:** Specifically costs and staffing related issues;

**Quality of Service:**

**Financial:** Specifically, billings and collections, financial performance, capital investment.

The RIC utilized benchmarking studies in conjunction with other relevant information to determine where service providers can improve their efficiency and productivity.

Benchmarking is a method utilities use to monitor their performance and assess improvements. Within recent times, benchmarking has been used for cost comparisons and tariff control by some utilities.

Performance indicators are useful tools for assessing the achievements of service providers. However, utilizing performance indicators in isolation is not likely to portray a clear picture of the performance as it often excludes other contributing factors.

It should be noted that data from a range of global utilities in the electricity sector are compared with T&TEC. It was not always possible to obtain current data from Caribbean jurisdictions hence, gaps remain in the data sets.

Copies of the report are available at the RIC's office which is located at Furness House, Level 1 & 3, Corner of Independence Square and Wrightson Road, Port of Spain and from the Commission's website [www.rig.org.tt](http://www.rig.org.tt)