



FAIR TRADING COMMISSION

UNDERSTANDING THE RENEWABLE ENERGY RATE APPLICATION PROCESS

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Introduction

The Fair Trading Commission (the Commission), as part of its regulatory function in respect to renewable energy (RE) producers and energy storage, seeks to provide pertinent information on the process by which a rate may be sought and the required documentation.

Legislation

The Electric Light & Power Act (ELPA) 2013 - 2021, prescribes the process by which a rate may be sought. Part III Section 13 (3) and 13 (4) of the Act states:

“(3) The public utility shall purchase electricity from a licensee or other person referred to in subsection (1) at such rate as may be agreed by the parties and approved by the Commission.

(4) Where parties fail to agree on the terms and conditions of an agreement referred to in the section or a dispute arises in respect of such an agreement, any party may, in writing, refer the matter to the Commission for determination. ”

The legislated process is necessary for the determination of a rate to be considered as having been properly referred to the Commission. Proof of engagement or negotiation with the Barbados Light and Power Company Limited is required, whether there is an agreement or not between the parties on the rate. In the event of a disagreement, the Commission advises that both parties submit the highlighted areas of contention, in the manner set out in Section 13 (4) of the ELPA 2013-2021.

Required Documentation

Ensuing from the abovementioned process, a formal application for a rate must be appropriately submitted to the Commission, whether there is an agreement or not between parties on the rate. In respect of a RE project, the application should contain the following documentation:

1. Detailed project description including the system(s) configuration;

2. Financial and technical assessments of the proposed project(s);
3. Operating assumptions;
4. Verifiable capital cost and operational costs of the proposed project (s);
5. Status of Permit from the Planning and Development Department and any costs related to the approval received;
6. Environmental Impact Assessment and any associated costs;
7. Performance assessment of the plant based on an approved industry standard solar photovoltaic (PV) assessment software such as photovoltaic system software (PVSys) or PV*Sol;
8. Performance Assessment of the RE project with co-located storage (if applicable); and
9. Any other verifiable costs not included in the above list.

The Commission, upon receipt of the application will review and make a determination in regards to the approval of a rate between parties.