



Review of Performance Monitoring and Reporting Scheme

*For the
Electricity Transmission and Distribution Sector*

February
2018

This document is a summary of the RIC's consultative paper on the Review of the Performance Monitoring and Reporting Scheme for the Electricity Transmission and Distribution Sector.

Summary
Document

Background

Section 6(1) of the Regulated Industries Commission (RIC) Act empowers the RIC to prescribe standards of service; monitor service providers and conduct checks to determine compliance with the standards; and carry out studies of efficiency and economy of operation and of performance by service providers and to publish the results.

In keeping with the above, the RIC established a Performance Monitoring and Reporting (PMR) **Framework in 2005**. The RIC indicated that it would monitor the performance of the Trinidad and Tobago Electricity Commission (T&TEC) using key performance indicators, as set out in the Regulation of the Electricity Transmission and Distribution 2006-2011: Final Determination.

Purpose of this Document

This document represents a summary of the RIC's consultative document on the Review of the Performance Monitoring and Reporting (PMR) Framework for the Electricity Transmission and Distribution Sector. A copy of the document is available on the RIC's website at <http://www.ric.org.tt/consultations/>.

Responding to Consultative Paper

All persons wishing to comment on the consultative document are invited to submit their comments by post, fax or e-mail to:

Executive Director

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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 deadline date for the submission of comments is March 9, 2018.**

Proposals for PMR Scheme for the Second Regulatory Control Period 2018-2023

After reviewing the current PMR Scheme, the RIC will continue to monitor the performance of T&TEC using the specified performance indicators and will initiate a number of measures to improve its monitoring and reporting activities:

- Reviewing and/or revising the templates used by RIC to collect performance indicator data from T&TEC, to ensure the reliability and validity of the data reported by the service provider.
- Employing all enforcement powers contained in the RIC Act, to obtain timely and reliable information from the service provider, including:
 - Caution letters;
 - Publication of non-compliance in the media; and
 - Any other action necessary to achieve compliance;
- Reporting on an abbreviated list of major indicators (i.e. “traffic signal” indicators) at six (6) months intervals to give a snapshot of the performance and financial health of T&TEC. In order to provide a broad perspective, the indicators will cover the following areas: **financial health, electrical efficiency, reliability, operational efficiency and customer responsiveness**. The rationale behind this list of indicators is to depict the overall health and performance of the service provider using no more than six (6) indicators that may be of interest to customers and easily understood by them (see Table below). These “traffic signal” indicators will also be included in the electricity bills of customers.

Table – List of Major Indicators

INDICATOR	What it Measures
Total System Losses (Transmission & Distribution)	The amount of electrical energy that is lost in the system
Current Ratio	Financial Health – Liquidity
% Net Profit	Financial Health – Profitability
SAIFI (System Average Interruption Frequency Index)	Reliability
Customers per Employee Ratio	Operational Efficiency of the company
Written Complaints Response Rate	Customer Responsiveness

- Continuing to produce T&TEC's Annual Performance Indicator reports, and publishing them using the RIC's website and other media. To complement these reports, the RIC will prepare a more reader-friendly version of the report for the purposes of engendering public and media discussions, e.g. a one-page summary. Both documents will be published using various other media, including newspapers and social media, such as Facebook and Twitter; and
- Conducting periodic audits of the service provider's data collection and reporting system by the regulator and/or an independent auditor to ensure the validity and reliability of the data submitted to the regulator. The RIC, in conjunction with T&TEC, is currently conducting a Data Mapping Exercise which aims to improve the accuracy and reliability of data submitted by T&TEC to the Commission.