



Fair Trading Commission

DECISION

**Standards of Service for
The Barbados Light & Power Company Ltd.**

2014 - 2017

No: FTC/DECSOSB/2014-01

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SECTION 1 INTRODUCTION

1.0 BACKGROUND

This document sets out the Fair Trading Commission's (Commission) determination emanating from the review of the Barbados Light & Power Company Limited's (the BL&P) Standards of Service Decision dated February 22, 2010.

The Utilities Regulation Act, CAP. 282 (URA) provides for the Commission to determine standards of service for regulated utility companies. In discharging this responsibility the Commission issued a Consultation Paper on the Review of the Standards of Service for the Barbados Light & Power Company Limited as mandated by the Fair Trading Commission Act, CAP. 326B (FTCA). The Consultation Paper was issued on October 25, 2013.

The purpose of Standards of Service for electricity services is to ensure that a minimum quality of service is maintained, provide incentives for improvement, create conditions for customer satisfaction, monitor service quality and generally protect the interest of electricity users.

The Guaranteed Standards of Service require that the BL&P make a compensatory payment to each individual customer who is affected by its failure to meet the defined target for the relevant standard.

Overall Standards of Service are designed to reflect the general performance of the BL&P on an island-wide basis and are not defined by the service which an individual customer receives. There is no compensation to customers for failure to meet overall standards. However, the Commission has the power under Section 38(c) (i) of the URA to make orders to impose penalties where it is apparent that the BL&P has continuously failed to meet the required standards.

This Decision includes details of exemptions. Exemptions refer to situations where the Commission considers that failure to meet the standards is outside the control of the BL&P and thus removes its obligation to pay compensation for breaches of the standards.

1.1 PUBLIC CONSULTATION

Service providers, representatives of consumer interest groups and other interested parties were invited to comment on the Consultation Paper. The consultation period commenced on October 25, 2013 and concluded on December 6, 2013. The only written comments received were from the BL&P.

The consultation also included an outreach exercise to inform and educate the public about the existing and proposed standards of service. Officers of the Commission interfaced with the public on a one-on-one basis in Bridgetown to obtain their views on the proposed amendments to the standards of service.

Having considered the data from the BL&P's Standards of Service reports from inception of the standards of service in 2006 to the present, ongoing customer comments and queries, public comments from the outreach exercise, the BL&P's response and discussions held with the BL&P, the Commission hereby sets out its determination on the review of the standards of service for the BL&P's, the primary entity responsible for generation, transmission and distribution of electricity in Barbados.

These revised standards of service shall be applicable from **July 1st, 2014** to **March 31st, 2017**.

1.2 LEGISLATIVE FRAMEWORK

The functions of the Commission encompass the important aspect of setting of standards of service. Section 3(1) of the URA, sets out the functions of the Commission in relation to the service provider. Some of these functions are as follows:

- (a) to determine the standards of service applicable;*
- (b) to monitor the standards of service supplied to ensure compliance; and*

(c) to carry out periodic reviews of the rates and principles for setting rates and standards of service.

The Commission therefore has responsibility for determining, monitoring and undertaking periodic reviews of the standards of service.

Section 4 of the URA notes that in determining standards of service the Commission shall have regard to:

- (a) the rates being charged by the service provider for supplying a utility service;*
- (b) ensuring that consumers are provided with universal access to the service supplied by the service provider;*
- (c) the national environmental policy; and*
- (d) such other matters as the Commission may consider appropriate.*

Before any standard of service can be determined the Commission, according to Section 4 (4) of the FTCA must consult with the service providers, representatives of consumer interest groups and other parties that have an interest in the matter before it.

The Commission may make orders imposing penalties for non-compliance with the relevant standards of service and prescribe amounts to be paid to consumers when a service provider fails to meet the standards. Section 38(c) of the URA provides that the Commission may make:

Orders with respect to

- i) imposing penalties for non-compliance with prescribed standards of service; and*
- ii) prescribing amounts to be paid to the person referred to in Section 21 for failure to provide a utility service in accordance with the standards of service set by the Commission.*

Rule 63 (2) of the Utilities Regulation (Procedural) Rules 2003, S.I. 2003 No. 104 indicates that service standards may include issues such as:-

- (a) Universality of service;*

- (b) The provision of new services;*
- (c) The extension of services to new customers;*
- (d) The maximum response time permitted for responding to customer complaints and queries; and*
- (e) Standards related to service quality which are specific to each sector.*

SECTION 2 ELECTRICITY SECTOR

A number of new initiatives are taking place within the electricity sector almost simultaneously. These include the introduction of the Time-of-Use (TOU) tariff, the Interruptible Service Rider (ISR), and the Renewable Energy Rider (RER).

Briefly, the TOU tariff and the ISR, which were first introduced at the same time as the RER in 2010, continue to be classified as pilot programmes. The TOU offers participants the opportunity to shift their demand from peak demand periods to off-peak periods and thus benefit from a lower per kWh rate during off-peak hours. The ISR allows the BL&P to temporarily interrupt the electricity service of participating customers during conditions of high system demand and customers are compensated for such. Both programmes are Demand Side Management strategies. The Commission has granted an extension of the TOU tariff and the ISR Pilot Programmes under the existing terms and conditions until the end of September 2015 or the next rate hearing, whichever occurs sooner.

In addition, the BL&P is developing an Integrated Resources Plan (IRP) to guide sustainable development in the electricity sector by identifying the requisite investment that is necessary to meet the forecasted demand. Two pending studies will inform revisions of the IRP - An Intermittent Renewable Energy Penetration Study and a Demand Side Management Study. The Intermittent Renewable Energy Penetration Study will determine the maximum tolerable variable renewable energy capacity of the BL&P's transmission and distribution system, while the Demand Side Management study will examine strategies that may precipitate the efficient use of electricity by end-users.

The BL&P has already incorporated distributed renewable energy in the electricity system through the RER. The RER was designed specifically to facilitate the sale of excess electricity to the grid by customers using solar photovoltaic or wind renewable energy systems to offset electricity consumption from the grid, thereby enabling the development of distributed generation on the island. This initiative signalled the introduction of competition in the generation of electricity. The IRP further indicates that the BL&P plans to include utility scale renewable energy in its energy mix from its operation as well as from commercial Independent Power Producers (IPP).

The revised Electric Light and Power Act 2013 - 21, which now speaks to renewable energy development, was passed by Parliament in December 2013 and is awaiting proclamation. Among other things, this Act formalises competition in electricity generation by offering licences for renewable energy generation at utility scale.

SECTION 3 ANALYSIS AND DETERMINATION

3.0 GENERAL

The Commission considered all responses, analysed the data forthcoming from the BL&P, reviewed information that is publicly available on electricity standards of service, and compared standards from regional and extra-regional jurisdictions. The Commission believes that:

- the continued existence of Guaranteed and Overall Standards of Service for the supply of electricity service is appropriate;
- exemptions from the standards of service are appropriate under *force majeure* and other specified conditions.

The standards of service developed and detailed in this document are mandatory and specific to the BL&P. The following sections set out the amendments to the Guaranteed and Overall Standards of Service.

3.1 SUMMARY OF OUTREACH RESPONSES

The outreach session allowed the Commission's staff to interact with several persons and obtain feedback regarding their thoughts on the BL&P's Standards of Service. The comments received from respondents suggest that they did not have a good knowledge of the standards of service regime; however they believed that standards of service are useful. When questioned specifically about the billing periods several customers indicated they would prefer to have a billing period limited to a calendar month and have their meters read monthly.

3.2 CHANGES TO THE GUARANTEED STANDARDS

In its response, the BL&P expressed general satisfaction with the existing guaranteed and overall standards; however some concerns about the proposed standards were raised. The following sections analyse these concerns and set out the Commission's determination.

Response to Billing Complaints (GES8)

The BL&P is receptive to the widening of GES8 to include all standards of service written complaints; however it indicated that the company currently only has the capability to track written correspondence related to billing and high/low voltage complaints. The BL&P has suggested that the various complaint categories would need to be clearly defined and that systems would have to be put in place for them to be measured. Accordingly, the BL&P confirmed that action was being taken to upgrade its Customer Information System which is expected to be fully operational in the last quarter of 2015.

Commission's Analysis

The company has historically recorded high levels of compliance with the original version of this standard and it is considered that expansion of this standard would serve to further inculcate good regulatory practice to the Guaranteed Standards of Service regime. However, given that the BL&P is actively working to upgrade its Customer Information System and in light of the expected duration of the project, the Commission is of the view that it would be appropriate to allow the company the time to upgrade its system before seeking to broaden this standard. Further, the BL&P has advised that the intended upgrades, when completed, will facilitate the tracking of both written and verbal complaints. It is proposed that the definition to be applied to this standard shall remain the same as in the 2010 decision.

Nonetheless, the Commission is of the view that responses to customer complaints pertaining to voltage issues should be addressed in this Decision. This will be included as a component in GES3 Standard - Investigation of Voltage Complaints.

DETERMINATION

The Commission has determined that the GES8 Standard - Response to Billing Complaints shall continue as determined in the 2010 Decision. The description shall remain the same - response to billing complaints. The BL&P shall respond to written or emailed billing complaints within five (5) working days and in situations where the BL&P considers that a service visit is necessary in order to resolve the complaint, provide an assessment within fifteen (15) working days of receipt of the complaint.

The target for the GES3 Standard - Investigation of Voltage Complaints shall be amended to include "Provide assessment within fifteen (15) working days of receipt of complaint."

Meter Reading (GES9)

This proposed new standard relates to limiting the number of issued estimated bills. The BL&P has suggested that the main reasons for the issuing of estimated bills are circumstances beyond its control such as inclement weather and an inability to access a customer's premises - these are classified as exempt conditions. The company has indicated that implementation of this proposed Meter Reading guaranteed standard would require major adjustments to its billing system for recording and tracking. The BL&P has suggested that the proposed Meter Reading guaranteed standard be first applied as an overall standard to allow the company the opportunity to resolve any challenges.

Commission's Analysis

The Commission notes that a Meter Reading overall standard of service - OES1 already exists and it is one of the few overall standards that the BL&P continually fails to achieve (target - 100%). Compliance is normally recorded in the 95% - 97% range. The Commission understands that the difficulty with reporting on the proposed guaranteed standard arises because there is no mechanism in place to ascribe reasons for estimated bills.

The Commission considers that this proposed guaranteed standard cannot be properly tracked at this time, at a reasonable cost to the company and ultimately to the customer, as the necessary procedures and processes are not in place to adequately identify and record non-exempt estimated bills. In light of the above, it is not prudent to implement this standard at this time.

The Commission is however of the view that the BL&P should inform customers when it is experiencing challenges accessing their electricity meters. This will assist in reducing the need for estimated billing.

DETERMINATION

The Commission will not institute the proposed Meter Reading guaranteed standard of service at this time. The Commission however intends to monitor the instances of estimated (E) bills given the expectation that domestic and general service customers should receive Regular (R) and Interim (I) bills in alternate months. In order to monitor this, the Commission will discuss with the BL&P how it should incorporate, in its quarterly regulatory reporting, the number of estimated bills issued.

Billing Period (GES10)

The BL&P's response as it relates to the establishment of a maximum thirty-one (31) day billing period suggests that the company would have considerable difficulty meeting this standard. The reasons advanced were bank holidays, adverse weather conditions, and personnel constraints such as illness. The BL&P has also indicated that the implementation of such a guaranteed standard would require several changes to its billing system and which would give rise to a significant increase in the amount of rebilling. It has further advised that a maximum thirty-one (31) day billing period would result in the affected customers receiving three bills in one month (current bill, credit note for previous bill and rebilling of previous bill) which would require more administrative resources and further confuse customers. As an alternative to the Commission's thirty-one (31) day proposal the BL&P has suggested thirty-four (34) days as the maximum billing period. The company has indicated that thirty-four (34) days would allow it to better manage the billing process.

Commission's Analysis

The historical data presented by the BL&P suggest that on average 47.5% of customers are billed in excess of thirty-one (31) days each month while that proportion drops to 6.2% for thirty-three (33) days. The Commission does not wish to have a situation arise where its determination compounds the problem of issuance of multiple bills in a given month.

The Commission recognises that customers would ideally want the billing period to relate to a calendar month and had therefore initially suggested implementing such a guaranteed standard. However, having analysed the challenges associated with implementing the proposed standard, the Commission is of the view that the increased

incidence of rebilling would complicate the process. The Commission therefore considers that, at this time, this standard would be best implemented as a new overall standard, OES6. This new standard will initially have a maximum billing period target of thirty-three (33) days. This target allows the Commission to balance customers' concerns with the company's ability to meet the target. Treating this issue under the Overall Standards of Service will allow the Commission to monitor the company's performance. The Commission may at a later date revise the maximum billing period target.

DETERMINATION

The Commission has determined that an Overall Standard OES 6 - Billing Period shall be instituted. The company is required to bill, at minimum, 95% of its customers for no more than thirty-three (33) days of service on all issued bills. This is intended to commence the transition towards an achievable maximum billing period of less than thirty-three (33) days.

3.3 CHANGES TO COMPENSATION

Automatic Compensation

As it relates to automation of compensation for failure to meet any of the guaranteed standards of service, the BL&P has indicated that it can, with some administrative changes, implement the automation of some of the guaranteed standards. In addition to GES4 (Simple Service Connection) and GES6 (Connection or Transfer of Service) to which automatic compensation already applies, GES1 (Fault Repair Customer's Service), GES3 (Voltage Complaint), and GES7 (Reconnection), have been identified as being currently amenable to automation. With regard to the other standards, the argument advanced to support the BL&P's contention that the breaches of GES2 (Fault Repair - Distribution System), GES5 (Cost Estimate) and GES8 (Response to Billing Complaint) should not be automatically compensated, is that its existing Customer Information System does not facilitate the tracking of all individual failures and that complex cost estimates required for GES5 are most often requested by developers and contractors who are not associated with a physical customer account. With reference to GES2 the company noted that it is especially difficult to identify all of the specific customers that are affected because of the

widespread nature of the fault and that customers in one district may get power from different distribution feeders.

The BL&P has advised that if compensation under the guaranteed standards were to be fully automated it would result in increased administrative costs of approximately \$100,000 annually. However, adding GES1, GES3 and GES7 to the list of guaranteed standards for which compensation is automatic would incur a cost of \$30,000 annually.

Commission's Analysis

Having reviewed the information submitted by the BL&P and based on the already high level of compliance of over 90% in all guaranteed standards the Commission is of the view that automation should be implemented only where minimal cost and or administrative changes would be required. The Commission considers that the effort and cost of automating GES2 (Fault Repair - Distribution System), GES5 (Cost Estimate) and GES8 (Response to Billing Complaint) would far exceed the benefit to be derived from such.

DETERMINATION

The Commission has determined that automatic compensation shall not apply to all the guaranteed standards of service. Automatic compensation shall remain in place for GES4 (Simple Service Connection) and GES6 (Connect or Transfer of Service) and shall now also apply to GES1 (Restore Supply Customer's Service), GES3 (Investigation of Voltage Complaints), and GES7 (Reconnection).

Manual System Compensation

Customers will have to submit claim forms manually for all breaches of GES2 (Fault Repair - Distribution System), GES5 (Cost Estimate), and GES8 (Response to Billing Complaint). The BL&P will continue to make available, at their offices, forms for customers to claim using the manual system. Customer claim forms will also be available on the company's website. Customer claims must be submitted within three (3) months of the event giving rise to the claim and the BL&P must accept or deny the claim within two (2) months of receipt of the same. If after investigation a customer's claim is

accepted, the BL&P shall adjust the following month's electricity bill by crediting the appropriate amount to the customer's account. If the claim is denied the BL&P must inform the customer of the reason(s) for the denial. The customer has the right to make a complaint to the Commission if he/she considers that he/she has been wrongfully denied compensation.

The Barbados Light & Power Company Limited's Guaranteed Standards of Service are summarised in Table 1.

Table 1 Guaranteed Standards of Service

Compensation will be paid as a credit on customers' bills

Domestic (D), General Service, (GS) Secondary Voltage Power (SVP), Large Power (LP)

STANDARD	SERVICE CATEGORY	TARGET	COMPENSATION
GES1 (Revised)	Fault Repair Customer's Service This refers to the time it takes to restore supply after fault on customer's service (single customer)	Within 12 hours	\$45.00 (D) \$90.00 (GS) \$215.00 (SVP/ LP)
			For each additional 24 hours Prorated on an hourly basis
			Automatic Compensation
GES2	Fault Repair Distribution System This refers to the time it takes to restore supply after fault on the distribution system (multiple customers)	Within 12 hours	\$45.00 (D) \$90.00 (GS) \$215.00 (SVP/ LP)
			For each additional 24 hours Prorated on an hourly basis Manual Customer Claim
GES3 (Revised)	Voltage Complaint This refers to the investigation of voltage complaints	Visit within 3 working days of receipt of the complaint	\$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP)
		Provide assessment within 15 working days of receipt of complaint	\$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP)
		Correct within 3 months of receipt of complaint	\$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP)
			Automatic Compensation

STANDARD	SERVICE CATEGORY	TARGET	COMPENSATION
GES4	<p>Simple Service Connection This refers to the time it takes to provide a simple service connection (connection point within 30 meters) after signing the contract for connection and the presentation of a valid certificate of inspection from the Government Electrical Engineering Department (GEED) by the customer</p>	Within 12 working days	Refund of installation fee Automatic Compensation
GES5	<p>Complex Connection – Cost Estimate This refers to the time it takes to provide cost estimate for complex connection requiring a service visit</p>	Within 3 months	\$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) Manual Customer Claim
GES6	<p>Connect or Transfer of Service This refers to the time it takes to connect or transfer service from one location to another location which has an existing installation</p>	Within 2 working days	\$45.00 (D) \$90.00(GS) \$215.00 (SVP/LP) Automatic Compensation
GES7 (Revised)	<p>Reconnection This refers to the time for reconnection of service on settling the bill after disconnection at the meter</p>	Within 1 working day	Refund of reconnection fee Automatic Compensation
GES8	<p>Response to Billing Complaints This refers to the timeframe in which BL&P responds to customer billing complaints</p>	Provide assessment within 15 working days of receipt of complaint if service visit is required; for other matters the company is to respond within 5 working days	\$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) Manual Customer Claim

3.4 CHANGES TO OVERALL STANDARDS OF SERVICE

This section outlines the changes made to the overall standards of service.

Frequency of Meter Reading (OES1)

DETERMINATION

This overall standard is amended to reflect that the BL&P is encouraged to inform its customers whenever its personnel have been unable to read their electricity meters due to difficulty in accessing customers' premises (e.g. locked gates, unrestrained dogs etc.)

Billing Period (OES6)

DETERMINATION

This is a new overall standard of service and is intended to commence the transition towards a more standardised billing period. This standard requires the BL&P to bill at least 95% of its customers for no more than thirty-three (33) service days. Because it is an overall standard, the BL&P will not be required to rebill individual customers who were billed for a period in excess of thirty-three (33) days. Rebilling may however occur in exceptional circumstances such as following the investigation of a billing matter.

Billing Adjustments

The BL&P has no objection to the principle behind the establishment of a Billing Adjustment overall standard when customers have to be rebilled; however the company has counter-proposed one (1) year as the maximum time frame for retroactive billing instead of six (6) months as proposed by the Commission. The BL&P has also highlighted the need for exemption conditions that allow for extension of the retroactive billing period.

Commission's Analysis

Having considered the establishment of Billing Adjustments as an overall standard, it was recognised that this matter could not be appropriately dealt with under the standards of service regime. This conclusion was made based on the number of factors that would have to be examined in establishing such a standard. Such factors include determining the types of exemptions to be applied to this standard and whether the customers and the BL&P should be held to the same time frame and standard for billing adjustments in view of the significant information asymmetries between the two parties. Given the above, the Commission is of the view that the imposition of this overall standard would be more complex than originally anticipated.

DETERMINATION

The Commission has determined that Billing Adjustments will not be established as an overall standard at this time. The Commission will monitor the occurrence of billing adjustments through its routine quarterly reporting requirements and will discuss these new reporting requirements with the BL&P.

The Barbados Light & Power Company Limited's Overall Standards of Service are summarised in Table 2.

Table 2 The BL&P Overall Standards of Service

STANDARD	DESCRIPTION	TARGET
OES1 (Amended)	Meter Reading Frequency of meter reading	(a) 100% of Domestic/General Service customer meters read every two months (b) 100% of Secondary Voltage Power and Large Power customer meters to be read monthly BL&P to inform customers whenever its personnel have been unable to access premises to read the meters
OES2	Voltage Complaints Response to Complaint of high/low voltage	95% of complaints to be responded to in five working days
OES3	Outage Notice Prior notice of outages	All potentially affected customers to be notified of planned outages 48 hours before outage in 95% of instances
OES4	Response to Claims Response to Written Claims related to Standards of Service	100% of customers to receive acknowledgement of receipt of claim within 10 working days
OES5	Call Centre Answering Billing and Trouble Centre calls answered by a customer service representative	85% of calls to be answered in one minute
OES6 (New)	Billing Period The period between two meter readings whether interim, estimated or actual	At least 95% of customers in each billing period shall be invoiced for no more than 33 days

The BL&P has asked that the term “adverse weather conditions” such as severe and persistent heavy rains be included in the *force majeure* conditions. The definition advanced for persistent heavy rain is rain falling continuously for more than half a working day.

Commission’s Analysis

The Commission acknowledges that adverse weather conditions, such as severe and persistent rain, are not within the control of the company but will impact the operations of the company. The Commission is therefore minded to include adverse weather as an exemption condition. Further, it is the Commission’s view that rather than being included as *force majeure*, adverse weather conditions is better suited to be included as a specific exemption and also under ‘Other Exemptions and Conditions’ as it is applicable to affected customers on a case by case basis.

DETERMINATION

The Commission has determined that “Adverse Weather Conditions” will apply as a Specific Exemption condition under GES1 (Restore Supply Customer Service), GES2 (Restore Supply Distribution System), GES3 (Investigation of Voltage Complaints), GES4 (Simple Service Connection), GES6 (Connect or Transfer of Service), GES7 (Reconnection), OES1 (Meter Reading) and OES6 (Billing Periods).

SECTION 4 DEFINITIONS AND SPECIFIC EXEMPTIONS

4.0 DEFINITIONS AND SPECIFIC EXEMPTIONS FOR GUARANTEED STANDARDS OF SERVICE

This section provides the definition that is applicable to each guaranteed standard of service and also lists the specific exemptions under which the standard and associated compensation are not applicable.

GES1 - Fault Repair - Customer Service (Restore supply after a fault on the customer's service)

Definition - Supply is to be restored within twelve (12) hours of a fault being reported to the company. This includes problems/defects at the metering point, broken or defective service wires and low or high voltage conditions arising from service connections, which cause the interruption of supply to a single customer.

Specific Exemption:

- Fault on customer's equipment e.g. socket base, load ends, underground cable.
- Adverse weather conditions.

GES2 - Fault Repair - Distribution System (Restore supply after fault on the electrical distribution system (multiple customers))

Definition - Supply should be restored within twelve (12) hours of a fault being reported.

Specific Exemptions:

- Where it would not have been reasonable for the BL&P to know that the customer's supply had been lost or that it had not been restored since the loss occurred.
- Where the outage is due to a fault on an underground cable and the prevailing conditions are such that it is not practical for the BL&P to be able to locate, excavate and repair the fault within the stipulated time frame.
- Adverse weather conditions

GES3 (Amended) - Voltage Complaint (Investigation of voltage complaint)

Definition - The BL&P is required to investigate the problem within three (3) working days and rectify the problem if the voltage supplied to the customer's premises does not meet the Power Quality Standard. The source of the problem may be on the customer's premises or on the equipment and facilities of the BL&P's network, up to the meter. Where it is found that the voltage supplied to the customer's premises does not meet the Power Quality Standard and cannot be corrected immediately, the BL&P is required to provide the affected customer with an assessment within fifteen (15) working days, and to complete the investigation and correct the fault, where the source of the problem is within its network, within three (3) months of receipt of the complaint.

Specific exemptions:

- Problems arising due to:
 - a. A significant increase in a customer's electricity demand where the BL&P has not been properly notified;
 - b. The inappropriate use of equipment (e.g. welding equipment, large motors) on a service not designed for such loads;
 - c. Defects in the customer's installation in respect of grounding, wiring overload, imbalance, harmonics or transient voltages;
 - d. Delays which may occur due to difficulties in obtaining the required permissions from property owners or the Town & Country Development Planning Office to carry out work; and
 - e. A defect in the customer's appliances or equipment.

GES4 - Simple Service Connection (Provide a simple service connection - connection point within 30 metres)

Definition - The BL&P is required to connect all new services which are within thirty (30) metres of an existing circuit within twelve (12) working days, after signing the contract for connection and the presentation of a valid certificate of inspection from the Government Electrical Engineering Department (GEED) by the customer.

Specific exemptions:

- Adverse weather conditions

GES5 - Cost Estimate (Provide a cost estimate for complex connection requiring a service visit)

Definition – The BL&P is required to provide a cost estimate for a new or altered supply within three (3) months of receipt of a customer request. The cost estimate includes provision for installation of equipment and changes to the distribution system.

Specific Exemptions:

- Where the customer fails to provide information required for determining the estimated costs.
- Delays which may occur due to difficulties in obtaining required permissions from property owners or the Town & Country Development Planning Office to carry out work.

GES6 – Connect or Transfer (Connect or transfer of a service to an existing installation)

Definition – The BL&P is required to connect a service or transfer an electricity account where there is a meter already installed on the premises, within two (2) working days after the customer has signed the contract with the company.

Specific Exemption:

- If the service has been disconnected for more than six (6) months and/or requires a valid certificate of inspection before it can be connected.
- Adverse weather conditions

GES7 – Reconnection (Reconnection of service on settling the bill after disconnection at the meter)

Definition - Reconnection within one (1) working day after payment of the bill, including payment of the reconnection fee. In the case of payments made to an external agency, reconnection by the end of the next working day after payment of bill including the payment of the reconnection fee and after the customer has notified the BL&P's customer service department that reconnection is requested.

Specific Exemption:

- Adverse weather conditions

GES8 (Amended) - Response to Billing Complaints (The time frame in which the BL&P responds to customer billing complaints)

Definition - The BL&P shall respond to written or emailed billing complaints within five (5) working days. In situations where the BL&P considers that a service visit is necessary in order to resolve the complaint, the assessment must be made within fifteen (15) working days. A response is deemed to have been provided when the company communicates to the customer, verbally, in writing or via email, the findings of the investigation, what provisions are being made to rectify the problem and a time frame for rectification.

4.1 DEFINITIONS AND SPECIFIC EXEMPTIONS FOR OVERALL STANDARDS OF SERVICE

This section provides the definition that is applicable to each overall standard and also lists the specific exemption conditions under which the standard is not applicable.

OES1 (Amended) – Meter Reading (Frequency of meter reading)

Definition – The BL&P is expected to read 100% of Domestic and General Service meters at least once every two months. One hundred per cent of Secondary Voltage Power and Large Power meters should be read monthly.

Specific Exemptions:

- Situations where, owing to restrictions of access to the premises, the meter is inaccessible to the meter reader (e.g. presence of unrestrained dogs or a locked gate). In these cases the company should inform the customer of the situation and arrange to have the matter corrected.
- Adverse weather conditions.

OES2 – Voltage Complaints (Response to Complaint of high/low voltage)

Definition – Ninety-five per cent of voltage complaints should be investigated within three (3) working days.

Specific exemption:

- Delays which may occur due to difficulties in obtaining required permissions from property owners or the Town and Country Development Planning Office to carry out work.
- Adverse weather conditions.

OES3 – Outage Notice (Prior notice of outages)

Definition – All potentially affected customers are to be notified in writing of planned outages forty-eight (48) hours before the outage is instituted in 95% of instances.

Specific Exemption:

- Situations where urgent remedial work is planned but the time frame is such that written notice forty-eight (48) hours prior is not practical. For outages that are expected to exceed three (3) hours the company should use an alternative method of advising customers, for example, through personal visits to the premises or radio broadcast (where a large number of customers are involved).

OES4 - Response to Claims (Response to Written Claims related to Standards of Service)

Definition - One hundred percent of written claims to BL&P for breaches of standards of service should be acknowledged by the BL&P within ten (10) working days of receipt of the claim.

OES5 - Call Centre Answering (Billing and Trouble Centre calls answered by a customer service representative)

Definition - Eighty-five per cent of all calls to the BL&P's Billing and Trouble Centre should be answered within one (1) minute.

Specific Exemption:

- Calls received during the period of an outage on one (1) or more feeders shall not be applicable under this category. The intent is to exclude instances of overloaded lines during unusual circumstances (e.g. major outages).

OES6 - Billing Period (NEW) (The period between two meter readings whether interim, estimated or actual)

Definition - Ninety-five per cent of bills issued to customers in any billing period should be for no more than thirty-three (33) days of service.

Specific Exemptions:

- Situations where, owing to restrictions on access to the premises, the meter is inaccessible to the meter reader (e.g. presence of dogs or a locked gate). In these cases the BL&P should write the customers to make them aware of the situation and seek to have the situation corrected.
- Adverse weather conditions

SECTION 5 EXEMPTIONS

5.0 CHANGES TO MONITORING AND ENFORCEMENT OF STANDARDS

The Commission has decided that the definition for *force majeure* is as follows:

Risks beyond the reasonable control of the company which was not incurred as a result of its negligence but which nevertheless have a materially adverse effect on the ability of the company to perform its obligations.

The Standards of Service Regime states that the *force majeure* conditions under which the exemptions from the Standards of Service may be granted are:

- (a) An act of war (whether declared or not), hostile invasion, act of foreign enemies, terrorism or civil disorder;
- (b) A strike or strikes and or other industrial action or blockade or embargo or any other form of civil disturbance (whether lawful or not);
- (c) Landslides, lightning, hurricanes, floods, storm, earthquake, tsunami or any other natural disaster of overwhelming proportions;
- (d) Riots;
- (e) Civil commotion;
- (f) Acts or threats of terrorism;
- (g) Insurrections;
- (h) Epidemics;
- (i) Trade restrictions;
- (j) Inability to obtain any requisite Government permits; and
- (k) Breakdown of machinery or equipment or any other force or cause of similar nature not within the control of the company and which by the exercise of diligence it is unable to avoid, prevent or mitigate.

5.1 OTHER EXEMPTIONS AND CONDITIONS

The Commission is cognisant that other circumstances may exist from time to time which might impede the BL&P's ability to meet the prescribed standards of service on an individual customer basis. In such circumstances a particular standard may be temporarily suspended.

The situations which might fall into this category may include but are not limited to the following:

- (a) Inability to gain access to premises or the BL&P's facilities where needed;
- (b) Where the customer's installation does not meet the BL&P's requirements for installation or is considered unfit for service. (The BL&P's installation requirements are published in its Information and Requirements booklet and on its website);
- (c) Where the customer or his/her agent fails to fulfil his/her obligations;
- (d) Where there are legal constraints that may prevent the BL&P from meeting the standard;
- (e) Where the customer informs the BL&P that he/she does not want further action to be taken on a matter;
- (f) Where the customer requests the BL&P to take action at a later date than required by the standard;
- (g) Where the BL&P reasonably considers that the customer's request or complaint is frivolous or vexatious;
- (h) Where an offence has been committed through interference with the BL&P's metering equipment;
- (i) Where the customer's electricity account remains unpaid after the BL&P has given the customer notice of its intention to disconnect his/her supply for non-payment;
- (j) Where the BL&P is requested by a public authority to provide emergency electricity supply to assist in emergency action and the provision of such services restricts the connection of a customer to a specified service or the rectification of a fault or service difficulty;
- (k) Where the customer is required to pay a charge to the BL&P for connection to the service or for the use of the service and the BL&P has reasonable grounds to believe, based on the customer's prior debt service record, that the customer would be unwilling or unable to pay the charge as it becomes due; and

- (l) Other unforeseeable circumstances beyond the control of the parties against which it would have been unreasonable for the affected party to take precautions and which the affected party cannot foresee by using its best efforts.

The Commission has added the following condition to the exemption list:

- (m) Adverse weather conditions e.g. severe and persistent heavy rain.

In circumstances where a customer is dissatisfied with the BL&P's application of an exemption, that customer and/or the BL&P may seek the Commission's guidance.

SECTION 6 SYSTEM RELIABILITY INDICATORS

6.0 SYSTEM RELIABILITY INDICATORS

The Commission continues to believe that it is prudent to monitor the system reliability indicator which reflects the reliability performance of the BL&P. This information allows the Commission to monitor performance trends and benchmark the company's performance against that of other regional electric utilities of similar operation and scale. Benchmarking of reliability indices facilitates the establishment of a reference for improvement.

The following indices continue to be applicable.

System Average Interruption Duration Index (SAIDI)

This index indicates the total duration of interruption for the average customer during a pre-defined period of time (e.g. monthly) and is measured in customer hours of interruption.

$$\text{SAIDI} = \frac{\text{Total Customer Hours Interruptions}}{\text{Total Number of Customers Served}}$$

System Average Interruption Frequency Index (SAIFI)

This indicates how often the average customer experiences a sustained interruption over a pre-defined period of time (e.g. monthly)

$$\text{SAIFI} = \frac{\text{Total Customer Interruptions}}{\text{Total Number of Customers Served}}$$

Customer Average Interruption Duration Index (CAIDI)

This represents the average time to restore service.

$$\begin{aligned} \text{CAIDI} &= \frac{\text{SAIDI}}{\text{SAIFI}} \\ &= \frac{\text{Total Customer Hours of Interruption}}{\text{Total Number of Customer Interruptions}} \end{aligned}$$

By collecting and comparing these indices on a monthly basis, the Commission will be able to determine whether there has been an improvement or deterioration in the standard of production and distribution of electricity in Barbados.

The BL&P will follow the Institute of Electrical and Electronic Engineers (IEEE) standard 1366 (2003) for determining System Reliability.

6.1 POWER QUALITY STANDARD

This is set at +/- 6% of nominal voltage. The BL&P may be required to pay compensation for damage to equipment if the supplied voltage is outside of this range. The decision on whether the BL&P is liable will be made in accordance with the BL&P's policies and procedures for handling claims for damage to customer equipment.

6.2 WORKING DAYS

Working Days as referred to in the standards include Monday to Friday only and exclude public holidays and weekends. In measuring the response time for targets expressed in terms of working days, the day that the complaint is made is not counted.

SECTION 7 ADMINISTRATION

7.0 MONITORING AND ENFORCEMENT OF STANDARDS

The BL&P is required to submit quarterly reports of the reliability indicators:

- CAIDI (Customer Average Interruption Duration Index)
- SAIDI (System Average Interruption Duration Index)
- SAIFI (System Average Interruption Frequency Index)

In addition, the BL&P must provide the average value of each index over the entire year at the end of each year.

The BL&P is required to submit quarterly Standard of Service reports including information on:

- The number of breaches under each Guaranteed Standard of Service category and percentage compliance;
- The level of compliance, as a percentage, of each Overall Standard of Service category (OES1 to OES6); and
- Details of any extenuating circumstances that would have prevented it from achieving the targets for the Overall Standards.

The BL&P is required to submit annual Standard of Service reports including information on:

- The number of customers eligible for compensation during the previous financial year (except for GES2);
- The total amount of eligible compensation; (except for GES2);
- The number of customers actually receiving compensation; and
- The amount of compensation actually paid.

GES2 is exempt as it is difficult to identify affected customers.

The Commission reserves the right to conduct independent investigations that seek to determine the extent to which the BL&P is meeting the standards of service.

The Commission further issues an Order pursuant to Section 38 (c) (ii) of the URA. This Order is attached to this Standards of Service Decision.

The BL&P must provide an explanation to the Commission if it continually fails to meet the standards, particularly to the point where the provision of the service is severely hampered. If the Commission is not satisfied with the service provider's explanation and it appears that the BL&P has not made a reasonable effort to rectify the breach, Section 43 of the FTCA and Section 31 of the URA authorise the Commission to enforce the related Order issued under Section 38(c) (ii).

7.1 PUBLIC DISCLOSURE OF INFORMATION

The Commission will make public the yearly statistics related to the BL&P's performance in attaining these Guaranteed and Overall Standards.

7.2 PUBLIC EDUCATION

The BL&P shall make available to its customers by post or electronically within two (2) months of the implementation of this Decision, the Table of Guaranteed Standards of Service as set out in this Decision. This Table shall include information on the service category, target times, and compensatory payment where applicable. In addition, the company is being encouraged, through public relations efforts, to educate its customers about its fault reporting process including publicising contact numbers and e-mail addresses for making complaints to the company. The BL&P should place the claim form on its website and also in its offices.

7.3 IMPLEMENTATION AND REVIEW

The Standards of Service for the BL&P as herein outlined will become effective on July 1st, 2014 until March 31st, 2017. These standards will thereafter be subject to review by the Commission at which time amendments to the standards, target times or compensatory payments may be made.

Dated this 7th day of May 2014

Original Signed by

Neville V. Nicholls
Chairman

Original Signed by

Philmore A. Alleyne
Commissioner

Original Signed by

Andrew F. Brathwaite
Commissioner

Original Signed by

Gregory F.M. Hazzard
Commissioner

Original Signed by

Mr. Andrew W. Willoughby
Commissioner