

Performance Monitoring  
and Reporting Framework  
*For The  
Water and Wastewater Sector*

April  
2018

Summary Document

## **Background**

The Regulated Industries Commission (RIC) is responsible for monitoring the performance and efficiency of service providers, and setting and enforcing standards of service. The RIC is also empowered to carry out studies of efficiency and economy of operation and of performance by service providers and publish the results thereof. Performance monitoring and reporting is an integral tool for the fulfillment of this mandate. The RIC developed and implemented a Performance Monitoring and Reporting Scheme for the Electricity Transmission and Distribution Sector since 2006<sup>1</sup>, and is now seeking to institute a **Performance Monitoring and Reporting (PMR) Scheme** for the purposes of monitoring the Water and Wastewater Sector. This scheme will also form part of the RIC's overall compliance and reporting framework for the Sector and will take effect once the RIC's publishes its Final Determination on Rates and Charges for the Water and Wastewater Sector.

## **Purpose of the Document**

This document presents a summary of the PMR Scheme for the Water and Wastewater Sector. The full consultative paper on the Scheme can be accessed on the RIC's website at [www.ric.org.tt/consultations](http://www.ric.org.tt/consultations).

## **Written Submission and Comments**

The RIC invites feedback from the public with respect to the approach being proposed for the PMR Scheme. All persons wishing to comment on this document are invited to submit their written responses by May 16, 2018

Executive Director  
Regulated Industries Commission  
1st & 3rd Floors, Furness House  
Cor. Wrightson Road and Independence Square  
Port-of-Spain, Trinidad

**Tel:** 1(868) 625-5384; 627-7820; 627-0821; 627-0503  
**Postal Address:** P.O. Box 1001, Port-of-Spain, Trinidad  
**Fax:** 1(868) 624-2027  
**E-mail:** [ricconsultation@ric.org.tt](mailto:ricconsultation@ric.org.tt)

---

<sup>1</sup> The PMR Scheme for Electricity and Transmission Sector has worked well and there has been improvement in the performance of the utility.

All responses will normally be published on the RIC's website unless there are good reasons why they must remain confidential. Any requests for confidentiality must be indicated.

## **The Performance Monitoring and Reporting Scheme**

The Performance Monitoring and Reporting (PMR) Scheme for the Water and Wastewater Sector is expected to:

- inform customers about the level of service they are receiving;
- provide information and data for developing regulatory standards where required and for on-going assessment of compliance with such standards;
- inform the decision-making processes of the RIC;
- identify baseline performance of service providers as well as compare relative performance with other utilities; and
- facilitate assessment of the current performance of the sector and identify areas for improvement of service needs.

The PMR Scheme for the Water and Wastewater Sector will broadly cover the following major areas:

- **baseline explanatory data** (e.g. customer number, system length);
- **network reliability and efficiency** (e.g. leakages, interruptions);
- **customer responsiveness and services** (e.g. response to service disruptions, complaints handling);
- **financial performance** (e.g. profitability, that is assessing profit or loss position, return on RAB, liquidity);
- **service coverage** (e.g. water coverage, sewerage coverage); and
- **affordability** (e.g. prices).

The Scheme will also include qualitative (explanatory) information, where appropriate.

The main features of the Scheme are as follows:

- WASA will be required to allocate adequate resources to ensure that it implements a collection and reporting system to provide data to the RIC in accordance with templates and timelines specified by the RIC;

- Regulatory audits will be undertaken as deemed necessary to assess the effectiveness and efficiency of the service provider’s design or systems of control for data collection, as well as to ascertain the integrity of the data provided;
- The RIC will evaluate the performance of the utility under the Scheme on an annual basis and publish an *Annual Performance Indicator Report for WASA*;
- The RIC will provide customers with an abbreviated list of major indicators at six (6) months intervals to give a snapshot of the performance and financial health of WASA

<b>Table – List of Major Indicators</b>	
<b>INDICATOR</b>	<b>What it Measures</b>
<b>Non-revenue water</b>	Non-revenue water represents water that has been produced and is “lost” before it reaches the customer (either through leaks, through theft, or through unbilled legal usage).
<b>Current Ratio</b>	Financial Health – Liquidity
<b>% Net Profit</b>	Financial Health (assessing the profit or loss position of the service provider)
<b>Number of employees per 1000 connections</b>	Operational Efficiency of the service provider
<b>Written Complaints Response Rate</b>	Customer Responsiveness

- The RIC will employ all enforcement powers under the RIC Act as necessary to obtain timely and reliable information from the service provider.

*The RIC invites comments on the proposed Scheme as detailed in the main Consultative Document*