

FAIR TRADING COMMISSION

Proposed Standards of Service for the Barbados Light & Power Company Limited (BLPC) 2022

Document No.: FTCUR/HP/BLPCSOS/2022-06

Date of Issue: May 26, 2022

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Document Number: FTCUR/HP/BLPCSOS/2022-06

DOCUMENT TITLE: PROPOSED STANDARDS OF SERVICE FOR THE BARBADOS LIGHT & POWER COMPANY LIMITED (BLPC) 2022

ANTECEDENT DOCUMENTS

| Document Number | Description | Date |
|---------------------------------|---|--------------------|
| FTC/UR/CONSOS/BLPC 2021 - 01 | Determination of Standards of Service for the Barbados Light & Power Company Limited (BLPC) | May 25, 2021 |
| FTCUR/DECSOS/BLPC- 2017-02 | Decision on BLPC Standards of Service 2018-2020 | September 29, 2017 |
| FTC/UR/CONSOS/BLPC 2017 – 01 | Review of Barbados Light & Power Company Limited Standards of Service | April 03, 2017 |
| FTC/UR/2014-01 | Decision on BLPC Standards of Service 2014 - 2017 | May 09, 2014 |
| FTC/URD/CONS 2013-01 | Consultation Paper - Review of the BLPC Standards of Service | October 25, 2013 |
| FTC/UR/2010-03 | Decision on BLPC Standards of Service 2010- 2013 | February 22, 2010 |
| FTC/CONS 2008-02 | Consultation Paper – Review of the BLPC Standards of Service | October 29, 2008 |
| FTC/UR/2006-2 | Decision on BLPC Standards of Service 2006 - 2009 | February 28, 2006 |

SECTION 1 SUMMARY

This is a hearing document which invites persons to submit letters of intervention to review the Standards of Service framework applied to Barbados Light and Power Company Limited (BLPC). The Commission holds the view that the Standards of Service framework is an important tool which ensures that the BLPC provides a safe, efficient and reliable service to its customers. Further, the intermittent review and appropriate periodic amendments of this framework, are measures which facilitate improved performance.

On September 29, 2017 the Fair Trading Commission (the "Commission") issued its Decision setting out the Standards of Service (SoS) for the Barbados Light and Power Company Limited (the "BLPC"). Pursuant to Section 15 of the Utilities Regulation Act CAP 282 of the Laws of Barbados (the "URA"), Standards of Service may remain in force for a period not exceeding 5 years.

On May 25, 2021, the Commission issued a consultation paper seeking feedback from all interested parties on the Standards of Service in respect of BLPC. Only one participant, the BLPC, submitted comments in response to the said consultation paper.

In anticipation of the expiry of the current Standards of Service applicable to BLPC, the Commission commenced its process of determining the Standards of Service applicable, and has accordingly outlined its proposed Standards of Service. The proposed Standards of Service are primarily based on the Commission's review of the comments received from the BLPC in response to the May 25, 2021 Consultation Paper, and the Commission's own analysis.

As part of the Commission's process of determining the Standards of Service for the upcoming period, the Commission will conduct a hearing which will provide all interested parties with the opportunity to comment on the Standards of Service proposed in this paper.

When adopted, the proposals will be part of the 2022-2025 Standards of Service, which becomes effective for a period to be determined by the Commission but no longer than five years. Note however, that the Commission reserves the right to (i) review these Standards before the end of this period, and (ii) extend its Decision for two additional years (up to 2027), if deemed necessary. Thereafter, the Decision will be subject to review by the Commission, at which time amendments may be made.

SECTION 2 INTRODUCTION

2.1 Background

Market competition plays a vital role in the delivery of service quality which in turn influences consumer preference. The competitor who succeeds in offering a price and quality of product that the consumer is willing to pay and accept can dominate the market. In the absence of competition, the behaviour of monopolies is constrained by regulatory institutions such as the Commission. As monopolies are not subject to market competition, they may be inclined to trade price against quality of service (QoS). In light of this, the Commission is obligated to ensure that a minimum acceptable level of service exists for regulated services, thus the establishment of Standards of Service.

The BLPC is a vertically integrated company, that is, it generates, transmits and distributes electricity for its consumer base of approximately 130,858 customers¹. The BLPC provides electricity to Domestic Service (D), General Service (GS), Secondary Voltage Power (SVP) and Large Power (LP) customer classes; there is also a class for employees. BLPC currently has a gross generating capacity of 278 MW, of which 96.4% is produced from fossil fuel²; however, against the background of the ambitious targets of the Barbados National Energy Policy (BNEP) (which aims for 100% renewable energy (RE) and a carbon neutral island state by 2030³), fossil-fuel dominant electricity generation will soon be replaced with renewable sources, primarily Wind & Solar Photovoltaic (PV).

The amendments and retention of standards proposed by the Commission in this paper are based on the following:

¹ Emera Caribbean, "Barbados Light & Power Company Limited," accessed February 22, 2021, <u>https://www.emeracaribbean.com/our-affiliates/blpc</u>.

² The Barbados Light & Power Company Limited, *"How We Generate Electricity,"* accessed February 24, 2021, <u>https://www.blpc.com.bb/index.php/company/how-we-serve-you/how-we-generate-electricity</u>.

³ Ministry of Energy & Water Resources, Barbados, "Barbados National Energy Policy 2019 – 2030," accessed February 24, 2021, <u>https://www.energy.gov.bb/web/national-energy-policy-for-barbados-2019-2030</u>.

- The Commission's analysis of BLPC's historical Guaranteed and Overall standards performance, particularly within the periods 2014 – 2017 and 2018 – 2020⁴;
- The responses of the BLPC to the Commission's May 25, 2021 Standards of Service Consultation Paper;
- 3) The Commission's analysis of sectoral development issues, challenges and future stakeholder needs, as we strive to facilitate the BNEP 2030 targets;
- 4) The growing importance of maintaining safe, efficient and reliable electricity service;
- 5) The resources and technology available to the BLPC; and
- 6) Regional and global advancements within the electricity sector.

⁴ Greater significance is placed on the BLPC's most recent performance.

2.2 Legislative Framework

The Commission is empowered under the FTCA and the URA to determine, monitor and review the Standards of Service applicable to regulated utilities. The role of the Standards of Service Framework is to ensure operational consistency and outline the minimum standards of quality, customer service and reliability that must be met by the BLPC.

Authority to Establish Standards of Service

According to the FTCA, Standards of Service is defined at Section 2 as 'the quality and extent of service supplied by service providers.'

Section 4(3) of the FTCA and Sections 3(1) and 4 of the URA set out the Commission's authority to determine the Standards of Service for a regulated entity and the considerations that must be given when determining the same. Rule 63(2) of the Utilities Regulation Procedural Rules 2003, S.I. 2003 No.104 of the Laws of Barbados (the "URPR") details the issues that may be included in the development of these Standards of Service. Together, these pieces of legislation provide the over-arching framework necessary for the development and establishment of the Standards of Service for a regulated sector.

Section 4(3) (d), (e) and (f) of the FTCA states, inter alia:

"The Commission shall, in the performance of its functions and in pursuance of the objectives set out in subsections (1) and (2),

(a) ...

- (d) determine the Standards of Service applicable to service providers;
- *(e) monitor the Standards of Service supplied by service providers to ensure compliance;*
- *(f) carry out periodic reviews of the rates and principles for setting rates and Standards of Service supplied by service providers;*

Section 3(1) (d) (e) (f) of the URA states, *inter alia*:

"The functions of the Commission under this Act are, in relation to service providers, to

(a) ...

- (d) determine the Standards of Service applicable;
- (e) monitor the Standards of Service supplied to ensure compliance; and
- (f) carry out periodic reviews of the ... Standards of Service."

In exercising these functions, the Commission is charged with the responsibility, as stipulated in Section 3(3) (b) to:

- (a) protect the interest of consumers by ensuring that service providers supply to the public service that is safe, adequate, efficient and reasonable; and
- *(b) hear and determine complaints by consumers regarding billings and the Standards of Service supplied."*

Additionally, Section 4 of the URA states:

"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 services supplied by the service provider;
- (c) the national environmental policy; and
- (d) such other matters as the Commission may consider appropriate."

Rule 63 (2) of the URPR speaks to issues that may be considered when setting Standards of Service. It specifically 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."

Requirement to Consult

The requirement for the Commission to consult with interested parties is derived from Section 4 (4) of the FTCA which dictates that, when exercising its powers to determine Standards of Service, the Commission must consult with specific parties.

Section 4(4) of the FTCA requires that:

"The Commission shall, in performing its functions under subsection (3) (a), (b), (d) and (f) consult with the service providers, representatives of consumer interest groups and other parties that have an interest in the matter before it."

Fines and Penalties

The Standards of Service are binding on the BLPC. Collectively, sections 21, 31 and 38 of the URA, as well as Section 43 of the FTCA, outline consequences for a utility's failure comply with the prescribed targets under the Guaranteed Standards of Service (GES) and the Overall Standards of Service (OES) and, more specifically, state the Commission's enforcement powers in this regard Where there is a continuous failure to attain a target, the Commission will require an explanation from the BLPC. The Commission also has to power to make orders imposing a penalty in such a circumstance, pursuant to Section 38(c) (i) of the URA.

Section 21 of the URA indicates that:

"Where a service provider fails to meet prescribed Standards of Service, the service provider shall make to any person who is affected by the failure such compensation as may be determined by the Commission."

Section 31(1) of the URA asserts that:

"Every service provider which fails or refuses to obey an order of the Commission made under this Act is guilty of an offence and is liable on summary conviction to a fine of \$100,000 and, in the case of a continuing offence, to a further fine of \$10,000 for each day or part thereof during which the offence continues."

Section 38 of the URA stipulates that:

"The Commission may make

(a) rules;

- (b) regulations; and
- (c) 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."*

Section 43 (1) of the FTCA, which is mirrored at Section 31 of the URA, stipulates that a service provider will be guilty of an offence for failure to comply with an order of the Commission and is liable to a fine of \$100,000 if convicted. Section 43(1) of the FTCA states that:

"Every service provider or business enterprise that fails or refuses to obey an order of the Commission made under this Act is liable on summary conviction to a fine of \$100,000 and, in the case of a continuing offence, to a further fine of \$10,000 for each day or part thereof during which the offence continues."

Participating in the Hearing

Persons may participate in the Commission's hearing by submitting an Application for Intervenor Status, pursuant to Rule 64 of the URPR. Applications for Intervenor Status must be by way of a Letter of Intervention. Pursuant to Rule 64 of the URPR, Letters of Intervention shall:

- (a) be divided into paragraphs and numbered consecutively;
- (b) describe the intervenor, the interest of the intervenor in the proceeding and contain detailed grounds for the intervention;
- (c) contain a concise statement of the nature and scope of the intervenor's intended participation;
- (d) request the written evidence if it is desired; and

(e) set out the full name, address, telephone number and facsimile number of no more than 2 representatives including counsel of the intervenor for the purpose of service and delivery of documents in the proceeding.

The Commission highly encourages parties to refer to the URPR, specifically Rule 64 with respect to Applications for Intervenor Status, when preparing their Letters of Intervention.

Letters of Intervention may also include views or comments on the matters discussed within this paper or intersecting areas that were not addressed that parties consider should be covered by the Commission's Standards of Service framework, which may also be accessed via the Commission's website, http://www.ftc.gov.bb.

Copies of the URA, the URPR and the FTCA, are available on the Commission's website at <u>www.ftc.gov.bb</u> and may be inspected at the Commission's office at "Good Hope", Green Hill, St. Michael between the hours of 9.00a.m. and 4.00p.m., Monday to Friday

The Commission prefers that Letters of Intervention be prepared as PDF or Word documents, attached to an email cover letter and forwarded to the Chief Executive Officer (Ag.): <u>info@ftc.gov.bb</u>. Letters of Intervention may also be faxed to the Commission at (246) 424-0300. Mailed or hand delivered responses must be submitted to the Commission to:

Chief Executive Officer (Ag.) Fair Trading Commission Good Hope Green Hill St. Michael E- mail: <u>info@ftc.gov</u>

The Commission's hearing process for the proposed Standards of Service for BLPC will commence on **May 26, 2022** and conclude on **June 3, 2022**.

The Commission is of the view that the hearing discussion is largely of a general nature. The Commission expects to receive views from a wide cross section of stakeholders and believes that views and comments received should be shared as widely as possible with all respondents. Respondents should therefore ensure that they indicate clearly to the Commission any response or part of a response that they consider to contain confidential or proprietary information.

SECTION 3 STATUS OF THE DOMESTIC ELECTRICITY SECTOR

Against the background of the BNEP 2019 – 2030, movement has been detected in terms of achieving the 100% RE and carbon neutrality target set therein. At the end of September 2021, two thousand and forty one (2441) distributed generators utilising solar PV technology across Barbados accounted for an installed capacity of 50.52 MW⁵, representative of just under 8 MW additional installed capacity since January 2021. These developments build on the foundation of BLPC's August 2016 commissioning of a 10MW alternating current (AC) solar PV Plant in Trents, St. Lucy⁶. This solar PV plant also contains a two (2) battery 5MW/20MWh Tesla Power pack energy storage system to store excess solar energy. The plant represents the first of the BLPC's RE projects as outlined in its 2013 Integrated Resource Plan (IRP).

The BLPC's Clean Energy Bridge (CEB), a 33 MW Medium Speed Diesel Plant which was expected to be fully commissioned by the end of 2021, represents another major step towards achieving BNEP targets⁷. The CEB is intended to allow the BLPC to secure reliable base load generation while the transition is made from the current generation mix, to a cleaner solution, reducing fuel costs in the process by an estimated 10% per annum. The CEB, which is currently in the final testing stages, is expected to remain as a backup for grid resilience and reliability beyond the achievement of the BNEP targets. The BLPC further describes the CEB as a 'stop gap' between old and new generation units, which is forecasted to be more efficient than those being replaced. BLPC has asserted that through the implementation of the CEB, immediate fuel savings are expected to be enjoyed and passed on to the customer. This newer more reliable plant is also expected to improve the reliability of service provided to customers⁸.

⁵ Based on Information provided through BLPC's Q3 2021 regulatory reporting to the Commission.

⁶ The Barbados Light & Power Company Limited, "How We Generate Electricity,"

 ⁷ The Barbados Light & Power Company Limited, *"The Clean Energy Bridge (CEB) Project"* accessed February 24, 2021, <u>https://www.blpc.com.bb/index.php/company/our-projects/the-clean-energy-bridge-ceb-project</u>
 ⁸ Ibid.

During the 2018 - 2021 period, the electricity sector took even further steps towards sector-wide reform, positioning itself appropriately, for the transformation to RE technologies. Participants in the BLPC's Renewable Energy Rider (RER), first introduced as a pilot project in 2010, were 'grandfathered'⁹ into the national Feed-In-Tariff (FIT) programme for wind, solar PV, biomass & anaerobic digestion systems up to and including 1 MW¹⁰. Primarily through the FIT programmes, the framework continues to be laid for the achievement of the ambitious 2030 targets. The introduction of a utility scale FIT programme¹¹, which followed the initial FIT¹², seeks to further liberalize the domestic electricity generation landscape, through wind/solar PV projects of up to 10MW. To date, solar PV has dominated the domestic RE space, accounting for all of the 50.52 MW of distributed generation, as the deployment of projects utilising other RE technologies onto the grid has been lethargic.

Under the national FIT programme, the current rate structure, as set by the Commission, is delinked from fossil fuel prices, with electricity generation from solar PV and wind systems attracting rates of between BDS \$0.3625/kWh and \$0.5225/kWh. This new rate structure took effect from October 1, 2019¹³. Customers with systems 3KW and below are facilitated through the 'sale of excess', while systems above 3 KW, up to 1 MW utilize the 'buy all/sell all' mechanism.

Similarly, attractive rates for the utility scale FIT programme were established to facilitate further investment within the sector, while also seeking to catalyse the achievement of the 2030 targets, through the establishment of wind & solar PV

⁹ "Grandfathering" is allowing an existing operation or conduct to continue legally when a new operation or conduct would be illegal.

¹⁰ Fair Trading Commission, Barbados, "Decision and Order on Feed-in-Tariffs for Renewable Energy Technologies up to and Including 1 MW,".

¹¹ Fair Trading Commission, Barbados, "Decision on Feed-in-Tariffs for Renewable Energy Technologies above 1MW and up to 10 MW," accessed February 24, 2021, <u>https://www.ftc.gov.bb/library/2020-09-29_commission_decision_blandp_feed-in-tariff_1-10MW.pdf</u>.

¹² Fair Trading Commission, Barbados, "Decision and Order on Feed-in-Tariffs for Renewable Energy Technologies up to and Including 1 MW," accessed February 24, 2021,

https://www.ftc.gov.bb/library/2019-09-16_commission_decision_final_FIT.pdf. ¹³ Ibid.

projects of up to 10 MW¹⁴. These systems which also feature a rate structure delinked from fossil fuel prices, offer rates to RE producers of between BDS \$0.2025/kWh and \$0.2325/kWh utilising the 'buy all/sell all mechanism'¹⁵. FIT rates under both the Decision up to 1 MW issued in August 2019¹⁶, and the Decision for system above 1MW up to 10 MW, issued in September 2020¹⁷, will be reviewed by June 30, 2022.

¹⁴ Fair Trading Commission, Barbados, "Decision on Feed-in-Tariffs for Renewable Energy Technologies above 1MW and up to 10 MW,"

¹⁵ Ibid.

¹⁶ Fair Trading Commission, Barbados, "Decision and Order on Feed-in-Tariffs for Renewable Energy Technologies up to and Including 1 MW,".

¹⁷ Fair Trading Commission, Barbados, "Decision on Feed-in-Tariffs for Renewable Energy Technologies above 1MW and up to 10 MW,"

SECTION 4 THE PROPOSED STANDARDS

The Commission has considered the BLPC's responses to its May 25, 2021 Standards of Service consultation paper, given due consideration to the status and ongoing developments of the domestic electricity sector, as well as any possible constraints affecting the BLPC's performance when weighed against consumer needs and the developmental pathway charted for country, as espoused in the BNEP 2019 - 2030. Similarly, existing and proposed Standards of Service were compared to other similar frameworks from regional and extra-regional jurisdictions. These proposed SoS are intended to incentivise the improvement of BLPC's service delivery through technological advancements. The Commission is also minded that this framework plays a critical role in advancing and improving the national 'Ease of Doing Business' index¹⁸. This global index was discontinued in September 2021; however, its methodology may still be considered as 'soft guidance' towards facilitating a more efficient national business environment.

The BLPC in their submission repeatedly referenced the COVID-19 global pandemic as a major challenge. The Commission is mindful of the challenges highlighted. On the other hand, the future is uncertain and the Commission is of the view that the BLPC must continue to strive for an improved standard of service and reliability for its customers, aiming for the Commission's targets which fully examine the constraints and capabilities of the BLPC. Where unavoidable shortfalls occur, the Commission will consider the extension to BLPC of any prudent and required exemptions, as covered under this framework.

¹⁸ The Global Ease of Doing Business ranks economies from 1 to 190, with first place being the best. A high ranking (a low numerical rank) means that the regulatory environment is conducive to business operation. The index averages the country's percentile rankings on 10 topics covered in the World Bank's Doing Business. Getting electricity is one of the 10 topics considered. The ranking on each topic is the simple average of the percentile rankings on its component indicators. Source: World Bank, Doing Business project (http://www.doingbusiness.org/). In 2020, Barbados was ranked 128th globally; ranked 20th of 32 countries in Latin America and the Caribbean, with a DB score of 57.9. The Getting Electricity component remains a strong area of performance for Barbados, as its 4th strongest component. This component of the Doing Business Index considers the time and cost of obtaining a permanent electricity supply, while also considering reliability of supply among other factors. See https://www.doingbusiness.org/en/methodology/getting-electricity. This index was officially discontinued in September 2021.

The Commission proposes the following Guaranteed Electricity Standards, Overall Electricity Standards and System Reliability Indicators, as outlined in the relevant sections and tables below. Where there is failure to achieve the targets established within, the Commission will consider the imposition of penalties for breaches, unless a specific exemption criterion is satisfied, or the breach is due to extenuating circumstances or general exemption provisions as discussed in Section 5 – General Exemptions.

4.1 Guaranteed Standards of Service for the BLPC

The proposal of the Guaranteed Standards of Service for the BLPC is summarised and presented in Table 1, followed by a more detailed individual definition, and any applicable exemptions. The term 'compensation' herein refers to a credit to the customer's account (unless otherwise specified), where a failure to achieve the description within the stipulated target timeframe. This is followed by a tables showing current standards compared with proposed standards.

| STANDARD | SERVICE CATEGORY | TARGET | COMPENSATION |
|----------|--|--|---|
| GES 1 | Fault Repair - Customer's Service Description: 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. | \$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) For each additional eight (8) hours Prorated on an hourly basis. Automatic |
| | | | Compensation ¹⁹ |
| GES 2 | Fault Repair - Distribution System | Within eight (8) hours | \$45.00 (D) |
| | Description: This refers to the time | of service loss. | \$90.00 (GS) |
| | it takes to restore supply after a fault occurs on any part of the network that manifests itself on the | | \$215.00 (SVP/LP) |
| | distribution system (multiple customers). | | For each additional eight (8) hours Prorated on an |

TABLE 1: GUARANTEED ELECTRICITY STANDARDS - PROPOSED

¹⁹ Automatic Compensation refers to the initiation of the compensation process by the BLPC where a breach has occurred. It is administered on confirmation of the breach, as a credit on the customer's bill for the following month.

| STANDARD | SERVICE CATEGORY | TARGET | COMPENSATION |
|----------|--|---|---|
| | | | hourly basis. Automatic Compensation once customer contacts BLPC Call Centre. |
| GES 3 | Voltage Complaint Description: This refers to the investigation and correction of voltage complaints. | (a) Visit within twenty- four (24) working hours²⁰ of receipt of the complaint. b) Provide an assessment within five (5) working days²¹ of receipt of complaint. (c) Correct within thirty (30) working days of receipt of complaint. | \$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) Automatic Compensation. |
| GES 4 | Simple Service Connection Description: 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. | Refund/Credit of installation fee Automatic Compensation |
| GES 5 | a) Complex Connection - Cost Estimate Description: 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 twenty-five (25) workings days of receipt of request. | , |

 $^{^{\}rm 20}$ "Working hours" are between 8:00 a.m. and 4:00 p.m. on a working day.

²¹ "Working Days" refers to Mondays to Fridays from 8:00 a.m. to 4:00 p.m. only and excludes public holidays and weekends. In measuring the response time for targets expressed in terms of working days, the day the complaint is made is excluded. Any other reference to days means calendar days.

| STANDARD | SERVICE CATEGORY | TARGET | COMPENSATION |
|----------|--|--|--|
| GES 6 | Connect or Transfer of Service Description: 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 of receipt of request. | \$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) Automatic Compensation |
| GES 7 | Reconnection Description: This refers to the time for reconnection of service on settling the bill after disconnection at the meter, as verified by the BLPC. | Customers with AMI meters should be reconnected within two (2) working hours of verification of payment. Other customers should be reconnected within six (6) working hours of verification of payment. Customers are required to notify the BLPC of payment, and must present a receipt number as evidence of payment, where the payment is made through an entity other than the BLPC. | Credit of reconnection fee Automatic Compensation |
| GES 8 | Response to Billing Complaints Description: This refers to the timeframe in which the BLPC responds to customers' billing complaints. | a) Where a service visit is required, provide an assessment and resolution within eight (8) working days of receipt of complaint. b) For all other matters not requiring a service visit, the BLPC is required to resolve these within three (3) working days of receipt of complaint. | \$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) Customer Initiated Claim Required |
| GES 9 | Timely Payment of Compensation Description: This refers to the time in which the BLPC shall apply a credit to a customer's account on acceptance of a claim. | (a) All credits/refunds to be issued to customers should be completed within two (2) months of the occurrence of a breach or the submission of a claim. | \$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) Automatic Compensation |

Key: D – Domestic; GS – General Service; SVP – Secondary Voltage Power; LP – Large Power

Tables 2 to Table 7 compares the existing standard with the proposed standards. The definitions of all standards are detailed later in this document.

| Current Standard: GES 2 | Proposed Standard: GES 2 |
|---|---|
| GES 2 | GES 2 |
| Fault Repair - Distribution System | Fault Repair - Distribution System |
| Description: This refers to the time it takes to restore supply after fault on the distribution system (multiple customers). | Description: This refers to the time it takes to restore supply after a fault occurs on any part of the network that manifests itself on the distribution system (multiple customers). |
| Target: Within eight (8) hours of receipt of complaint. | Target: Within eight (8) hours of receipt of complaint. |
| Compensation: \$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) For each additional eight (8) hours Prorated on an hourly basis | Compensation: \$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) For each additional eight (8) hours Prorated on an hourly basis |
| Customer Initiated Claim required | Automatic Compensation |

Table 2: GES2

| Current Standard: GES 5 | Proposed Standard: GES 5 |
|---|---|
| Complex Connection – Cost Estimate | a) Complex Connection – Cost Estimate |
| Description: 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. | Description: 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. |
| Target: Within thirty (30) workings days of receipt of request. | Target: Within twenty-five (25) workings days of receipt of request. |
| Compensation: \$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) | Compensation: \$45.00 (D) \$90.00 (GS) \$215.00 (SVP/LP) |
| Customer Initiated Claim required | Automatic Compensation |

Table 3: GES 5

Table 4: GES 7

| Current Standard: GES 7 | Proposed Standard: GES 7 | |
|---|---|--|
| Reconnection | Reconnection | |
| Description: This refers to the time for reconnection of service on settling the bill after disconnection at the meter, as verified by the BLPC. | Description: This refers to the time for reconnection of service on settling the bill after disconnection at the meter, as verified by the BLPC. | |
| Target: Within six (6) working hours of receipt of payment. | reconnected within two (2) working hours of verification of payment. Other customers should be reconnected within six (6) working hours of verification of payment. Customers are required to notify the BLPC of payment, and must present a receipt number as | |
| | evidence, where the payment is made at an entity other than the BLPC. | |

Table 5: GES 8

| Current Standard: GES 8 (a) | Proposed Standard: GES 8 (a) |
|---|---|
| Response to Billing Complaints | Response to Billing Complaints |
| Description: This refers to the timeframe in which the BLPC responds to customers' billing complaints. | Description: This refers to the timeframe in which the BLPC responds to customers' billing complaints. |
| Target: (a) Where a service visit is required, provide an assessment and resolution within ten (10) working days of receipt of complain | Target: (a) Where a service visit is required, provide an assessment and resolution within eight (8) working days of receipt of complaint |

Table 6: OES1

| Current Standard: OES 1 | Proposed Standard: OES 1 |
|---|---|
| Meter Reading | Meter Reading |
| Description: Frequency of meter reading | Description: Frequency of meter reading |
| Target: | Target: |
| (a) 100% of Domestic/General Service customers' meters to be read every two months . | (a) 100% of Domestic/General Service customers' AMI meters to be read monthly. |
| (b) 100% of Secondary Voltage Power and Large Power customers' meters to be read monthly. | b) 100% of Secondary Voltage Power and Large Power customers' meters to be read monthly. |
| | c) 100% of AMI meter readings to be verified monthly for all customer classes. |

NEW STANDARD OES 8: ISSUANCE OF TECHNICIAN'S INSPECTION

RECEIPT BLPC is expected to issue a Technician Inspection Receipts ("TIR") in 95% of inspections at customer's premises with adequate documentation of issues investigated during the visit (for example photographs or video recordings.

Table 7: NEW STANDARD - OES 8

Proposed Standard: OES 8*new

Technician's Inspection Receipt

Description:

This refers to a duplicate receipt which outlines the particulars of the inspection such as: date (of request for inspection or complaint and the inspection date), time, reason/purpose of inspection as well as outcome of inspection. The receipt should be signed by both the customer and the technician, and a copy should be issued to the customer whenever a technician completes an inspection. The duplicate copy is expected to remain with the technician and BLPC, as proof of inspection.

Target: Technician Inspection Receipts (TIRs) issued in 95% of inspections at customer's premises.

Guaranteed Standards: Definitions & Specific Exemptions

GES 1 – Fault Repair – Customer Service (Restore supply after a fault on the customer's service)

Definition

The BLPC shall restore the electricity supply within eight (8) hours of a fault being reported on an individual customer's service. Fault events which qualify for consideration include but are not limited to:

- a) problems or defects at the metering point;
- b) broken or defective service wires;
- c) defective distribution transformers;
- d) blown fuses;
- e) intrusion of tree branches or vegetation beyond service line clearing distance; and
- f) Faulty poles due to fractures or poor maintenance.

Where the BLPC fails to achieve the fault repair target, it shall automatically credit the affected customer's account with the value which corresponds to the customer's class: \$45.00 (D), \$90.00 (GS) or \$215.0 (SVP/LP). Thereafter, the same level of compensation is applicable for each additional eight (8) hours the customer remains without service, prorated on an hourly basis where appropriate. Where it is evident that the customer's and the BLPC's distribution equipment are both defective, both parties may be considered liable.

Customers are responsible for the maintenance of the electrical wiring infrastructure and equipment at their residence up to the service point. The BLPC is responsible for the maintenance of the utility meter and the electrical infrastructure, beyond the service point or weather-head; this includes the service wire. Customers should ensure that the encroachment of any tree branches or vegetation near service wires within their property, are trimmed and kept within a safe clearance. The BLPC may be relieved from liability for breach of this standard under the following specific circumstances:

Specific Exemptions:

- Where it is discovered that only the customer's equipment is defective, e.g., defective meter socket base, load ends, underground cables, or faulty wiring; and
- Where the fault is due to encroachment of trees on the service wire within the property of the customer or a neighbouring customer.

GES 2 – Fault Repair – Distribution System (Restore supply after fault on the electrical distribution system (multiple customers)

Definition

Where a fault on a distribution system affects multiple customers, the BLPC shall restore the electricity supply within eight (8) hours of loss of service. The nature of the fault includes any event which originates from the Generation and Transmission domains, thereby impacting service continuity on the distribution network, and is also inclusive of events specific to the distribution domain. Faults which uniquely interrupt the means to provide an adequate and continuous electricity service to customers via feeders will qualify.

Where the BLPC fails to achieve the target for the restoration of supply, it shall automatically compensate each affected customer who calls and notifies the BLPC of their service loss, with the value which corresponds to the customer's class: \$45.00 (D), \$90.00 (GS) or \$215.00 (SVP/LP). Thereafter, the same level of compensation is applicable for each additional eight (8) hours the customer remains without service, prorated on an hourly basis where appropriate.

Specific Exemptions:

• Where the outage is due to an unforeseeable fault on an underground cable due to no fault of the BLPC for example, damage by a third party, and the prevailing conditions such as inclement weather, are such that it is not practical for the

BLPC to be able to locate, excavate and repair the fault within the stipulated 8-hour time frame; and

• Where the service interruption is caused by an event which is beyond the BLPC's control, e.g., vehicular accidents.

GES 3 - Voltage Complaint (Investigation of voltage complaint)

Definition

The BLPC shall investigate voltage issues within twenty-four (24) working hours of receipt of the report. Where the voltage supplied to the customer is discovered to be outside of the permitted power quality standard (\pm 6.0%) of nominal voltage and cannot be rectified immediately, the BLPC is required to provide an assessment of the problem within five (5) working days. The BLPC shall rectify the problem within thirty (30) working days of receipt of the original complaint. Failure of the BLPC to investigate, provide assessment and resolve voltage complaints within the times specified constitutes a breach, and will require the BLPC to automatically credit the affected customer's account with the value which corresponds to the customer's class \$45.00 (D), \$90.00 (GS) or \$215.00 (SVP/LP) in each instance.

The customer is responsible for the maintenance of the electrical wiring and equipment at the residence; this includes surge protection, which should be checked periodically, to ensure a reasonable level of protection. Where it is evident as determined by the Commission on investigation, that anomalies exist on the customer's side and the BLPC's side, liability should be equally shared.

Specific Exemptions:

- Where it is discovered that a customer on the local feeder is operating heavy equipment (e.g., welding equipment, large motors) on a service for which it was not designed;
- Where defects exist in the customer's installation (e.g., grounding, wiring, unbalanced loads, harmonics or transient voltages);
- Where there are signs of: ingress of moisture, corrosion at terminals or loose lugs, in the meter socket base, etc.;

- Where defects in the customer's equipment exist; and
- Where work delays may result due to obtaining permission from the property owners or the Planning and Development Department. Such difficulties must be effectively communicated to the customer.

GES 4 - Simple Service Connection (connection point within 30 meters)

Definition

The BLPC shall connect all new services, which are within thirty (30) meters of an existing circuit, within twelve (12) working days of a customer signing the contract for connection and presenting a valid certificate of inspection from the Government Electrical Engineering Department (GEED).

Where the BLPC fails to connect the customer within the time specified, it shall automatically credit that customer's account with a rebate of the applicable installation fee.

Specific Exemptions:

- Where the incorrect address/directions are given; and
- Where the required signatory is not the owner of the system.
- Inspection failures by the IPP/RE Generator.

GES 5 – Complex Connection Cost Estimate

Definition

The BLPC shall provide a cost estimate for a new or altered supply within twentyfive (25) working days of a customer's request. Where the BLPC fails to achieve this target, it shall automatically credit the affected customer's account with the value which corresponds to the customer's class \$45.00 (D), \$90.00 (GS) or \$215.00 (SVP/LP).

Specific Exemptions:

- Where the submitted documentation does not meet the stipulated engineering standards for documents of this nature e.g., engineering diagrams, technical system documents etc.;
- Where the customer fails to provide the requisite information for the determination of the estimated costs; and
- Where delays occur due to difficulties in obtaining the required permissions from property owners and/or the Planning and Development Department. Such difficulties must be effectively communicated to the customer.

GES 6 - Connect or Transfer of Service (Connect or transfer of a service to an existing installation)

Definition

The BLPC shall connect or transfer an electricity service where there is a meter already installed on the premises, within twelve (12) working hours of the customer signing the requisite service contract. Where the BLPC fails to achieve this target, it shall automatically credit the customer's account with the value which corresponds to the customer's class \$45.00 (D), \$90.00 (GS) or \$215.00 (SVP/LP).

Specific Exemption:

- Where the service has been disconnected for more than six (6) months and/or requires a valid certificate of inspection from the GEED before it can be connected; and
- Where adverse weather conditions exist or are imminent.

GES 7 – Reconnection (Reconnection of service on settling the bill after disconnection at the meter)

Definition

The BLPC shall reconnect the electricity service for all AMI meters within two (2) working hours of verification of payment and for all other meters, within six (6) working hours, after payment of the bill and the reconnection fee at the BLPC's

office. Where payments are made at an external agency, the customer must notify/call the BLPC's customer service department and provide proof of payment (receipt number for the bill payment and reconnection fee), in order to benefit from the aforementioned two (2) and six (6) working hour reconnection times.

Where the BLPC fails to reconnect a customer within the time allocated, it shall automatically credit the customer's account with the value which corresponds to the customer's class \$45.00 (D), \$90.00 (GS) or \$215.00 (SVP/LP).

Specific Exemption:

- Where a customer utilises an external payment location other than the BLPC office, and fails to contact the BLPC to provide proof of payment; and
- Where adverse weather conditions exist.

GES 8 – Response to Billing Complaints (The time frame in which the BLPC responds to customer billing complaints)

Definition

The BLPC shall provide resolution to written or emailed billing complaints within three (3) working days of receipt of complaint. Where the BLPC considers that a service visit is required, the BLPC shall provide an assessment and resolution within eight (8) working days of receipt of the complaint. A response is deemed to have been provided when the BLPC communicates its findings to the customer in writing or electronically. The findings of the investigation shall include what provisions are being made to rectify the problem and a time frame for rectification. A tracking number shall be issued to each complainant for ease of reference.

Where the BLPC fails to comply with the target for resolution of written or emailed billing complaints, or fails to visit the customer where appropriate, on submission of a customer claim, the BLPC shall credit the customer's account with the value which corresponds to the customer's class \$45.00 (D), \$90.00 (GS) or \$215.00 (SVP/LP) in each instance.

Specific Exemption:

- Where access to the customer's premises is restricted, resulting in the meter being inaccessible to the meter reader (e.g., aggressive/unrestrained animals or a locked gate). In these cases, the BLPC shall inform the customer of the situation and arrange to gain unrestricted access to the customer's premises for the purposes of reading the meter; and
- Where adverse weather conditions exist.

GES 9 - Timely Payment of Compensation

Definition

This refers to the timely payment of compensation for breaches. Where the BLPC is in breach of the Guaranteed Standards of Service and automatic or customerinitiated compensation is required, the assigned compensation shall be credited to the customer's account within two (2) months of confirmation of the breach. Where the BLPC fails to achieve either target, it shall further credit the affected customer's account with the value which corresponds to the customer's class \$45.00 (D), \$90.00 (GS) or \$215.00 (SVP/LP).

Specific Exemption:

Where a circumstance exists, beyond the control of the BLPC that prevents/inhibits timely processing of the claim.

4.2 Overall Standards of Service for the BLPC 2022

The proposed Overall Standards of Service for the BLPC is summarised and presented in Table 2, followed by a more detailed definition for each one and the applicable exemptions.

TABLE: OVERALL ELECTRICITY STANDARDS - PROPOSED

| STANDARD | DESCRIPTION | TARGET |
|-----------|---|---|
| OES 1 | Meter Reading Frequency and Accuracy of meter reading. | a) 100% of Domestic/General Service customers' AMI meters to be read monthly ; Domestic/General Service customers with non-AMI meters, shall have their meters read every two months . |
| | | b) 100% of Secondary Voltage Power and Large Power customers' meters to be read monthly . |
| | | c) 100% of AMI meter readings to be verified monthly for all customer classes, ensuring that ALL meter readings reflect accurate customer consumption. |
| OES 2 | Voltage Complaints | 100% of complaints to be responded to within |
| | Response to complaint of high/low voltage. | twenty-four (24) working hours of receipt. |
| OES 3 | Outage Notice | In 100% of instances of planned outages, all |
| | Prior notice of outages. | potentially affected customers are to be notified forty-eight (48) hours before the outage |
| OES 4 | Response to Complaints and Claims | 100% of customers' complaints and claims to be acknowledged within five (5) working days of receipt. |
| | Response to written and oral complaints and claims related to Standards of Service. | |
| OES 5 | Call Centre Answering | 85% of calls to be answered within one (1) minute . |
| | Billing and Trouble Centre Calls answered by a customer service representative. | |
| OES 6 | Billing period | 100% of customers with AMI meters shall be |
| | The period between two meter readings whether interim, estimated or actual. | invoiced for no more than thirty-one (31) days in a billing period. Non-AMI customers shall be invoiced for no more than thirty-three (33) days in a billing period. |
| OES 7 | Response to Damage Claims | a) Acknowledge 95% of damage claims immediately |
| | Acknowledgement and settle- ment of claims. | on receipt of oral claims and for written claims, within five (5) working days of receipt. b) Settle 95% of damage claims within two (2) months of receipt of written or oral claim. |
| OES 8 new | Technician's Inspection Receipt | |
| | Issuance of Duplicate Receipt to customers upon technician inspection. | Technician Inspection Receipts (TIRs) issued in 95% of inspections at customer's premises. |

Overall Standards: Definitions & Specific Exemptions

OES 1 – Meter Reading (Frequency and Accuracy of meter reading) Definition

The BLPC shall read all AMI meters for Domestic, General Service, Secondary Voltage Power and Large Power customers monthly. All other meters shall be read at least every two (2) months. With respect to AMI meters, all readings to be published on bills must be verified monthly, ensuring that ALL meter readings reflect accurate customer consumption.

The BLPC will be required to verify the accuracy of all meter readings. Specifically, the BLPC must submit to the Commission, in its quarterly regulatory report, data related to the volume of readings and the percentage of those readings that have been verified to be within the metering accuracy specification. The Commission expects that the verification of the readings should comply with prudent utility best practice and all applicable international metering standards.

Specific Exemption:

• Where access to the customer's premises is restricted, resulting in the meter being inaccessible to the meter reader (e.g., aggressive/unrestrained animals or a locked gate). In these cases, the BLPC shall inform the customer of the situation and arrange to gain unrestricted access to the customer's premises for the purposes of reading the meter

OES 2 - Voltage Complaints (Response to Complaint of high/low voltage)

Definition

All voltage complaints shall be responded to within twenty-four (24) working hours of receipt.

Specific Exemption:

• Where adverse weather conditions exist or are imminent.

OES 3 - Outage Notice (Prior notice of outages)

Definition

All potentially affected customers shall be notified of a planned outage at least fortyeight (48) hours before the outage is instituted.

Specific Exemption:

N/A

OES 4 – Response to Complaints and Claims (Response to Written Claims related to Standards of Service) (Amended)

Definition

All written complaints and claims for breaches of the Standards of Service shall be acknowledged within five (5) working days of receipt of the claim. Acknowledgements received via email or printed correspondence from the BLPC's representative shall be deemed as appropriate.

Specific Exemption:

N/A

OES 5 - Call Centre Answering (Billing and Trouble Centre calls answered by a

Customer service representative)

Definition

At least 85% of all calls to the BLPC's Billing and Trouble Centre shall be answered within one (1) minute.

Specific Exemption:

• Where the volume of calls received during the period of an outage on one (1) or more feeders do not permit them to be answered within the required time (e.g., during major outages).

OES 6 – Billing Period (Period between two meter readings whether interim, estimated or actual)

Definition

All bills issued to customers with AMI meters in any billing cycle shall be invoiced for no more than thirty-one (31) days of service. For all other customers with non-AMI meters, all bills issued per billing cycle, shall reflect no more than thirty-three (33) days of service.

Specific Exemption:

 Where access to the customer's premises is restricted, resulting in the meter being inaccessible to the meter reader (e.g., aggressive/unrestrained animals or a locked gate). In these cases, the BLPC shall inform the customer of the situation and arrange to gain unrestricted access to the customer's premises for the purposes of reading the meter.

OES 7 - Response to Damage Claims (Acknowledgement and settlement of claims) (Amendment)

Definition

The BLPC shall acknowledge 95% of damage claims; immediately for oral claims, and within five (5) working days for written claims.

A minimum of 95% of damage claims are expected to be settled within two (2) months of receipt of the written or oral claim.

Specific Exemptions:

- Where the lack of access to the customer's equipment hinders the BLPC's investigation. In such a case, the BLPC shall inform the customer of the situation and arrange an appointment to have it corrected; and
- Where the customer fails to provide all the requisite information concerning the claims.

OES 8 – Technician's Inspection Receipt (TIR)

Definition

This refers to a duplicate receipt which outlines the particulars of a BLPC technician's visit or inspection at a customer's premises such as: date (of request for inspection or complaint and the inspection date), time, reason/purpose of inspection as well as outcome of inspection. The receipt should be signed by both the customer and the technician, and a copy should be issued to the customer whenever a technician completes an inspection. The duplicate copy is expected to remain with the technician and BLPC, as proof of inspection.

The BLPC should be required to provide time and date stamped video and/or photographic evidence to account for the work conducted at the site.

Specific Exemptions:

N/A

4.3 Reliability Indicators

The Commission proposes that at this time, it maintain the system reliability indicator targets²², as stated in its Standards of Service Decision 2018 – 2020. These targets are based on the average of the BLPC's reported historical performance for the period 2012 - 2016.

The Commission recognises that the transition to 100% RE by 2030 may present some transitional challenges in terms of system reliability, as BLPC seeks to diversify its generation mix. As such, the Commission will not seek to further tighten these targets, as we remain satisfied with BLPC's overall reliability performance, despite acknowledging room for improvement. Further, the Commission would be satisfied if the BLPC was able to maintain their performance in this regard throughout this

²² See the, Institute of Electrical and Electronic Engineers, *Institute of Electrical and Electronic Engineers* (*IEEE*) *Guide for Electric Power Distribution Reliability Indices*, 1366-2003, 2004 ed. (USA: IEEE, 2004). ²² IEEE 1366 Standard determines Major Event Days (MEDs) – these are days which exceed the threshold computed and the event(s) excluded from the indices calculation. The BLPC currently employs this method for SAIDI determination.

100% RE transition. The proposed performance targets for the reliability indicators are presented in Table 3, followed by their standard definitions.

| RELIABILITY INDICATOR | TARGET |
|---|---------|
| System Average Interruption Duration Index (SAIDI) (Outage hours per year per customer) | 3.68 |
| System Average Interruption Frequency Index (SAIFI) (Outages per year per customer) | 5.84 |
| Customer Average Interruption Duration Index (CAIDI) (Average Duration (in hours) of each outage per | 0.63 |
| Average System Availability Index (ASAI) (Percentage System Availability per year) | 99.958% |

TABLE 3: SYSTEM RELIABILITY INDICATORS - PROPOSED

The Definitions of the indices currently adopted to monitor the BLPC's performance are given below, based on the IEEE definitions.

System Average Interruption Duration Index (SAIDI) – SAIDI captures the average number of minutes that a customer is without an electricity supply over a specified time period (e.g., monthly). This is computed as the sum of the duration, pertaining to each sustained interruption (in hours), divided by the total number of customers. SAIDI excludes momentary interruptions²³ (one minute or less). Mathematically, this is represented by:

SAIDI = Total Number of Customers Served

System Average Interruption Frequency Index (SAIFI) – SAIFI represents the average number of times a customer's supply is interrupted (e.g., each month). It is calculated as the sum of each sustained customer interruption divided by the total

²³ The (IEEE) 1366 standards, (2004), page 3 defines a momentary interruption as a single operation of an interrupting device that results in a voltage zero. Typically, these are outages which occur and last 5 minutes or less. These can cause voltage spikes and impact sensitive electronic equipment.
number of customers. SAIFI excludes momentary interruptions. Mathematically, this is represented by:

SAIFI = Total Number of Customers Served

Customer Average Interruption Duration Index (CAIDI) – CAIDI is the average duration of each supply interruption per customer. This is computed as the sum of the duration of each sustained customer interruption (in hours) divided by the total number of sustained customer interruptions (SAIDI divided by SAIFI). CAIDI excludes momentary interruptions. Mathematically, this is represented by:

CAIDI = Total Number of Customer Interruption

Average Service Availability Index (ASAI) - ASAI measures the percentage of time that a customer receives an electricity service over a defined reporting period²⁴. An annual ASAI of 99.994 %²⁵ of the electricity distribution system represents a good measure of service availability. An indication of availability of electricity service is an important feature of a utility's reliability. Mathematically, this is represented by:

ASAI = Customer Hours Service Availability Customer Hours Service Demand

The above reliability indices may be computed on any time basis - daily, weekly, monthly or yearly. The Commission reviews and monitors submitted reports from the BLPC on a quarterly basis, broken down by month. An assessment of reliability performance allows the Commission to determine whether there was an improvement or deterioration in the system-wide delivery of electricity.

²⁴ ASAI is usually reported annually; it should be noted that a normal calendar year has 8760 hours, whereas a leap year has 8784 hours. See IEEE 1366 Standards 2003, p 6.

²⁵ An ASAI of 99.994% equates to a total outage duration of thirty (30) minutes per year.

SECTION 5 GENERAL EXEMPTIONS

The Commission acknowledges that the failure to meet the Guaranteed Standards of Service may be driven by circumstances or events beyond the control of the BLPC. In these circumstances, the BLPC is under no obligation to make compensatory payments. The term used to define these events is *Force Majeure*. Black's Law Dictionary (2009) defines *Force Majeure*²⁶ as:

"An event or effect that can be neither anticipated nor controlled. The term includes

both acts of nature (e.g., floods and hurricanes) and acts of people (e.g., riot, strikes and wars)."

Under the current Standards of Service framework, the following events are considered to be *Force Majeure*:

- (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, volcanic disturbances or any other natural disaster.
- (d) Riots;
- (e) Civil commotion;
- (f) Acts or threats of terrorism;
- (g) Insurrections;
- (h) Epidemics/pandemics;
- (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 BLPC and which by the exercise of diligence it is unable to avoid, prevent or mitigate.

²⁶ Bryan Garner, Black's Law Dictionary (United States: Thomson Reuters, 2009), 718.

5.1 Other Exemptions and Conditions

The Commission is cognisant that other circumstances may exist from time to time which might impede the BLPC's ability to meet the prescribed Standards of Service. In such circumstances, where a customer is dissatisfied with the BLPC's application of an exemption, that customer may seek the Commission's guidance. Thereafter, the Commission may upon review authorise the BLPC's action, or require it to honour a claim. The Commission expects that reasonable consideration will be given to the customer under similar circumstances, including but not limited to the customer's obligations.

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

- (a) Inability to gain access to the customer's premises or the BLPC's facilities;
- (b) Where the customer's installation does not meet the BLPC's requirements for installation or is considered unfit for service. (The BLPC's installation requirements are published in its Information and Requirements booklet and on its website);
- (c) Where the customer or the customer's agent fails to fulfil his obligations;
- (d) Where the customer informs the BLPC in writing that he does not want further action to be taken on a matter;
- (e) Where the customer requests, in writing, that the BLPC take action at a later date than required by the Standards of Service;
- (f) Where an offence has been committed through interference with the BLPC's metering equipment;
- (g) Where the customer's electricity account remains unpaid after the BLPC has given the customer notice of its intention to disconnect the supply for nonpayment;
- (h) Where the BLPC is requested by a public authority to provide emergency electricity supply to assist in emergency action and the provision of such

service restricts the connection of a customer to a specified service or the rectification of a fault or service difficulty;

- (i) Where the customer is required to pay a charge to the BLPC for connection to the service or for the use of the service and the BLPC 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;
- (j) 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 could not foresee by using its best efforts; and
- (k) Where there are legal constraints that may prevent the BLPC from meeting the Standards of Service.

It is proposed that these aforementioned, established, extenuating conditions be maintained.

SECTION 6 RATIONALE FOR PROPOSALS

In proposing the applicable Standards of Service for the BLPC 2022–2025, the Commission in exercising its legislative authority has allowed its proposals to be navigated by the following:

- The continued need for the protection of consumer interest, ensuring that the BLPC provides safe, adequate and reliable service;
- The enhanced capabilities of the BLPC based on its achievement of 95% AMI rollout;
- Policy directives which target 100% RE by 2030 and the ongoing movement towards a diversified electricity generation mix trough the integration of variable renewable sources of energy;
- The need for a robust regulatory framework to facilitate a smooth RE transition;
- 5) The historical Standards of Service performance of the BLPC;
- Issues and lacunas observed by the Commission within the existing Standards of Service framework;
- The need for standards which monitor and promote efficiency for the further deployment of DERs onto the grid;
- 8) The consultation paper responses of the BLPC and expressed challenges such as coping with the expected exponential upswing in the number of RE interconnection requests, further exacerbated by the ongoing COVID-19 pandemic and its trickle-down national economic impacts; and
- 9) The significance of the Standards of Service framework as a medium to enhance the business climate of Barbados.

The Commission as mentioned previously has also reviewed similar regulatory frameworks regionally and extra-regionally, with the view of preparing a comprehensive body of standards which incentivises continuous improvement in the BLPC's service delivery. In total, amendments were proposed to: five (5) Guaranteed Electricity Standards, and two (2) Overall Electricity Standards, while one (1) new Overall Standard was introduced. The motivation for these changes will be discussed below.

6.1 Motivation for proposed Standards of Service Amendments

GES 2: Fault Repair (Distribution System)

Mode of Compensation

The major proposed change to this standard was the adjustment of compensation from customer-initiated claim to automatic compensation. The Commission's analysis revealed that many customers who were eligible to receive compensation under this standard were not coming forward. One possible reason for this, was the administrative burden on customers to complete the requisite claims form.

Similarly, the Commission in discussion with the BLPC is aware that the 95% AMI rollout should result in an enhanced ability to remotely monitor aspects of the electricity network. This enhanced remote monitoring capability should better allow the BLPC to respond to outage events, thus minimising the number of persons who experience prolonged outages. In this regard, the BLPC expressed that "it is difficult to efficiently and accurately identify specific customers affected by the fault whose supply restoration extended beyond target level. Automatic compensation is possible when a failure occurs for those customers who contact BLPC's Call Centre to report an outage". Therefore, the Commission has sought to enforce Automatic Compensation for all customers affected under this standard, once they contact the BLPC's Call Centre. It is anticipated that the elimination of the need to process a claims form should also result in greater administrative efficiencies on the BLPC end.

Description

The Commission has also proposed an adjustment to the Description of this standard for enhanced clarity. To this end, the Commission has restated the description as "the time it takes to restore supply after a fault occurs on any part of the network that manifests itself on the distribution system, thereby affecting multiple customers." This definition includes the critical phrase "on any part of the network" which clarifies that GES 2 is applied to outage events which may have causes beyond a fault within the distribution system, as was previously misconstrued.

Target

The target time for this standard has been proposed to be maintained at within eight (8) hours, however the clarification has been made that the eight (8) hour period begins with the service interruption, and not with the receipt of complaint. Again, the enhanced remote monitoring capabilities of the BLPC under the AMI rollout should enable an enhanced reaction to outage events. The Commission is also mindful that enhanced reliability of electricity is a metric considered in a country's Ease of Doing Business ranking. Among other actions, by seeking to incentivise the minimisation of the duration of interruptions experienced by customers, the Commission seeks to promote an enhanced national Ease of Doing Business.

GES 5: Complex Connections – Cost Estimates

Timeframe

Historically, the BLPC has displayed perfect 100% performance for the previous six periods (2014 to 2020) monitored under the Commission's Complex Connection – Cost Estimate standard, GES 5. In an effort to promote an increased efficiency, the Commission seeks to tighten this standard to have such cost estimates provided within twenty-five (25) working days, instead of within the previous timeframe of thirty (30) working days. The Commission is also mindful that the average time taken to establish a permanent electricity connection is a metric previously considered in the calculation of a national Ease of Doing Business score. As such, the Commission wishes to promote the tightening of this timeframe which is anticipated to moderately improve efficiency, without compromising BLPC's ability to provide quality service. The BLPC expressed a challenge with the tightened timeframe, and opined that an extended timeframe may be more appropriate citing the expectation of more complex connections due to an anticipated increasing number of RE generators and restrictions associated with the 'COVID-19 pandemic environment'.

In this regard, the Commission believes that while valid, these concerns should be mitigated by establishing a separate standard, GES 5 b) which speaks to the provision of estimates for complex RE Interconnections. The Commission is also of the view that the BLPC must strive for an enhanced standard of service despite the impacts of the COVID-19 pandemic, mindful that where shortfalls result despite their best efforts, the Commission will consider the need for any prudently applied exemption conditions, if the pandemic conditions persist or worsen. In its review, the Commission has taken the opportunity to review the standards applied by other electricity regulators in the global arena, and we have noted that in relation to Complex Cost Estimates, other jurisdictions require the provision of cost estimates in as few as fifteen (15) or even five (5) days, based on the technical details²⁷. It is also noted that in the UK, a penalty structure exists for the provision of inaccurate cost estimates; this is an area which the Commission may explore further in the future.

The Commission looks forward to the development of a queue system for the completion of all RE interconnection cost estimates.

GES 5 - Mode of Compensation

The Commission has also proposed that compensation under this standard be issued automatically. As such, greater efficiency is realised as there is a reduced administrative burden on both ends, re: the completion and processing of claims submitted. The BLPC did not have an issue with the imposition of such a measure, however it was expressed that there is at times an inability to identify the customer account to which a credit should be applied, as there is usually no specific customer tariff/account related to the individual or entity requesting the estimate. The Commission proposes that where a customer account exists and is known, the account be credited the installation automatically. In circumstances where no account exists, the customer should be contacted to receive a refund.

²⁷ Electricity North West "Meterd Connections Guaranteed Standards of Service for Electricity Distribution Companies in England, Wales & Scotland, May 2020" accessed March 26, 2021, <u>https://www.enwl.co.uk/globalassets/get-connected/apply-for-a-new-connection/gsop/metreedconnections-guaranteed-standards-of-service-for-electricity-distribution-companies-in-englandwales-and-scotland--may-2020.pdf</u>

GES 7: Reconnection

Timeframe

As the BLPC nears 100% completion of its AMI rollout, the Commission is clear that it wishes to have the enhanced capabilities of the BLPC implemented for the benefit of consumers. The AMI rollout allows for enhanced remote monitoring and interaction, permitting almost instantaneous reconnection. The BLPC has highlighted that those customers who make payments at the BLPC office can receive reconnection within two (2) working hours, as stipulated under the Commission's proposed GES 7, as featured in the consultation paper. However, the BLPC also highlighted that the majority of its customers utilise a third-party payment partner to pay their bills, and as such the two (2) working hour's timeframe was 'not achievable'.

The Commission encourages the BLPC to continue to work with its payment partners to facilitate a more seamless payment processing relationship. In the interim, customers are encouraged to call BLPC to verify their payments, to benefit from the two (2) working hour timeframe, where payment is made utilising a thirdparty payment partner such as Surepay. Once the customer calls the BLPC to provide a receipt number as evidence of payment, the two (2) working hour timeframe for reconnection is proposed to commence.

GES 8: Response to Billing Complaints

Timeframe

The Commission proposes a tightened timeframe for the BLPC's response to billing complaints which require a site visit, to reflect the provision of an assessment and resolution from within ten (10) working days, to within eight (8) working days, in light of the successful AMI rollout. This rollout as mentioned previously, increases the remote monitoring capabilities of the BLPC. The Commission therefore anticipates that with enhanced remote monitoring capabilities, fewer site visits will be required, as remote investigation and resolution not previously available, are introduced. The BLPC has highlighted the challenges presented by the COVID-19 pandemic, in relation to scheduling and conducting site visits in expressing its

opposition to this tightened timeframe. Again, the Commission is of the view that the BLPC should give of its best efforts to meet the targets proposed. In the event that shortfalls occur, the Commission will evaluate the impact of any external conditions in determining whether an exemption condition should apply.

OES 1: Meter Reading

Description

The Commission through its review of a customer complaint observed that the Standards of Service framework did not address the need for meter readings to be accurate. As such, the Commission proposes to amend the description of this standard to include both the 'Frequency and Accuracy' of meter readings. The new proposed wording of this standard now addresses not just how often meters are read, but the accuracy of readings produced; Meter accuracy would now be a standard that is monitored by the Commission under the Standards of Service framework.

Target

Against the background of achieving a 95% AMI rollout, the Commission now proposes 100% of AMI meters to be read monthly, across all customer classes as opposed to every two (2) months as was previously enforced for some customer classes (D/GS). This allows the consumer to receive more accurate and timely bills, and allows the BLPC to redirect the resources to other areas that are needed. This adjustment would be facilitated by remote AMI meter readings; this was not opposed by the BLPC. The Commission also proposes that AMI meter readings be verified monthly, ensuring that meter readings are reflective of accurate customer consumption.

Customers with Non-AMI meters in the Secondary Voltage Power and Large Power (SVP/LP) are proposed to continue to have their meters read monthly, while Domestic and general service customers with Non-AMI meters are proposed to continue to have meter readings every two (2) months. Non-AMI meters will

continue to be read manually while AMI meters are read remotely. The Commission looks forward to the BLPC achieving 100% AMI deployment by early 2022. With this system in place, interim bills are expected to be rendered obsolete, as installed AMI meters can provide 'real-time' data that will assist the company in its service management, while also assisting customers in making informed choices about their energy use²⁸.

OES 6: Billing Period

Target

The Commission has proposed to amend this target to reflect 100% of customers with AMI meters to receive a bill for a maximum of 31 days. Non-AMI customers would continue to be billed for a maximum of 33 days. The success of the BLPC's nationwide AMI rollout, and BLPC's consistent historical performance in relation to this Standard, serve as the rationale for this proposed change. It is expected that this change will result in greater billing consistency for customers. The BLPC has not opposed this adjustment.

OES 8 *new: Technician's Inspection Receipt (TIR)

The Commission through its handling of customer complaints has observed the need for customers to be presented with a record of technician visits to their premises, as it better enables customers to document their interactions with the BLPC. This becomes very important where disputes arise and customers solicit the Commission's assistance in resolving the matter. On occasions, disputes span several years and have been observed to digress into the word of the BLPC, against that of the customer. This documentation is intended to alleviate such a problem, as it provides a record for both parties in the form of a duplicate TIR. This receipt would be issued whenever a BLPC technician visits a customer to conduct an inspection.

The Standard proposes to establish a benchmark of TIRs issued to customers in 95% of technician visits to their premises. The TIR will feature the date (of request for inspection or complaint, and the inspection date), time and reason/purpose for

²⁸ The Barbados Light & Power Company Limited, "AMI Meters Installed,".

inspection, as well as the outcome of inspection, and the signature of both parties (technician and customer). One copy of the duplicated receipt would remain with the customer, while the other copy remains with the technician. This receipt would provide reliable evidence in the event of disputes arising between the service provider and the customer, allowing for the 'tracking' of issues which may span several months or years.

The BLPC raised three issues in response to this new standard, these issues were: customer availability for site visits, the possibility for more site visits to be conducted after working hours to accommodate customers, and the fact that this measure promotes greater face to face interaction. The BLPC also highlighted their advanced development of a mobile workforce application.

It is anticipated that the introduction of this Standard will result in the BLPC having to make appointments with customers, for inspections to be completed. While this may present a challenge, the Commission is eager to explore the potential benefits which may arise from the implementation of such a Standard. At the time of preparing this document, the Commission suggests that BLPC technicians and customers practice social distancing as far as possible, while also practicing a rigorous hand hygiene regime by washing hands immediately after receiving the TIR or using at least 60% of total volume hand sanitizer, to reduce any potential for the spread of COVID-19. The Commission looks forward to the further development of the highlighted mobile application, and looks forward to learning more about its uses, intended purpose and design. However, at this time the Commission is not satisfied that this application represents a suitable and viable alternative to the TIR.

SECTION 7 ADMINISTRATION

7.1 Monitoring & Enforcement of Standards of Service

The BLPC is required to submit quarterly Standards of Service reports within one (1) month of the conclusion of each quarter. This report includes information on:

The number of breaches under each Guaranteed Standard of Service (GES 1 to GES
9) and percentage compliance;

• The level of compliance, as a percentage, of each Overall Standard of Service (OES 1 to OES 8);

- ASAI (Average System Availability Index);
- CAIDI (Customer Average Interruption Duration Index);
- SAIDI (System Average Interruption Duration Index);
- SAIFI (System Average Interruption Frequency Index); and

• Details of any extenuating circumstances that would have prevented it from achieving the targets for the Overall Standards of Service.

The first reporting quarter is proposed to be July 2022 to September 2022. Thereafter, the other proposed reporting periods are October 1 to December 31, 2022, January 1 to March 31, 2023, April 1 to June 2023, followed by the four (4) consecutive quarters of 2023 and 2024 and 2025.

In addition to the above information, the BLPC would be required to submit annual Standards of Service reports for 2022, 2023 and 2024. These reports include information on:

- The number of customers eligible for compensation during the reporting financial year;
- The total value of eligible compensation;
- The number of customers who actually received compensation; and
- The value of compensation remitted.

Compliance with the Standards of Service will be evaluated on a monthly basis and annual reports should be submitted no later than two (2) months after the end of the applicable reporting year.

The Commission reserves the right to conduct independent investigations that seek to determine the extent to which the BLPC is meeting the Standards of Service.

Where an Overall Standard is not met, the BLPC shall provide an explanation to the Commission. Where the BLPC continually fails to meet an Overall Standard, and it appears that no reasonable effort has been made to rectify the breach, Section 43 of the FTCA and Sections 31 and 38 of the URA may be invoked.

The Commission reserves the right to make any rules, regulations and orders in respect of penalties for non-compliance of the relevant Standards of Service in accordance with Section 38 of the URA, which states the following:

"The Commission may make

a) rules;

b) regulations; and

c) orders with respect to

- *i) imposing penalties for non-compliance with prescribed Standards of Service; and*
- *ii)* prescribing amounts referred to in section 21 for failure to provide a utility service in accordance with the Standards of Service set by the Commission."

7.2 Public Education & Disclosure of Information

Information related to the level of compliance by the BLPC, with the herein prescribed Guaranteed and Overall Standards of Service, will be made available to the public on an annual basis.

The BLPC shall make a detailed list of the approved Guaranteed and Overall Standards of Service available to its customers. This list shall include information on the service categories, target times and compensatory payments, where applicable. The BLPC's fault reporting process will also be made known to the public and the appropriate contact numbers included.

The BLPC shall also widely publicise the means via which compensation for breaches may be sought. The Commission is of the view that this can be readily advertised on the customer's electricity bill.

7.3 Implementation and Review

The Standards of Service for the BLPC shall come into effect on a date to be determined by the Commission and continue until such time as the Commission shall determine but in any event for a period no longer than five (5) years. These Standards of Service shall be subject to review by the Commission.