



REGULATED INDUSTRIES COMMISSION

RICNEWS

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**YOUR
QUESTIONS
ANSWERED**

UTILITIES REGULATION



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**REGULATED
INDUSTRIES
COMMISSION**



*Protecting **YOUR** Interests*

Quarterly Complaints Report

Consumer Complaints Get Resolved

RIC'S COMPLAINTS REPORT FOR **2ND QUARTER 2016**

Status	Apr '16	May '16	Jun '16	Total
Number of complaints received	198	148	139	485
Number of complaints resolved	107	76	52	235
Number of complaints unresolved	91	72	85	248
Number of complaints withdrawn	0	0	2	2
Resolution rate for complaints received	54%	51%	38%	49%
No. of outstanding complaints resolved	116	83	87	286
Total number of complaints resolved	223	159	139	521

**REBATE/COMPENSATION AWARDED
TO CUSTOMERS BETWEEN APR – JUN, 2016**

\$37,792.00

Our Customer Service Promise to You – The RIC will:

- ☒ Conduct an investigation to obtain all the necessary facts both from you and the Service Provider.
(Copies of all relevant information that would assist us in understanding the complaint should be provided.)
- ☒ Respond to your written, telephone and email complaints within ten (10) working days of receipt.
- ☒ Forward our response to your complaint to the Service Provider and then provide written confirmation of action taken.
- ☒ Keep you up-to-date on the progress of our investigation of your complaint and its resolution.
- ☒ Ensure that you are attended to by a Customer Service Representative within ten (10) minutes of your appointment time.

If you have a complaint, you must first make contact with the service providers (i.e. WASA and T&TEC) and give them the opportunity to resolve the problem

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RIC Internship Programme 2016

The Regulated Industries Commission (RIC) offers a **Summer Internship Programme** in an effort to provide university students from a variety of educational disciplines the opportunity to apply traditional academic classroom learning to actual work experience. The RIC strongly believes its internship programme is an important tool for use by students interested in gaining professional experience and exposure to critical issues pertaining to Utilities Regulation, as well as involvement in the day-to-day work of the organisation while preparing themselves for future employment.

The RIC provides opportunities for students seeking to gain work experience within the following Departments:

- Accounting
- Customer Services
- Corporate Communications
- Information Technology
- Legal/Corporate Secretarial Services
- Human Resources & Administration
- Technical Operations
- Economics and Research
- Library Services.

This year the RIC welcomed two students, for its Annual "Summer" Internship Programme, one student from the University of the West Indies, Kibwe Cudjoe who is a second-year student currently studying for his BSc in Chemical and Process Engineering and Daniella Ramsepaul a first-year student at the University of the Southern Caribbean who is currently studying for her degree in Business Management.

FOR FURTHER INFORMATION on the RIC "Summer" Internship Programme please feel free to check the RIC website, our social media pages on Facebook and Twitter, our press ads in the daily newspapers (usually around January to March) or you can also feel free to contact us!



Daniella Ramsepaul



Kibwe Cudjoe

YOUR QUESTIONS ANSWERED

UTILITIES REGULATION



VISION:

To be a World Class Regulator

MISSION:

To ensure the promotion of the highest quality of utility services at fair and reasonable rates while building a credible regulatory regime that responds adequately to stakeholders' concerns and also to ensure fairness, transparency and equity in the provision of utility services throughout the country.

The Regulated Industries Commission (RIC) is a statutory body established under the Regulated Industries Commission Act No. 26 of 1998. As an independent regulatory institution, the RIC is mindful of its remit which includes protecting customer interests and ensuring service providers are able to earn sufficient return to improve quality of service and finance necessary investment.

The RIC regulates the Water, Wastewater and Electricity sectors. The Service Providers that fall under the purview of the RIC include:

*WATER AND SEWERAGE AUTHORITY (WASA)
TRINIDAD AND TOBAGO ELECTRICITY COMMISSION (T&TEC)
POWER GENERATION COMPANY OF TRINIDAD AND TOBAGO (POWERGEN)
TRINITY POWER LIMITED*



What is the RIC's function?

The RIC has a mandate “to ensure the promotion of the highest quality of utility services at fair and reasonable rates while building a credible regulatory regime that responds adequately to stakeholders’ concerns and also to ensure fairness, transparency and equity in the provision of utility services throughout the country.”

The RIC has among its functions:

- To carry out studies of efficiency and economy of operation and of performance of service providers, publish results and take action, where necessary, to protect the interests of customers and other stakeholders;
- To establish economic principles and methodologies for the setting of rates for services and to perform periodic reviews of the rating regimes;
- To investigate consumer complaints in respect of rates, billing and unsatisfactory service and facilitate redress;
- To ensure service providers are able to finance the delivery of services with an appropriate return on investment; and
- To ensure openness and transparency by publishing information and consulting with stakeholders, to provide an opportunity for input in regulatory decisions.

Furthermore, the RIC Act places direct functional responsibility upon the Commission in Section 6 (3) to ensure that the public interest is protected particularly:

- By ensuring maximum efficiency in the use and allocation of resources and that services are reliable and provided at the lowest possible cost;
- By ensuring equal access by consumers to service and the fair treatment of consumers and service providers who are similarly placed;
- By ensuring non-discrimination in terms of service access, pricing and quality; and
- By ensuring that current national environmental policies are adhered to.

FAQS (FREQUENTLY ASKED QUESTIONS) ON THE REGULATION OF PUBLIC UTILITIES



What is good regulation?

A Regulation can be defined as the application of rules and sanctions that result in behaviours consistent with stability, efficiency, accountability and transparency. Good regulation is the effective balance of competing interests among key stakeholders to achieve an intended goal. The decisions of a good regulator must be based on objective assessments of all information, which should be documented with reasons explicitly stated. Good regulation improves social welfare and overall well-being and achieves the intended goal at the lowest possible social cost.



Why is the regulation of certain public utility services desirable and necessary?

A In situations where a utility service is considered an essential public good, there is need for regulation by government or an independent commission to prevent abuse of market position and power. There are several outcomes that regulators must balance. These are:

- Securing reasonable prices/rates for the benefit of consumers;
- Ensuring that the service providers meet the minimum standards of service;
- Promoting improved efficiency in the industry;
- Ensuring adequate return for the Service Providers to finance necessary investments;
- Building consumer confidence; and
- Building investor confidence in order to attract investment.

For example, electricity is an essential input to all industries and has a significant impact on the size and growth of the economy as a whole. Electricity constitutes a large part of the infrastructure required for economic development and the outputs of the sector are essential to the well being of society, including households and businesses. Effective regulation is therefore necessary to ensure that prices are reasonable and reflective of the costs of services, while ensuring that the service continues to be reliable.



Why is an independent regulatory agency desirable in regulation?

A In a situation where there is one service provider, the regulatory agency provides price controls that are designed to balance the right of the service provider to earn a reasonable return on their investment with the interests of consumers. As an independent regulator, the RIC is free to make economic decisions that are in the best long-run interest of the regulated sector while acting in a fair and transparent manner.



How important are consultation and stakeholder involvement in regulation?

A Consultation is the lifeline of better regulation and stakeholder involvement is an integral part of regulatory accountability since seeking the opinions of stakeholders makes the policy making process more open and transparent, ultimately enhancing stakeholder confidence and increasing the credibility of the process.

Q Who does the RIC involve during its decision-making process?

A Open dialogue continues to be the core principle of the RIC's stakeholder involvement initiatives. The RIC's approach entails seeking the views of individuals or groups on policies or plans that may affect them directly or indirectly. A range of distinct groups can be readily identified and they include:

- **Ad hoc Working Groups and Committees** – representatives of service providers, customers and other interest groups who discuss specific issues;
- **Independent Advisors** – are consulted on matters of a technical nature;
- **Regulatory Professionals and Institutions** – professionals/institutions from other jurisdictions with whom discussions and consultations are held;
- **Shareholder/Government** - Government sets an overall sector policy and must be consulted. However, consistent with its independent role, the RIC takes decisions on price controls independent of Government;
- **External Stakeholder Panel** – essentially an independent stakeholder interest group set up by the RIC to ensure that the interests/views of consumers in particular, are fully considered and taken in account when framing regulatory policy;
- **Private Sector** – open dialogue is sought as a direct form of interaction (e.g. Industrial Consumer Group, Business Consumer Group, etc); and
- **Rate Review Panel** – a group of stakeholders meeting regularly to provide input about a range of issues during the rate setting process.

Q What methods does the RIC use to involve stakeholders in the regulatory decision-making process?

A The RIC continues to demonstrate a strong commitment to involvement and openness and has utilized several involvement strategies to afford stakeholders a clear understanding of how decisions are reached, and confidence that their interests have been treated fairly even when they do not necessarily agree with the end-result.

The methods available to regulators and used by the RIC to engage stakeholders include:

- National and Public Consultations;
- Workshops, Presentations and Outreach Activities;
- Newspaper Advertisements, Press Releases, Newsletters and Brochures;
- Website for online consultation/ Web-based discussion forum;
- Focus Groups and Community Meetings; and
- Stakeholder Open Days – open meetings and Workshops.

As an independent and impartial body, the RIC is working to ensure the efficient delivery of the highest quality of utility services at an affordable price.

RIC Staff Training

Competition, Public Procurement and Trade Facilitation

The CARIFORUM Secretariat in collaboration with the European Union (EU) and other key partners launched a Capacity Building Project under the CARIFORUM-EU Economic Partnership Agreement (EPA) in March 2015. The project involved training for public and private sector stakeholders and staff of CARIFORUM regional organizations, in the areas of Competition, Public Procurement and Trade Facilitation. This training was attended by Rishi Maharaj, Assistant Executive Director - Economics and Research, RIC.

Topics that were discussed over the period of training included:

- **Abuse of Dominant Market Position** – including conducts such as price discrimination, predatory pricing, tie-in sales, bundling sales, vertical restraints, exclusive dealing and denial of access;
- **Anti-competitive Agreements** – cartel decisions including price fixing, allocating market shares, distributing profits, controlling investment, preventing entry and punishing traitors;
- **Merger Control Regulation** – examine the impact of merger on the industry, market concentration, relevant market shares, supply-side constraints and barriers to entry;
- **Intellectual Property Rights and Competition Law** – including Industrial property, copyrights, trademarks, geographic indicators and trade secrets;
- **Cross-Border Anti-competitive Conducts** – including the Sherman Act (1890), Effects doctrine (US), Implementation doctrine (EU) and Comity (mutual recognition of legislative acts); and
- **Institutional Design of Competition Agencies**

Former French Supreme Court Judge and current Chairman of the OECD Competition Committee, Professor Frederic Jenny spoke on the value of public procurement in developing countries (estimated at 15-20% of GDP in these countries), the distinctiveness of public procurement, the importance of competitive bidding for public projects, forms of bid rigging such as cover bidding, bid suppression and bid rotation and finally, features of markets that are more susceptible to bid rigging.

The facilitators emphasized throughout the session that effective decision making within a Competition Authority required a combination of law and economics and that cross-training in both disciplines would tremendously improve the chances that competition policies are designed for optimal outcomes.

The sessions were facilitated mainly by Dr. Taimoon Stewart of the Sir Arthur Lewis Institute of Social and Economic Studies (SALISES) with support from Mr. Patrick Martens of Equinoccio (Consultant on the project) and several Competition Policy and Competition Law professionals from the Jamaica and Barbados Fair Trade Commission.

UWI World of Work 2016

The RIC took part in the Annual UWI World of Work Workshop 2016 which took place over two days, with the first day, Thursday 7th April, 2016, open to non-final year students seeking vacation employment and the second day, Friday 8th March, 2016 dedicated to final year students only. Companies and organisations from a variety of fields were invited to recruit students for either vacation or graduate employment.

The WOW Recruitment Fair gave students of the university an opportunity to meet recruiters, submit their résumés and learn more about the different types of employment available at leading local and international organisations.

The RIC also used this occasion to educate the students about the role and responsibilities of the RIC and the job opportunities available at the organisation.

Below: The RIC's Corporate Communications Manager, Driselle Ramjohn interacts with a university student who was interested in the RIC's vacation employment opportunities.



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