

## **Driselle Ramjohn**

---

**From:** Edwin Caines <edwinc658@hotmail.com>  
**Sent:** Friday, 31 March 2023 11:57 PM  
**To:** consultations@ric.org.tt  
**Subject:** T7TEC Rate increase comments

To Whom it may concern.

My name is Edwin Caines, I was eagerly awaiting the opportunity to comment at one of the public fora. Unfortunately when it was scheduled for San Fernando I was unable to attend because I contracted Covid-19.

Comments have been made by the RIC regarding the TTD1.3Billion owed by Government Ministries, organisations etc. especially that payment of that debt by those who owe it is not going to go a long way to alleviating T&TEC debts. It has also been stated that some payment plan has been reached with the debtors. All entities who use electricity and are invoiced by T&TEC have a legal and moral obligation to pay the amount invoiced and pay it on time. To not do so and for T&TEC to not efficiently collect the amounts on invoices is very inefficient on the part of the Utility. The Public Utility Minister is on record admitting that T&TEC primarily disconnects residential consumers who are in arrears.

It is my opinion that all consumers who do not pay should be disconnected at the appropriate time and no later. Consumers who pay the amounts invoiced on time are carrying T&TEC on their shoulders.

The RIC states that there would be a move to monthly billing cycles that would help consumers budget better and assist the Utility with its cash flow. How that is going to get those who do not pay to pay up I do not know and it may be much worse if those consumers are hit by larger bills because of rate increases. If one cannot pay \$10.00 now, how are you going to pay say \$15.00 tomorrow? If a government institution does not pay its electricity bill does it mean that electricity is not budgeted for in its operation? Or is it budgeted for but funds are not provided by the Ministry of Finance? Or are the funds provided but are spent on other items within the government institution?

Even with a debt payment plan will T&TEC ensure (via its disconnection policy) that the debtors pay current bills on time?

The bottom line here is that T&TEC has to get all invoiced customers to pay and pay on time. That would greatly assist even without a rate increase.

T&TEC has to get its total system losses lower than 9.00%. The RIC target is 6.75% which was to be achieved in 2011 but is not close to that. The RIC should consider a target of 7.5%. The focus should be on the 'softer' non-technical losses or commercial losses which do not need considerable investment but could greatly reduce the loss of revenue to the utility. The 'soft' targets are metering errors, recording errors and electricity theft. Revenue earned here could be utilised to go after the technical losses. The result of all this is that more of the electrical energy purchased by T&TEC will be available for sale to customers thus closing the gap between electrical energy purchased and electrical energy sold.

Debt to NGC. I am assuming that the natural gas purchased by T&TEC is related to power generation in Tobago and by Powergen in which the Utility is a shareholder. I hope that it is not paying for natural gas used by the independent power generating companies. It may be an idea to reduce the T&TEC gas bill by allowing it to source its natural gas from the Upstream/Downstream company that was formed to provide natural gas at a preferential price to the NiQuan gas to liquids plant at Pointe-a-Pierre. NGC admitted that it could not supply NiQuan with gas at the price that they were looking forward to.

I am not convinced that the average monthly income of households in Trinidad and Tobago is TTD7000.00 per month when 20% of our population of 1.39million people are below the poverty line.

How efficient are our companies and their employees who are involved in electricity generation, transmission and distribution is best measured when there are major outage incidents. "The delays and associated challenges of the island-wide blackout of Wednesday, February 16 2022 were consistent with the findings of the T&TEC Report on the Extreme System Disruption of Friday, March 29, 2013. This meant that lessons were not learnt from that event." The Sharma committee noted.

A rate increase may be necessary, but not to the extent proposed and especially as T&TEC is not going after its delinquent customers and not seriously attempting to reduce its total system losses.

Can consumers pay an increase? Consider that T&TEC has 505,972 residential customers on its database which represents 88.3% of its customers Thus it probably has a grand total of 573,015 customers. 67,043 therefore are non-residential who make up the bulk of the delinquent customers. Of the residential customers 210,00 benefit from the current 35% rebate on their bi-monthly bills of \$300.00 or lower. If rates are increased they would then be offered utility cards. Thus almost 50% of residential customers need assistance in paying their current and future bills. Will T&TEC really benefit if delinquent customers continue to be delinquent?

Regards,  
Edwin Caines.