



Review of the Status of the Trinidad & Tobago Electricity Commission 2016-2019

June
2021

This document presents a summary of the paper “Review of the Status of the Trinidad and Tobago Electricity Commission (T&TEC) 2016 – 2019” which is being published for information of all stakeholders, as part of the Price Review process for T&TEC.

Summary
Document

REVIEW OF THE STATUS OF T&TEC 2016-2019

This document presents summary information on several aspects of the technical, operational and financial state of T&TEC over the period 2016-2019. This information supports the RIC's price review process, as it contains historical information relating to the operations of T&TEC and provides an assessment of how the utility has performed on an annual basis over the four-year period.

TECHNICAL PERFORMANCE HIGHLIGHTS

Network Reliability

Reliability indicators worsened over the period. In 2019, there were 4.8 interruptions per customer, with average outage per customer of 97 minutes, compared to 4.7 interruptions per customer, with an average outage time of 86 minutes in 2016.

Quality of Service Standards

Very good compliance rate in the majority of Standards (90-100%). The provision of an initial response to customer queries within 10 days improved significantly from 54.1% compliance in 2016 to 97.1% in 2019.

However, there were inconsistent compliance rates for maintenance of street lights and highway lights over the period ranging from 21.3% to 89.6%.

System Losses

The average system losses over the period was 8.4%.

This average was worse than the RIC's system losses target of 6.75% that was set in 2006. In comparison, the average system losses experienced in Jamaica and Belize over the same period was 26.5% and 11.8% respectively.

Street Lighting

There was an almost 90% increase in the number of failed street light reports received from 2016 to 2019.

The number of streetlights repairs not completed in 7 days increased by 23% over the period.

OPERATIONAL PERFORMANCE HIGHLIGHTS

Who buys from T&TEC?



Customer Base increased by 5% over the period.

Average operating cost per customer of TT\$6,346 over the period.

88% of customer base is residential.

Commercial and industrial customers account for 70% of total demand.

How much electricity does T&TEC sell?



Number of units of electricity sold decreased by 261 million kWh from 2016-2019.

Operating cost per kWh in 2019 was TT\$0.34.

Revenue per kWh in 2019 was TT\$0.35.

Largest demand (by class) comes from industrial customers.

Has T&TEC's productivity improved over time?

Productivity Indicators	2016	2019	% Increase
Sales per Employee (\$'000)	940	987	5
Customers per Employee (No.)	148	165	11.5

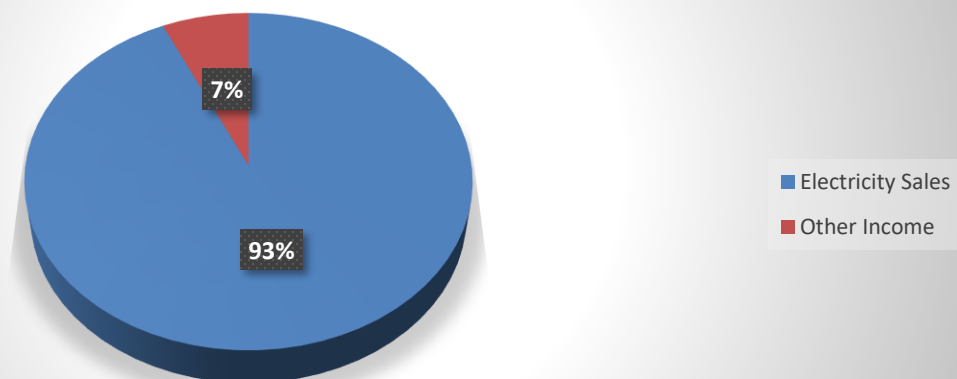
Sales per employee and customers per employee both indicate an improvement in T&TEC's labour productivity over the period.

FINANCIAL PERFORMANCE HIGHLIGHTS

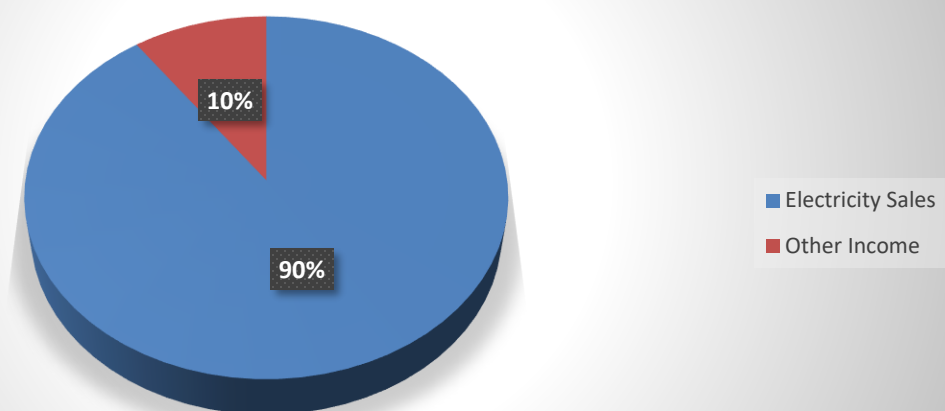
How much revenue did T&TEC earn?

Revenue Category	2016 Revenue (\$M)	2019 Revenue (\$M)
Electricity Sales	2,982	2,952
Other Income	219	323
Total	3,201	3,275

2016 Revenue (\$M)



2019 Revenue (\$M)

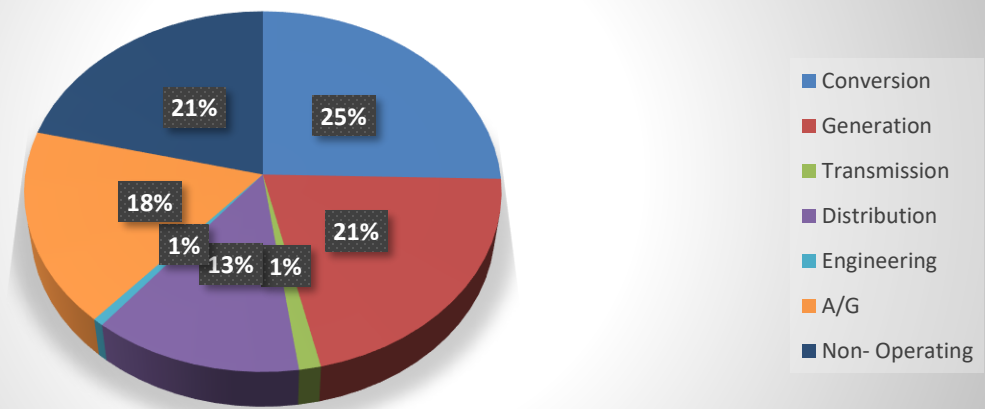


Revenue increased by 2.3% over the period.

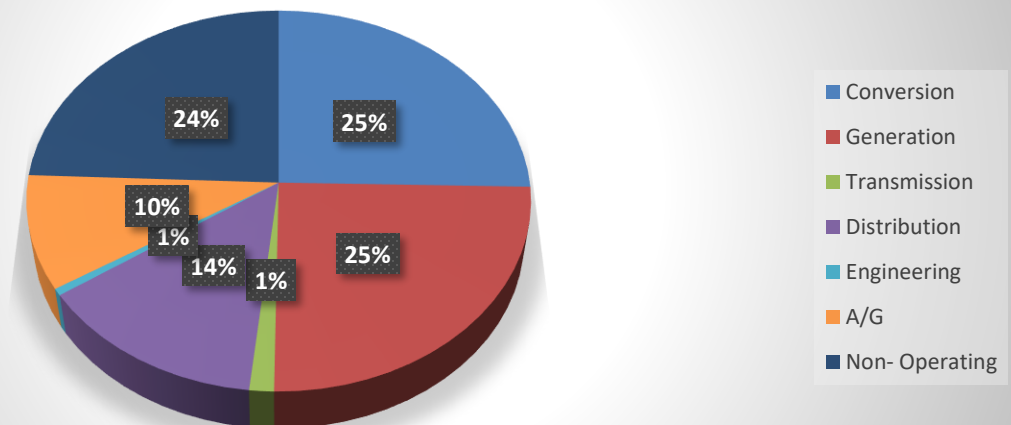
How much did T&TEC spend?

Expenditure Category	2016 Expenditure (\$M)	2019 Expenditure (\$M)
Conversion	1,251	1,056
Generation	1,008	1,038
Transmission	65	60
Distribution	621	572
Engineering	32	24
Administrative & General (A/G)	834	401
Non-Operating	1,012	1,015
Total	4,823	4,166

2016 Expenditure (\$M)

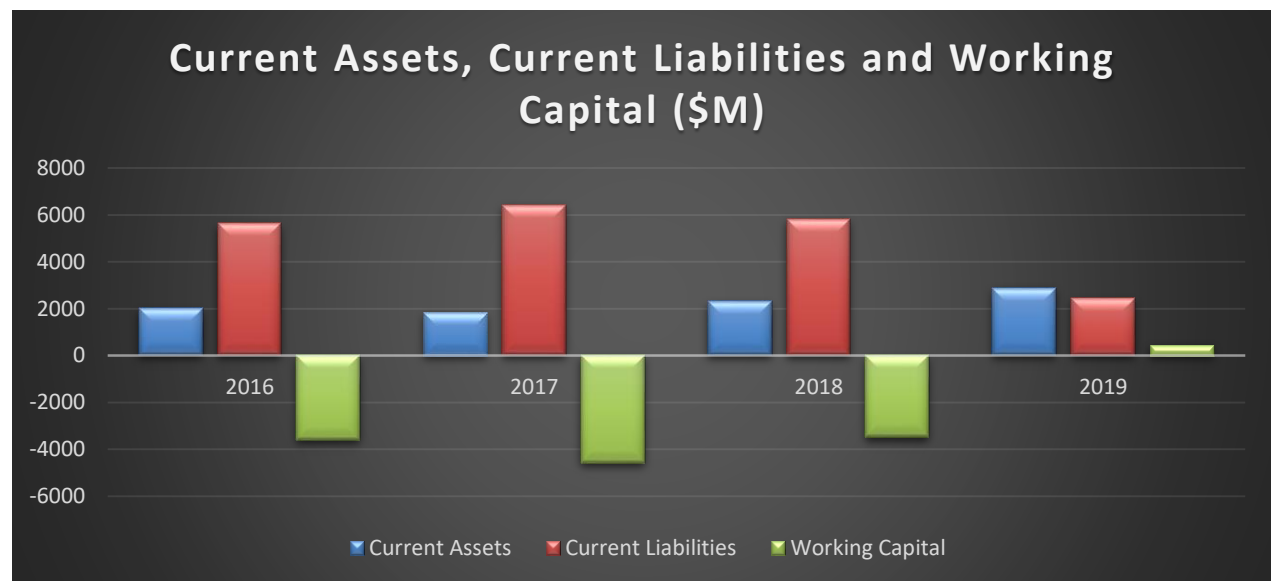


2019 Expenditure (\$M)

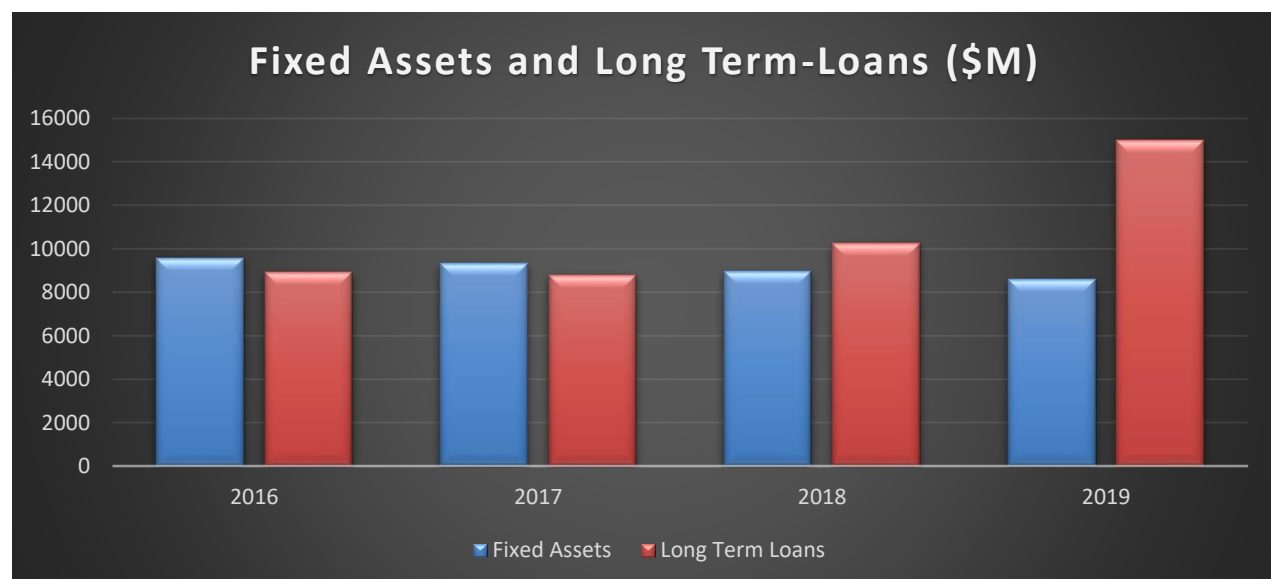


Expenditure decreased by 13.6% over the period.

What was the value of T&TEC's Assets, Liabilities and Working Capital?



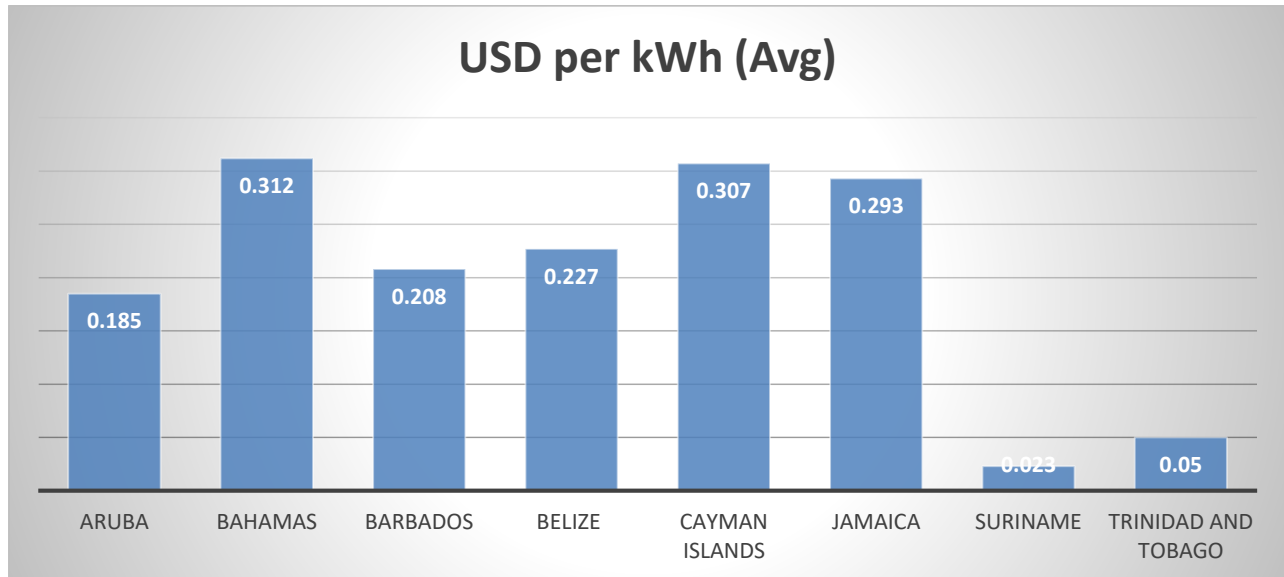
There was an overall increase in current assets over the period of 43%. Current liabilities increased between 2016 and 2017 by 14%, then decreased by 58% between 2018 and 2019. Working capital was negative for the first three years of the period, however, this position changed in 2019 when working capital was a positive value.



There was a decline in fixed assets over the period by 10%. Long term loans however, increased throughout the period, with the highest increase of TT\$4.8 billion from 2018 to 2019.

RATES & TARIFFS

Comparative average electricity tariffs for residential customers across selected Caribbean countries



Over the period 2016-2019, average tariffs per kWh in Trinidad and Tobago were among the lowest in the region.

Interested persons are invited to review the “Review of the Status of T&TEC 2016-2019” Information document. If you require clarification on any aspect of this document, kindly contact the RIC using any of the options provided.