



Review of Performance Monitoring and Reporting Framework

*For the
Electricity Transmission and Distribution Sector*

January
2021

This document represents a summary of the RIC's consultative document "Review of the Performance Monitoring and Reporting Framework for the Electricity Transmission and Distribution Sector".

Summary Document

1. 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; impose sanctions for non-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 mandate, the RIC established a Performance Monitoring and Reporting (PMR) Framework in 2005 for the purposes of monitoring the services of the electricity transmission and distribution sector in Trinidad and Tobago. Furthermore, in the “Regulation of the Electricity Transmission and Distribution Sector 2006-2011 - Final Determination: Rates and Miscellaneous Charges (2006)”, or the “Determination (2006)”, the RIC indicated that it would monitor the performance of the Trinidad and Tobago Electricity Commission (T&TEC) using key performance indicators. The Determination also outlined specific directives to be followed by T&TEC during the first regulatory control period (2006-2011).

Section 6(2) of the RIC Act requires the RIC to consult with the service providers and representatives of consumer interest groups and any other parties it considers as having an interest in the matters before it.

2. Purpose of this Document

This document represents a summary of the RIC’s consultative document “Review of the Performance Monitoring and Reporting (PMR) Framework for the Electricity Transmission and Distribution Sector.” A copy of the main document can be accessed on the RIC’s website <http://www.ric.org.tt/publications/>.

3. Responding to Consultative Paper

All persons wishing to comment on the main consultative document are invited to submit their written responses **by 4:00 pm on February 15th, 2021**. Responses should be sent by post, fax or email to:

Executive Director
Regulated Industries Commission
#37 Wrightson Road
Port-of-Spain, Trinidad
Postal Address: P.O. Box 1001, Port-of-Spain, Trinidad

Tel. : 1(868) 625-5384; 627-7820; 627-0821; 627-0503

Fax : 1(868) 624-2027

Email : ricconsultation@ric.org.tt

Website : www.ric.org.tt

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.

4. Proposals for the PMR Framework (Regulatory Control Period 2021-2026)

Moving into the second regulatory control period (2021-2026), the RIC will maintain its approach in using key performance indicators to monitor the performance of T&TEC. Additionally, the RIC will also initiate a number of measures to improve its monitoring and reporting activities. These include:

- Reviewing and revising the templates used by the RIC to retrieve 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 T&TEC, including:
 - Caution letters;
 - Publication of Non-compliance Orders 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 (assessing the profit or loss position of the service provider)
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 and publish T&TEC’s Annual Performance Indicator Reports on the RIC’s website. To complement this, the RIC will also prepare a more reader-friendly version of the report, e.g. a one-page summary document, for the purposes of engendering public and media discussions. This document will be published using various types of media, including newspapers and social networking technologies such as Facebook and Twitter; and
- Conducting periodic audits of the T&TEC’s data collection and reporting system to ensure the validity and reliability of the data submitted to the RIC. The RIC conducted a ‘Data-Mapping’ Exercise which aimed to improve the accuracy and reliability of data submitted by T&TEC to the RIC.