



Government of the Republic of Trinidad and Tobago  
**Ministry of Public Utilities**  
Office of the Permanent Secretary

REF: MPU: 18/6/1

March 16, 2023

**Mr. Glenn Khan**  
Executive Director  
Regulated Industries Commission  
#88 Queen Janelle Commissioning Street  
**PORT OF SPAIN 100624**

Dear Mr. Khan,

**RE: Issues Raised at the Public Consultations on RIC's Draft Determination for Regulation of Electricity Transmission and Distribution Sector, 2023-2027**

The Ministry has noted and given consideration to the various matters referenced in your letters dated January 31, 2023 and March 2, 2023 and submits the attached responses for your consideration.

Respectfully,

A handwritten signature in black ink that reads 'Suollette Duke'. The signature is written in a cursive style and is positioned above a dotted line.

Permanent Secretary

## ISSUES RAISED AT THE PUBLIC CONSULTATION ON THE RIC'S DRAFT DETERMINATION FOR REGULATION OF ELECTRICITY TRANSMISSION AND DISTRIBUTION SECTOR 2023-2027

### Available Social Programs to Support Low Income Persons

The Ministry of Public Utilities (MPU) has several social programs to support low income persons, namely the Utilities Assistance Programme (UAP) and the Residential Electrification Assistance Programme.

The UAP provides assistance to low income persons via three (3) components:

1. **Utilities Bill Assistance** extends a subsidy, to low income customers WASA and T&TEC by application of a credit to the beneficiary's utility bill.
  - **Electricity Subsidy** - T&TEC customers benefit from an electricity subsidy of up to \$200 per bill or a maximum of \$1,200 annually. The subsidy is applied to T&TEC's bills bi-monthly to coincide with billing schedule.
  - **Water Subsidy** - WASA customers benefit from an annual water subsidy as follows:  
A2 customers - \$140; and A3 and A4 customers - \$200.
2. **Water Tank Assistance** – is a one-time assistance of a water tank and fittings. This measure ensures that low income households and community based facilities that receive a pipe borne water supply of 72 hours or less per week have a safe storage of water for daily use, as well as reduce the spread of the dengue virus in high risk communities, which do not receive a regular supply of water and have inadequate storage facilities.
3. **Solar Panel Assistance** – this measure targets households, in remote areas who are unable to access an electricity supply, because they are located in areas outside of the electricity grid and the area is identified as uneconomical for TTEC to install electricity infrastructure. Households with an income of \$10,000.00 or less qualifies for this assistance.

Further information on each of these programmes and application forms are available at the Ministry head office and online page ([www.mpu.gov.tt](http://www.mpu.gov.tt)), as well as all constituents' offices.

The Ministry is also in the process of developing a utility cash card programme to further mitigate the impact of rate increases on low income customers, including those made vulnerable by the COVID-19 pandemic. Once the programme is finalized, the MPU will inform the public of the eligibility criteria and application process for this programme.

In addition to MPU's social programmes to support low income persons several Ministries have a number of programmes designed to assist low income persons, such as the Ministry of Social Development and Family Services.

### **Utilities Assistance Programme (UAP)**

The Ministry will be continuing with its social programmes to support low income persons. As indicated the Ministry will also be developing a utility cash card programme, which is currently in its embryonic stage of development and will take into consideration the propose monthly billing.

### **The UAP and Tobago**

The Ministry has received and processed several applications from residents in Tobago, once they meet the criteria they are approved. The Ministry admits that it can have a greater presence in Tobago and will make every effort to improve its UAP presence in Tobago.

### **T&TEC Bill Rebate Programme**

The T&TEC Rebate Programme is a social programme that facilitates an electricity rebate for its customer's bi-monthly billing. The criteria to access the electricity bill rebate, is an electricity bill equal to or less than \$300.00 per bimonthly period, which is equivalent to \$150 per monthly period; therefore, if an electricity bill is equivalent to \$150 or less per month, that household is eligible for an automatic rebate applied by T&TEC. This Programme will be revised after consultation with T&TEC to reflect the changes in the new electricity rates.

### **Trinidad and Tobago Association of Retired Persons (TTARP)**

In relation to the concerns about the bureaucracy around gaining access to the programmes and the lengthy timeframe for a decision to be made, the Ministry will make an effort to reduce the approval process. However, citizens should note that the process has been implemented to prevent double dipping in the social programmes so that all citizens who meet the criteria can benefit.

As it relates to the TTRAP comments, a lot of the applications are received from retirees and elderly, the Ministry is not in a position to distinguish who are TTRAP member or not and does not discriminate in the application of its social programmes. There are specific criteria to be met to qualify for the programmes and once met the applicant will benefit from the programme.

### **High Level of Receivables from Government Agencies**

The Ministry of Finance allocates funding in the fiscal budget to all Ministries to pay their utilities bills and any outstanding bill arrears, if the Ministry of Finance (MoF) does not provide the releases to make the required payments these accounts accrue arrears. The MPU on several occasions would have approached the MoF on behalf of the Agencies and Ministries for funding to meet their arrears. This question will be better suited for the Ministry of Finance to indicate their challenges in providing the necessary funding for the entities to pay their utility bills.

Additionally, if T&TEC disconnects Ministries and agencies for non-payment of electricity bills, citizens will be negatively affected with the most vulnerable being most impacted.

### **Subsidies on Solar Panels**

Several fiscal incentives to promote Renewable Energy (RE) and Energy Efficiency (EE) for households and companies were included in the Finance Act No. 13 of 2010 and came into effect on January 1, 2011. These include but not limited to:

- a) Import Duty Exemptions were granted for “machinery, equipment materials and parts for the manufacture or assembly of solar water heaters;
- b) 0-Rated VAT granted for solar water heaters, solar PV panels and wind turbines;
- c) Tax Credit for Solar Water Heaters: Where an individual, in a year of income commencing 1st January, 2011, purchases solar water heating equipment for household use, that individual shall be entitled to a tax credit of twenty-five per cent of the cost of the solar water heating equipment up to a maximum of ten thousand dollars (maximum tax credit of TT \$2500.00)
- d) Wear and Tear Allowance on 150% of expenditure incurred on:

### **Feed-in Tariff (FIT)**

A Feed-in-Tariff (FIT) is a methodology used to promote non-utility scale renewable energy generation, by providing eligible generators with a fixed and known tariff for the renewable electricity that they sell to the grid through long-term agreements. Given that TTEC has the overall mandate for generating electricity in Trinidad and Tobago, a FIT policy is required to regulate the generation of electricity from renewable energy sources for residential or commercial use without supplying to the grid. This policy is in the final stages of completion wherein the actual tariff, the funding of the tariff and the associated mechanism for implementation of the tariff are being finalised by the MPU and T&TEC.

Notwithstanding the foregoing, the generation of electricity from renewable energy sources for both residential and commercial without supplying to the grid is presently facilitated by the MPU in collaboration with T&TEC, through the issuance of non-utility scale generation licences. The Ministry can provide further information on accessing and the process for this facility by contacting Ms. Gale Dulal at [GDulal@mpu.gov.tt](mailto:GDulal@mpu.gov.tt) or 628-9500 ext. 4209.

### **Fiscal and other Policy Measures**

The comments from the various business groups have been noted and will be submitted to the Ministry of Finance for consideration. As previously mentioned, there are several fiscal incentives to promote Renewable Energy (RE) and Energy Efficiency (EE) for households and companies were included in the Finance Act No. 13 of 2010 and came into effect on January 1, 2011.

The removal of VAT on electricity and the concerns of the Petroleum Dealers Association, will be better addressed by the Ministry of Finance and the Ministry of Energy respectively, the Ministry will reach out to these Ministries to obtain their position on the submitted comments.

The MPU has noted the expression of some groups as it relates to revisiting the terms of the Power Purchase Agreements (PPAs), it should be noted that these were legal agreements and

renegotiating the terms and conditions is not a simple and straight forward approach. Notwithstanding, the Ministry has noted the recommendation.