

Quality of Service Scheme
for Electricity Generating
Entities in Trinidad and
Tobago

August
2018

Summary Document



Background

The Regulated Industries Commission (RIC) is the economic regulator for the electricity and water sectors in Trinidad and Tobago. In the conduct of its regulatory functions, the RIC is guided by the legislative and regulatory framework set out in the RIC Act No. 26 of 1998. Section 6(1) of the RIC Act expressly empowers the RIC to prescribe standards of service; to monitor service providers to assess performance with the established standards; and to impose sanctions for non-compliance. Accordingly, the RIC is publishing this Quality of Service Standards (QSS) Scheme for Electricity Generating Entities in Trinidad and Tobago with focus on the **efficiency of generating plants**. Section 6(2) of the Act also mandates the RIC to consult with all parties it considers as having an interest in matters before it.

Purpose of this Document

The purpose of this document is to engage in consultation with key stakeholders to develop an appropriate Quality of Service Scheme for the Generation Sector in Trinidad and Tobago that can be used to promote the economic and operational efficiencies of non-renewable electricity generation. A previous version was issued for pre-consultation, and consideration was given to the feedback obtained, in preparing this document.

Responding to the Consultative Document

As part of the consultative process, the RIC invites feedback from stakeholders on the proposals in the consultative document. Responses, and any other issues which respondents believe should be considered by the RIC in developing quality of service standards for electricity generating entities, should be sent in writing by **September 10, 2018** to:

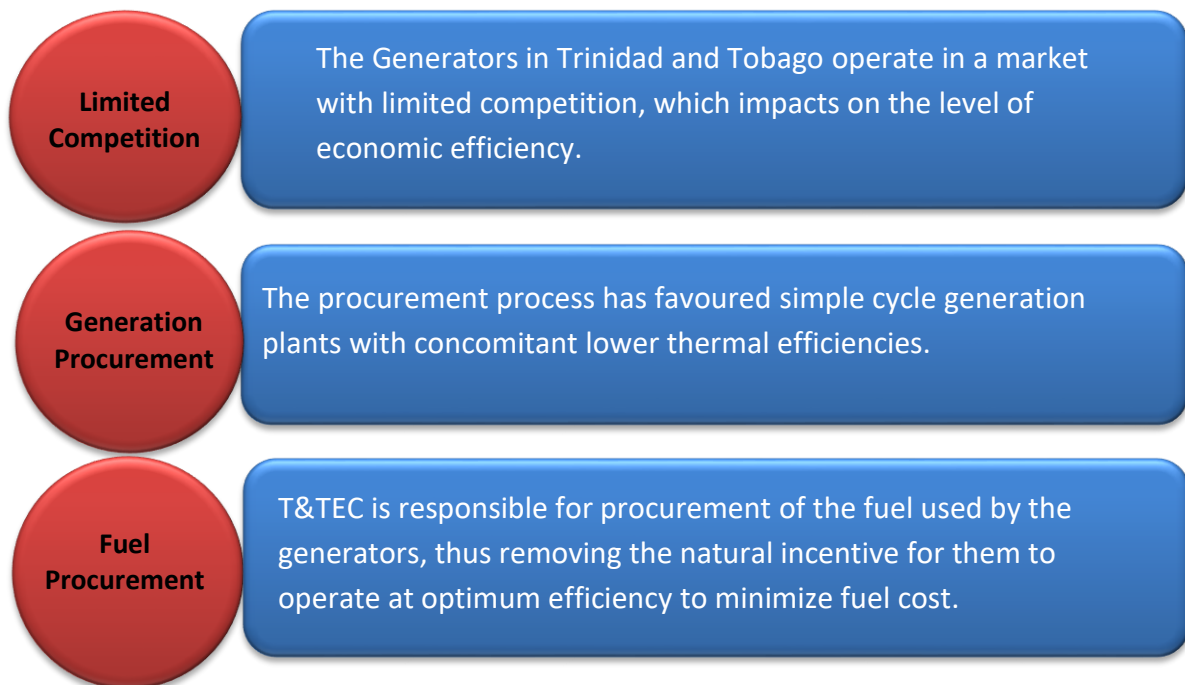
**Executive Director
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E-mail: ricconsultation@ric.org.tt**

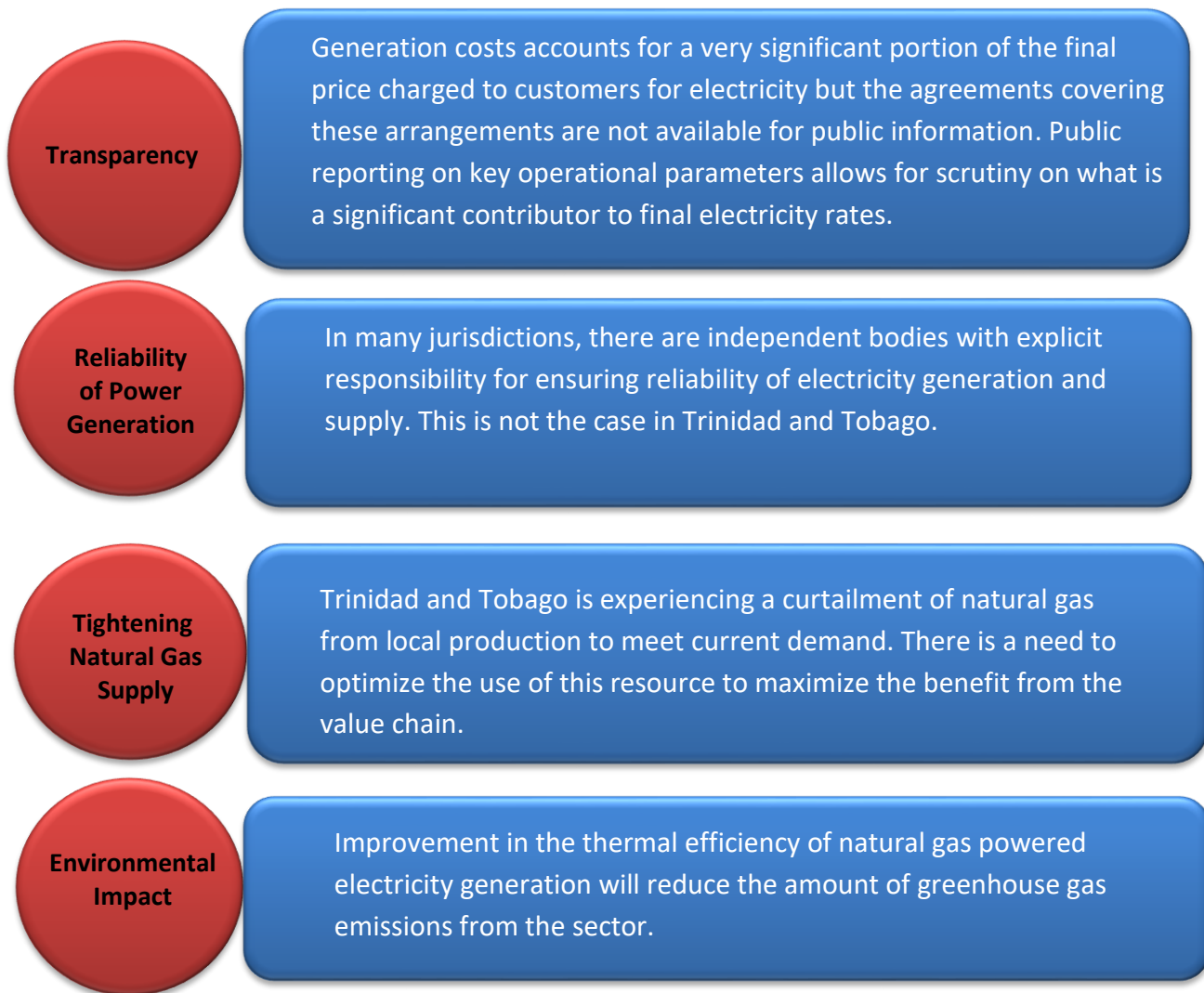
A copy of the full consultative document is available from the RIC Information Centre or on our website at www.ric.org.tt/consultations.

Overview of the Electricity Sector in Trinidad and Tobago

The electricity sector consists of a government-owned monopoly electricity transmission and distribution utility, the Trinidad and Tobago Electricity Commission (T&TEC), and three independent power producers (IPPs) – Power Generation Company of Trinidad and Tobago Limited (PowerGen), Trinity Power Limited and Trinidad Generation Unlimited (TGU). T&TEC purchases electricity from the IPPs and sells it to its 470,000 customers. T&TEC procures natural gas from the National Gas Company of Trinidad and Tobago (NGC), which is supplied directly to the IPPs to generate electricity. Total nameplate installed capacity of the generating entities is 2,104 MW, as at December 2017. T&TEC falls under the purview of the Ministry of Public Utilities, while the IPPs fall under the purview of the Ministry of Energy and Energy Industries. The economic regulator of the sector is the Regulated Industries Commission (RIC). TGU does not fall under the RIC’s remit at this time.

Rationale for the QSS Scheme





The RIC is proposing to implement a performance monitoring scheme, which is intended to promote economic efficiency, reliability, energy security and transparency within the sector. The service providers will be required to collect information on specific performance parameters and report data to the RIC on a quarterly basis. The RIC will publish an annual performance report on the electricity generation sector for public information.

Proposed Performance Parameters

Heat rate:

The amount of fuel energy used to produce one kWh of electricity

Capacity factor:

The ratio of the actual kilowatt-hours of electricity produced in a given period, to the maximum possible, running full time at rated power

Mean Time between Failure (MTBF):

A measure of the arithmetic mean (average) time between failures of a system

Mean Time to Recovery (MTTR):

The arithmetic mean (average) time taken to restore a system to operational status after failure

Availability:

The fraction of the total time that a plant is able to produce

Equivalent Forced Outage Factor:

The fraction of a given period in which a generating unit is not available due to forced outages and forced deratings

Consultation Questions

- 1. Do you agree with the rationale for quality of service standards for electricity generation in Trinidad and Tobago? If not, please indicate why.**

- 2. On balance the RIC considers Performance Reporting mechanism as the most appropriate scheme for power generation at this time. Do you agree with this position? If not, what would you suggest.**

- 3. Do you agree with the choice of the proposed performance indicators for electricity generation in Trinidad and Tobago?**

- 4. Do you agree with the list of parameters that are identified for performance monitoring and reporting?**

- 5. Are there other parameters that you believe should be monitored and reported?**

- 6. Do you agree with the frequency with which the information should be reported to the regulator?**

- 7. Do you agree that performance reports should be published annually for public information?**