

APPLICATION BY THE BARBADOS LIGHT & POWER COMPANY LIMITED (BLPC) FOR FORCE MAJEURE EXEMPTION FOR SPECIFIED STANDARDS OF SERVICE PURSUANT TO SECTION 16 OF THE UTILITIES REGULATION ACT, CAP 282 OF THE LAWS OF BARBADOS.

#### A. APPLICATION

- The BLPC hereby applies to the Fair Trading Commission (the Commission) for force majeure exemption for the Standards of Service related to:
  - a. Guaranteed Standards of Service targets for GES3, GES4, GES5, GES8 and GES9.
  - b. Overall Standards of Service targets for OES1, OES2, OES3, OES5, OES6 and OES7.
- The Application for force majeure exemption is made pursuant to Section 16 of the Utilities Regulation Act, Cap 282 (URA) of the Laws of Barbados, Section 36 of the Fair Trading Commission Act, CAP326B (FTCA) and the provisions made for exemptions in Commission's Decision on The Barbados Light and Power Company Limited Standards of Service 2018 – 2020.

### **B. CONCISE STATEMENT OF FACTS** (Rule 26 of the Rules)

- 3. The BLPC is a vertically integrated electric utility company which was established on May 6, 1955 and incorporated on December 30, 1986 under the Companies Act, Cap 308 of the Laws of Barbados and has its registered office at Garrison Hill, St. Michael, Barbados. Pursuant to the Electric Light & Power Order, No. 3, set out in the Third Schedule of the Electric Light and Power Act, Cap 278 of the Laws of Barbados, the BLPC was granted the right to supply energy for all public and private purposes for a period of forty-two years from August 1, 1986.
- 4. The Applicant's electricity system is comprised of four (4) generating plants and 19 substations. The generating plants use a mix of technologies including solar photovoltaic, steam, diesel, and gas turbines to produce electricity.



- 5. The BLPC is required to manage the grid to ensure the electricity network meets constantly changing demands of investors that supply services to the grid and customers supplied from the grid. The BLPC therefore has an obligation to maintain a safe, efficient, reliable network.
- On 11 March 2020, The World Health Organization (WHO) declared a Public Health Emergency of International Concern on 30 January, and the outbreak of COVID-19 pandemic, also known as the coronavirus.
- 7. The pandemic was confirmed to have reached Barbados on 17 March 2020 and on 26 March 2020, the Prime Minister of Barbados announced that the country would be entering stage three of the COVID-19 National Preparedness Plan and a national curfew commenced on 28 March 2020.
- 8. The curfew initially was applied from 8:00 pm to 6:00 am and later extended to a 24-hour curfew on 3 April 2020.
- 9. The Government of Barbados (GoB) encouraged social distancing and physical distancing of six feet.
- 10. The national curfew and social distancing requirements impacted the BLPC operations and limited the BLPC's ability to meet the Standards of Service targets especially in areas that require field visits and direct contact with customers to resolve.

#### C. GROUNDS FOR THE APPLICATION

- 11. Section 36 of the Fair Trading Commission Act, CAP.326B (FTCA) provides that the Commission may on Application or on its own motion vary or rescind any decision or order made by the Commission.
- 12. Section 16 of the Utilities Regulation Act (URA) provides that where the Commission has not fixed a period of time in accordance with Section 15 (1) the Commission may on its own initiative or upon an Application by a service provider or consumer, review the rates, principles and standards of service for the supply of a utility service.



- 13. The BLPC's Application may result in the alteration of the Barbados Light and Power Company Limited Standards of Service 2018 2020 (BLPCSOS) Decision of the Commission issued 29 September 2017.
- 14. The BLPCSOS Decision identifies conditions under which exemptions from the Standards of Service may be granted.
- 15. This Application, made pursuant to Section 16 of the URA and Section 36 of the FTCA as well as the exemptions conditions outlined in the BLPCSOS Decision forms the statutory basis on which the Commission may act in relation to granting the BLPC's request.

### **COVID-19 impact on Standards of Service**

- 16. The COVID-19 outbreak has been identified by the WHO as a pandemic, which is an epidemic that has spread over multiple countries. It is reported that the virus is primarily spread between people during close contact, most often via small droplets produced by coughing, sneezing, and talking.
- 17. To reduce the threat of the spread of COVID-19 the GoB declared a public health emergency, instituting a national curfew and social distancing to limit close physical interaction between individuals.
- 18. In compliance with the directive of the GoB, the BLPC activated working from home (WFH) arrangements and self-isolation for essential staff and vulnerable employee groups. These arrangements were eventually extended to include over 80% of the workforce working from home in an effort to comply with the GoB social distancing guidelines.
- 19. The WFH and social distancing arrangements are being managed by the BLPC in a manner that do not compromise the delivery of a safe and reliable electricity supply.
- 20. The national curfew and social distancing requirements have however limited the BLPC's ability to achieve many of the targets set down in the Standards of Service,



particularly standards that require field visits and potential direct contact with customers to resolve.

- 21. The specific impact of national curfew and social distancing requirements on the Standards of Service are outlined in Table 1 and Table 2.
- 22. The BLPC first wrote the Commission on 9 April, 2020 requesting force majeure exemption for the Standards of Service. The Commission correspondence of 24 April, 2020 stated the BLPC must submit an Application to the Commission with supporting information on the request for exemption. On 11 May, 2020 the BLPC sent correspondence to the Commission as its Application for force majeure relief. The Commission responded on 15 May 2020 with guidance to the BLPC on the structural requirements of the Application.

TABLE 1: OVERALL STANDARDS OF SERVICE

Service Category -OES	Regulatory Target	Force Majeure Requested	Suspension Period Requested	Reasons
OES 1: Frequency of meter reading	100% of Secondary Voltage Power and Large Power customer meters to be read monthly	YES	National	The national lockdown and social distancing restrictions will impact BLPC's ability to read meters that cannot be read remotely.
OES 2: Response to complaint of high/low voltage	100% of complaints to be responded to within twenty-four (24) hours.	YES	National	The national lockdown and social distancing restrictions have impacted the BLPC's ability to investigate complaints that require site visits.
OES 3: Prior notice of outages	100% notified of planned outage in forty-eight (48) hours	YES	National	The national lockdown and social distancing restrictions will impact our printer's ability to provide the necessary notices to customers.
OES 4: Response to written and oral claims related to Standards of Service	100 % of customers to receive acknowledgement of receipt of claim within 5 working days	NO		The national lockdown is not expected to significantly impact BLPC's ability to respond to these complaints
OES 5: Answering of Billing and Trouble Calls	85 % of calls answered by a representative within 1 minute	YES	National Restrictions Lifted	Given the closure of businesses and payment facilities due to the national lockdown, delays in answering some calls occurred due to the high volume of calls querying billing arrangements.
OES 6: 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	YES	National	The national lockdown and social distancing restrictions will impact BLPC's ability to read meters that cannot be read remotely.
OES 7: Acknowledgement & settlement of damage claims	95% of clams settled within two (2) months	YES	National Restrictions Lifted	The national lockdown and social distancing restrictions will impact BLPC's ability to investigate these claims given that a site visit is often required.



### TABLE 2: GUARANTEED STANDARDS OF SERVICE

Service Category -GES	Regulatory Target	Force Majeure Requested	Suspension Period Requested	Reasons
GES 1: Fault Repair - Customer's Service  This refers to the time it takes to restore supply after fault on a consumer's service (single customer).	Within eight (8) hours of receipt of complaint.	NO	Not Applicable	The national lockdown and social distancing restrictions are not expected to significantly impact BLPC's ability to meet this standard.
GES 2: Fault Repair - Distribution System  This refers to the time it takes to restore supply after fault on the distribution system (multiple customers).	Within eight (8) hours of receipt of complaint.	NO	Not Applicable	The national lockdown and social distancing restrictions are not expected to significantly impact BLPC's ability to meet this standard.
GES 3: Voltage Complaint  This refers to the investigation and correction of voltage complaints.	Visit within twenty- four 24 working hours	YES	March 2020 - Until	The national lockdown and social distancing restrictions have impacted the BLPC's timeliness to assess voltage issues because site visits are required as part of the investigation.
GES 4: Simple Service Connection  This refers to the time it takes to provide a simple service connection (connection point within thirty (30) meters) after the customer signs the contract for connection and presents a valid certificate of inspection from the Government Electrical Engineering Department (GEED).	Within twelve (12) working days of receipt of request.	YES	March 2020 - Until National Restrictions Lifted	The BLPC does not anticipate having new requests for connections given the restrictions on non-essential activities and the likely unavailability of GEED to issue certificates. However, there would be delays in executing connections for applications that were being processed at the time of the national lockdown.
GES 5: Complex Connection – Cost Estimate  This refers to the time it takes to provide a cost estimate for a complex connection requiring a service visit from the time of provision of all the requisite information.	Within thirty (30) days of request.	YES	March 2020 - Until National Restrictions Lifted	The national lockdown and social distancing restrictions have impacted the BLPC's ability to conduct site visits to inform the estimates.
GES 6: 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.	Within twelve (12) working hours	NO	Not Applicable	The BLPC has the ability to reconnect the majority of customers remotely.
GES 7: Reconnection  This refers to the time for reconnection of service on settling the bill after disconnection at the meter, as verified by the BL&P.	Within six (6) working hours of receipt of payment.	NO	Not Applicable	No reconnections are expected because the BLPC will not be making any debt disconnections during this period.
GES 8: Response to Billing Complaints  This refers to the timeframe in which the BL&P responds to customers' billing complaints.	Assessment & resolution in ten (10) working days	YES		The national lockdown and social distancing restrictions have impacted the BLPC's ability to investigate complaints that require site visits.
GES 9: Application of compensation to customer accounts  This refers to the timeframe in which the BL&P applies the credit to customers' accounts when a standard is breached.	Within two (2) months of occurrence/claim	YES		The BLPC can meet the target only for standards not requiring site visits to resolve.



- 23. Social distancing and requirements to limit direct physical contact with customers have in particular affected the BLPC's ability to meet the targets related to Guaranteed Standards of Service GES3, GES4, GES5, GES8 and GES9. The Overall Standards of Service targets impacted include OES1, OES2, OES3, OES5, OES6 and OES7.
- 24. The BLPC continues to address all areas identified under the Standards of Service, however enhanced safety and social distancing protocols to protect the BLPC's staff and customers will result in longer response times during this pandemic period.
- 25. The Commission in Section 5 of its Decision of The Barbados Light and Power Company Limited Standards of Service 2018 2020 (BLPCSOS), stated that the Standards of Service do not apply where conditions are outside of the control of the BLPC make it impossible to meet the targets.
- 26. The BLPC maintains that the restrictions that are necessary to ensure the safety of customers and employees make it very challenging to achieve the response times required to meet the targets for standards identified in paragraph 23 above.
- 27. Section 5 of the BLPCSOS Decision lists epidemics as one of the conditions under which a force majeure exemption may be granted from the Standards of Service. The Section states that an exemption may be granted where there are legal constraints that may prevent the BLPC from meeting the Standards of Service.
- 28. The COVID-19 pandemic gave rise to conditions similar to a local epidemic and resulted in legal constraints that limit the ability of the BLPC to meet some of the Standards of Service targets.
- 29. The BLPC considers its request for exemption for the Standards of Service targets it has specified to be reasonable and should be granted until the restrictions imposed by the GoB are lifted.

## D. NATURE OF ORDER BEING SOUGHT

30. The BLPC requests that until the national restrictions associated with the COVID-19 pandemic are lifted, it be granted force majeure exemption for the targets related to:



- Guaranteed Standards of Service targets for GES3, GES4, GES5, GES8 and GES9.
- b. Overall Standards of Service targets for OES1, OES2, OES3, OES5, OES6 and OES7.
- 31. The force majeure exemption be retroactive from 26 March 2020.

# E. PERSONS AFFECTED BY THE APPLICATION (Rule 26 of the Rules)

32. Pursuant to Rule 26 (4) of the Rules, the Applicant advises that it is impractical to set out all the names and addresses of each customer affected by the Application because they are too numerous. However the persons affected can generally be described as customers of the Applicant that fall within our customer classes or tariff groups. These customers are affected because the Applicant supplies service to them.

DATED THIS 29th DAY OF MAY, 2020

SIGNED BY:

#### **ADRIAN CARTER**

#### THE APPLICANT'S REPRESENTATIVE AND DULY AUTHORIZED OFFICER

**APPLICANT'S ADDRESS:** THE BARBADOS LIGHT & POWER COMPANY LIMITED

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