

Statement on Summary of Final Findings Report: November 2019 Electricity Outages

STATEMENT SUMMARY OF FINAL FINDINGS REPORT ON NOVEMBER 2019 ELECTRICITY OUTAGES

On December 30, 2020, the Fair Trading Commission issued its Final Findings Report on the island-wide power outages which occurred on November 18 and 19, 2019. Following the outages, the Commission received preliminary outage reports from the Barbados Light & Power Company Limited (“BL&P”) and launched an investigation on November 21, 2019, in order to determine the nature of the incidents and adequacy of the BL&P’s response. The Commission’s investigation also sought to:

- establish whether the BL&P had breached the Standards of Service Decision 2018-2020, Section 20 of the Utilities Regulation Act, Chapter 282 of the Laws of Barbados (URA) or any other legislation which the Commission administers; and

- ascertain the impact of the outages on the one hundred and thirty thousand electricity customers who were affected.

The Commission launched its investigation with meetings on November 21 and November 22, 2019 with the BL&P. The Commission then requested the BL&P’s maintenance reports on December 6, 2019, and these were submitted by the BL&P on December 16, 2019. On December 19, 2019, the BL&P indicated that the final outage reports would be submitted by December 27, 2019; these were in fact received by the Commission on December 31, 2019.

Having reviewed BL&P’s outage reports, on February 7, 2020, the Commission issued correspondence to the BL&P requesting sworn affidavits annexing specific documents and responses to interrogatories. The BL&P submitted these documents to the Commission on March 6, 2020. The Commission’s Preliminary Findings Report was then issued to the BL&P on June 19, 2020, with the BL&P providing its response by the July 6, 2020 deadline.

In the months that followed, the Commission continued to receive, review and assess information that was provided by the BL&P. The investigation was completed in November 2020. The Commission submitted its Findings Report to the BL&P on November 18, 2020 and the utility was given fourteen calendar days to respond. The BL&P’s December 4 response was given due consideration.

Having concluded its investigation, the Commission has identified inadequate plant maintenance by the BL&P as the main contributor to the two-day outages. This affected the BL&P’s capacity to meet customers’ electricity demand in a timely fashion. The matter of maintenance inefficiencies also extends to fuel quality verification, with fuel analysis reports indicating the presence of foreign substances. The fuel was therefore not compliant with the

international fuel quality standard, ISO 8217.

The Commission has therefore found the BL&P to be in breach of Section 20 of the URA by reason of the following:

- BL&P had insufficient operating reserves to sustain adequate energy supply to customers on a consistent basis.
- There was inadequate testing of switchgear and protection systems.
- There was inadequate monitoring and surveillance of electrical equipment.
- Fuel quality was not verified on a consistent basis.

Section 20 of the URA states that service providers must maintain and repair their property and equipment to enable the provision of safe, adequate, efficient and reasonable service to the public. In addition to the remedial action that BL&P has undertaken since the outages, the Commission will also issue its own recommendations in order for these areas to be appropriately addressed.

Breaches of the Standards of Service also occurred, as the BL&P failed to meet the requirements of GES 2 Fault Repair-Distribution System and GES 3 Voltage Complaint. GES 2 requires the utility to restore service within eight hours after a fault on the system has impacted multiple customers. Restoration of service following the outages took in excess of 13 hours to complete in both instances.

In addition, damage to customers's equipment occurred during the outages.

GES 3 stipulates that the BL&P must investigate the reported incident within twenty-four hours of receipt of the complaint; provide an assessment of the report within five working days of receipt; and resolve the issue within thirty days of the report. Furthermore, compensation is required from the BL&P where breaches occur under both of these Standards. In accordance with the Standards of Service Decision, the BL&P is required to compensate the 600 plus customers who have submitted claims, once it is confirmed that the claims are related to these outages. The Commission will monitor the assessment of customer claims and issuance of compensation.

The Commission has worked assiduously, not only for the completion of the investigation and issuance of the Findings Report, but to ensure that appropriate measures are taken by the BL&P to remedy the deficiencies which led to these

national outages.

Finally, in view of the findings, the Commission will also be pursuing enforcement action against the BL&P. A determination will be made as to what form that enforcement action will take and the BL&P will be given an opportunity to be heard. The public will be informed of the final determination.

Video – Press Statement

See the Summary Final Findings Report [here](#).

December 30, 2020