FOURTH SESSION OF THE TWELFTH REPUBLICAN PARLIAMENT

SEVENTEENTH

REPORT FROM | THE PUBLIC ACCOUNTS COMMITTEE

EXAMINATION OF | The Reports of the Auditor General on the Financial Statements of the Regulated Industries Commission (RIC) for the Financial Years 2014 to 2018.

Office of the Parliament
Parliamentary Complex
Cabildo Building
St. Vincent Street Port of Spain
Republic of Trinidad and Tobago

PARLIAMENT
REPUBLIC OF TRINIDAD AND TOBAGO

Public Accounts Committee

The Public Accounts Committee (PAC) established by the Constitution of the Republic of Trinidad and Tobago in accordance with Section 119(4) is mandated to consider and report to the House of Representatives on:

'(a) appropriation accounts of moneys expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago;
(b) such other accounts as may be referred to the Committee by the House of Representatives or as are authorized or required to be considered by the committee under any other enactment; and
(c) the report of the Auditor General on any such accounts.'

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Mr. Davendranath Tancoo	Chairman
Ms. Jearlean John	Vice- Chairman
Mrs. Ayanna Webster-Roy	Member
Mr. Adrian Leonce	Member
Mrs. Paula Gopee-Scoon	Member
Mr. Roger Monroe	Member
Dr. Amery Browne[1]	Member
Mrs. Hazel Thompson-Ahye[2]	Member

Committee Staff

The current staff members serving the Committee are:

Ms. Khisha Peterkin	Secretary to the Committee
Ms. Hema Bhagaloo	Assistant Secretary to the Committee
Mr. Justin Jarrette	Senior Parliamentary Research Specialist
Ms. Terniq Roberts-Edwards	Parliamentary Research Specialist
Ms. Natoya O'Neil	Clerk Typist I
Ms. Anesha James	Clerk Typist I

Publication

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Contacts

All correspondence should be addressed to:
The Secretary
Public Accounts Committee
Parliamentary Complex
Cabildo Building
St Vincent Street, Port of Spain, Trinidad and Tobago
Tel: (868) 624-7275; Fax: (868) 625-4672**;**
Email: pac@ttparliament.org

[1] Dr. Amery Browne was appointed in lieu of Mr. Randall Mitchell with effect from January 12, 2021.
[2] Mrs. Hazel Thompson-Ahye was appointed in lieu of Ms. Charrise Seepersad with effect from October 24, 2023.

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Members of the Public Accounts Committee

TWELFTH PARLIAMENT, REPUBLIC OF TRINIDAD AND TOBAGO

Mr. Davendranath Tancoo
Chairman

Ms. Jearlean John
Vice- Chairman

Mrs. Ayanna Webster-Roy
Member

Mrs. Paula Gopee-Scoon
Member

Mr. Adrian Leonce
Member

Mr. Roger Monroe
Member

Dr. Amery Browne
Member

Mrs. Hazel Thompson-Ahye
Member

Executive Summary

The Public Accounts Committee (PAC) is the Parliamentary Financial Oversight Committee tasked with the responsibility of examining the Report of the Auditor General and Audited Accounts of Statutory Authorities and Bodies. The Committee presents its 17th Report of the Twelfth Parliament, which details its ***examination of the Reports of the Auditor General on the Financial Statements of the Regulated Industries Commission for the financial years 2014-2018*** highlighting its findings.

This report sets out the issues raised and the recommendations proposed by the Committee. During this inquiry, the following issues arose:

- **Outstanding Audited Financial Statements**
- **Outdated Legislative Framework**
- **Quality of Service Standards (QSS) and Compliance Framework**
- **Risk Management and Internal Audit**
- **Strategic Plan 2020-2024**
- **Public Awareness**
- **Human Resources**

Based on the Committee's examination the following observations were made:

i. ***While the RIC assured the Committee that the cost overruns incurred due to delays in the preparation and submission of the Commission's financial statements were in fact minimal, in keeping with its mandate to examine efficiency in the use of public monies the Committee remains concerned that this gap, however small, must be closed to avoid even what may seem like negligible additional costs; and***

ii. ***It is important that the RIC commits to the submission of the audited financial statements within the stipulated timeframe of no later than six months after the end of the preceding financial year.***

Based on the Committee's examination the following recommendations were proposed:

i. ***The RIC should inform Parliament on the status of the outstanding audited financial statements for FY 2021-2023 by November 29, 2024;***

ii. *The MPU should provide an update to Parliament on the status of the overarching policy framework for power generation with specific emphasis on the approval and implementation of the required amendments to the RIC Act by November 29, 2024;*

iii. *The MPU should submit an update to Parliament on the anticipated timeline for Cabinet approval of WASA's service standards for gazetting by November 29, 2024;*

iv. *RIC should submit to Parliament the service standards currently being used by WASA in the interim whilst awaiting the gazetting of the revised service standards, by November 29, 2024;*

v. *The RIC should update Parliament on the status of outsourcing of its Internal Audit function by November 29, 2024;*

vi. *The RIC should submit to Parliament the details of the inclusion of the comprehensive risk assessment in the Business Continuity Policy and the Key Performance Indicators established in the new Strategic Plan for Risk Management and the metrics used to track their achievement by November 29, 2024;*

vii. *The RIC should provide a status update on the completion of the Price Review for WASA as well as the finalisation of the new Strategic Plan for 2025-2029 to Parliament by November 29, 2024;*

viii. *The RIC should submit a brief explanation to Parliament by November 29, 2024 of which of the incomplete projects from the previous strategic period have been brought forward into the new strategic period;*

ix. *The RIC should report to the Parliament by November 29, 2024, on the strategies undertaken to improve its national presence so as to ensure that the public is aware of the avenue for recourse;*

x. *The RIC should provide a status update to Parliament on the outcome of the Public Perception Survey by November 29, 2024;*

xi. *The RIC should inform Parliament of the conclusions of the review of the Commission's organisational structure and staff complement by November 29, 2024; and*

xii. *The RIC should provide a status update to the Parliament on the staff recruitment efforts by November 29, 2024.*

Introduction

The PAC of the Twelfth Republican Parliament was established by resolutions of the House of Representatives and the Senate at the sittings held on Monday November 9, 2020 and Tuesday November 17, 2020 respectively.

The Constitution of the Republic of Trinidad and Tobago mandates that the Committee shall consider and report to the House on appropriation accounts of monies expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago and the report of the Auditor General on any such accounts.

In addition to the Committee's powers entrenched in the Constitution, Standing Orders 111 of the House of Representatives and 101 of the Senate also empower the Committee, inter alia, to:

1. Send for persons, papers and records;
2. Have meetings whether or not the House is sitting;
3. Meet in various locations;
4. Report from time to time; and
5. Communicate with any other Committee on matters of common interest.

Election of the Chairman and Vice-Chairman

In accordance with section 119(2) of the Constitution, the Chairman must be a member of the Opposition in the House. At the first meeting held on Wednesday November 18, 2020 Mr. Davendranath Tancoo was elected Chairman of the Committee and Ms. Jearlean John was elected Vice-Chairman of the Committee.

Establishment of Quorum

The Committee is required by the Standing Orders to have a quorum so that any decisions made by the Members during the meetings can be considered valid. A quorum of three (3) Members, inclusive of the Chair or Vice-Chairman, with representatives from each House was agreed to by the Committee at its First Meeting.

Determination of the Committee's Work Programme

The Committee agreed to a work programme for the Fourth Session of the Twelfth Parliament as follows:

1. The Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2022;
2. The Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2023;
3. The Police Complaints Authority (PCA);
4. The Airports Authority of Trinidad and Tobago;
5. The Agricultural Development Bank of Trinidad and Tobago (ADB);
6. The Regulated Industries Commission (RIC);
7. The National Agricultural Marketing and Development Corporation (NAMDEVCO);
8. The Heritage and Stabilisation Fund (HSF);
9. The Land Settlement Agency (LSA);
10. The Caribbean Industrial Research Institute (CARIRI); and
11. The National Lotteries Control Board (NLCB).

The Inquiry Process

The inquiry process outlines steps taken by the PAC in developing the findings and recommendations of its examination of the Reports of the Auditor General on the Financial Statements of the Regulated Industries Commission (RIC) of Trinidad and Tobago for the financial years 2014-2018.

The inquiry process included the following steps:

1. Identified issues in the Reports of the Auditor General on the Financial Statements of the RIC for the financial years 2014-2018;

2. Drafted an Inquiry Proposal on the selected issues. The Inquiry Proposal outlines:
    - Background of the entity;
    - Objectives of the inquiry; and
    - Proposed Questions.

3. Questions for written response based on the issues identified in the Financial Statements were sent to the RIC and to the Ministry of Public Utilities (MPU) on December 6, 2023. The responses from the entities were received on December 21, 2023 and January 3, 2024 respectively;

4. Prepared an Issues Paper which identified and summarised matters of concern in the responses provided by the RIC and the MPU;

5. Based on the issues identified, the Committee agreed to have a public hearing;

6. The public hearing was held on January 24, 2024. Representatives of the RIC, the MPU and the Auditor General's Department (AGD) (see Appendix I – Witnesses) attended the hearing to discuss the issues of concern;

7. Questions for additional information based on the issues discussed at the public hearing were sent to the RIC and the MPU on February 1, 2024 (see Appendix II – Minutes). The responses from the entities to these questions were received on February 16 and February 26, 2024 respectively;

8. Reported the Committee's findings and recommendations to Parliament upon conclusion of the inquiry;

9. The Report will be transmitted to the Ministries, Departments and Agencies to which recommendations were addressed for written response within sixty (60) days in accordance with Standing Orders 110(6) of the House of Representatives and 100(6) of the Senate;

10. Subsequent follow-up will be carried out to monitor progress in the implementation of the Committee's recommendations.

Background: Regulated Industries Commission

The Regulated Industries Commission (RIC) is a statutory body established under the Regulated Industries Commission Act, No. 26 of 1998, and came into effect on June 1, 2000. The RIC succeeded the Public Utilities Commission (PUC) and is a consumer-oriented entity with strong regulatory powers and responsibilities. The RIC has been established to ensure that good quality and efficient utility services are provided at fair and reasonable costs in Trinidad and Tobago.[3]

Section 6 (1)[4] of the Act outlines that the functions of the Commission are to-

a) advise the Minister on matters relating to the operation of this Act including the granting of licences;
b) administer such matters as are required consequent upon the granting of licences;
c) ensure, as far as is reasonably practicable, that the service provided by a service provider operating under prudent and efficient management will be on terms that will allow the service provider to earn sufficient return to finance necessary investment;
d) carry out studies of efficiency and economy of operation and of performance by service providers and publish the results thereof;
e) prescribe and publish in the Gazette and in at least one daily newspaper circulating in Trinidad and Tobago, standards for services;
f) monitor service providers and conduct checks to determine their compliance with the standards referred to in paragraph (e);
g) impose such sanctions as it may prescribe for non-compliance with the standards referred to in paragraph (e) and any conditions attaching to a licence;
h) establish the principles and methodologies by which service providers determine rates for services;
i) monitor rates charged by service providers to ensure compliance with the principles established under paragraph (h);
j) carry out periodic reviews of the rating regimes of service providers;

[3] Regulated Industries Commission. 'About Us'. Accessed June 14, 2024. Available: https://www.ric.org.tt/about-us/
[4] Office of the Attorney General and the Ministry of Legal Affairs. Accessed June 14, 2024 Available: https://agla.gov.tt/downloads/laws/54.73.pdf

k) facilitate competition between service providers where competition is possible and desirable;

l) investigate complaints by consumers, of their failure to obtain redress from service providers in respect of rates, billings and unsatisfactory service and facilitate relief where necessary;

m) impose and collect fees for licences; and

n) do all such things as may be necessary or expedient for the proper performance of its functions.

Background: Auditor General's Department

Establishment of the Office of the Auditor General[5]

The Constitution of the Republic of Trinidad and Tobago (Act 4 of 1976) Chapter 8– Section 116 states that:

1) There shall be an Auditor General for Trinidad and Tobago, whose office shall be a public office.
2) The public accounts of Trinidad and Tobago and of all officers, courts and authorities of Trinidad and Tobago shall be audited and reported on annually by the Auditor General, and for that purpose the Auditor General or any person authorized by him in that behalf shall have access to all books, records, returns and other documents relating to those accounts.
3) The Auditor General is hereby empowered to carry out audits of the accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by or on behalf of the State.
4) The Auditor General shall submit his reports annually to the Speaker, the President of the Senate and the Minister of Finance.
5) The President of the Senate and the Speaker shall cause the report to be laid before the Senate and the House of Representatives, respectively, at the next sitting of the Senate and the House of Representatives after the receipt thereof, respectively.
6) In the exercise of his functions under this Constitution, the Auditor General shall not be subject to the direction or control of any other person or authority.

Current Auditor General[6]

2023 - Present Ms. Jaiwantie Ramdass

Role and Function[7]

The Auditor General is required by law to examine and report annually to Parliament on the accounts of Ministries, Departments, Regional Health Authorities, Regional Corporations and

[5] Constitution of the Republic of Trinidad and Tobago. Accessed July 26, 2024: http://laws.gov.tt/pdf/Constitution.pdf
[6] Ibid, *Profile of the Auditor General*. Accessed July 26, 2024: http://www.auditorgeneral.gov.tt/content/profile-auditor-general
[7] Ibid, *Appointment, Role and Function*. Accessed July 26, 2024: http://www.auditorgeneral.gov.tt/content/appointment-role-and-function

such State Controlled Enterprises and Statutory Boards for which the Auditor General is the statutory auditor. The portfolio also includes the audit of:

- The accounts of projects funded partly or wholly by International Lending Agencies;
- All pensions, gratuities and other separation benefits paid by the State in accordance with the Pensions Acts and other Agreements; and
- The grant of credit on the Exchequer Account in accordance with the requirements of section 18 of the Exchequer and Audit Act, chapter 69:01.

The audit services take the form of financial audits, compliance audits and value for money audits intended to promote:

- Accountability;
- Adherence to laws and regulations; and
- Economy, efficiency and effectiveness in the collection, disbursement and use of funds and other resources.

Duties and Powers of the Auditor General[8]

The duties and powers of the Auditor General are defined in the Exchequer and Audit Act Chapter 69:01 of the laws of Trinidad and Tobago. Part III of the Exchequer and Audit Act specifies these duties listed here under:

1. The Auditor General shall not be capable while holding the said office of holding any other

Office of emolument in the service of the State.

2. (1) Save as is otherwise provided for in the Constitution the provisions of the law and regulations in force relating to the public service shall apply to the Auditor General.
   (2) Where the Auditor General is removed from office under the Constitution the Minister shall make a full statement of the reasons therefore at the first opportunity to Parliament.

3. (1) The Auditor General shall examine, inquire into and audit the accounts of all accounting officers and receivers of revenue and all persons entrusted with the

[8] Exchequer and Audit Act Chapter 69:01. Accessed July 26, 2024: http://rgd.legalaffairs.gov.tt/laws2/alphabetical_list/lawspdfs/69.01.pdf

assessment of, collection, receipt, custody, issue of payment of public moneys, or with the receipt, custody, issue, sale, transfer or delivery of any stamps, securities, stores or other State property.

4. The Auditor General shall satisfy himself that -

(1) all reasonable precautions have been taken to safeguard the collection of public moneys and that the laws, directions and instructions relating thereto have been duly observed;

(2) all issues and payments were made in accordance with proper authority and that all payments were properly chargeable and are supported by sufficient vouchers or proof of payment;

(3) all money expended has been applied to the purpose or purposes for which the same was granted by Parliament and that such expenditure conforms to the authority which governs it and has been incurred with due regard to the avoidance of waste and extravagance;

(4) essential records are maintained and the rules and procedures framed and applied are sufficient to safeguard the control of stores and other State property.

Issues, Observations and Recommendations

During the Committee's examination of the Reports of the Auditor General on the Financial Statements of the ADB for the financial years 2014-2018, the following issues were identified, observations made and recommendations proposed.

1. Outstanding Audited Financial Statements

Audited financial statements for the financial years 2021, 2022 and 2023 remained outstanding. The RIC's backlog in the preparation of its financial statements was identified as a long-standing issue. The Committee noted that, pursuant to section 34(3) of the Regulated Industries Commission Act Chap. 54:73 ("the Act"):

> "(3) The Commission shall, not later than six months after the end of the preceding financial year, submit to the Minister in respect of the preceding financial year—
>
> (a) a copy of the audited statement of accounts; and
>
> (b) an annual report in respect of the preceding year."

At the public hearing it was explained that the backlog in the submission of audited financial statements began under the Commission's previous Chairmanship and that situation worsened by the Covid-19 pandemic work arrangements. The Committee noted the concern of the External Auditor's observation in the FY 2019 Management Letter that the additional time taken to complete financial statements for audit presented the risk of higher auditing fees. To address this problem the External Auditor recommended more efficient processes and streamlined workflows in the preparation of the RIC's financial statements.

The present Board was actively working on being up-to-date with all its outstanding records through assiduous engagement with the external auditors. A commitment was given that all outstanding audits would be completed by June 30, 2024.

Observations:

iii. While the RIC assured the Committee that the cost overruns incurred due to delays in the preparation and submission of the Commission's financial statements were in fact minimal, in keeping with its mandate to examine efficiency in the use of public monies

the Committee remains concerned that this gap, however small, must be closed to avoid even what may seem like negligible additional costs; and

iv. *It is important that the RIC commits to the submission of the audited financial statements within the stipulated timeframe of no later than six months after the end of the preceding financial year.*

Recommendation:

xiii. *The RIC should inform Parliament on the status of the outstanding audited financial statements for FY 2021-2023 by November 29, 2024.*

2. Outdated Legislative Framework

The legislative framework to effectively support the RIC's mandate was deficient. The need for legislative amendments to the Regulated Industries Commission Act Chap. 54:73 was highlighted in the Commission's Strategic Plans for the periods 2010-2014, 2016-2018 and 2020-2024. In light of new developments in the utility sectors, such the steadily growing importance of renewable energy, the RIC outlined that to improve operational efficiency and its ability to effectively regulate the sectors under its purview, amendments were required to the Act. It was expressed that the RIC's exclusion from the process of developing and finalizing power purchase agreements was at variance with international practice and undermined the Commission's ability to effectively regulate the service providers under its purview. In addition, the RIC was unable to conduct its regulation of entities providing services under the Commission's purview as listed under the Second Schedule of the Act, as those entities – namely Trinidad Generation Unlimited (TGU) and Desalcott and Seven Seas Water – were not listed under the First Schedule) of the Act. The Commission highlighted that, in the absence of RIC-specific regulation, these entities were governed by the terms of the agreements in place with service providers such as the Trinidad and Tobago Electricity Commission (T&TEC) – itself regulated by the RIC.

At the public hearing, the Committee learned that the Commission had submitted proposed amendments to the Act, along with an accompanying explanatory policy document, to the MPU for review. Following an initial submission in 2016, an update was submitted in 2021. The MPU informed the Committee that the proposed legislative amendments to the Act were being considered along with amendments to the Trinidad and Tobago Electricity Commission Act

Chapter 54:70 as well as the Electricity (Inspection) Act Chapter 54:72 as part of the Ministry's overarching policy framework for power generation. The MPU estimated that its comments should be submitted to Cabinet for approval before the end of the current fiscal year on September 30, 2024.

Recommendation:

i. ***The MPU should provide an update to Parliament on the status of the overarching policy framework for power generation with specific emphasis on the approval and implementation of the required amendments to the RIC Act by November 29, 2024.***

3. Quality of Service Standards (QSS) and Compliance Framework

While the QSS framework utilized for ensuring compliance for T&TEC was acceptable, there were no established QSS in effect for the Water and Sewerage Authority (WASA).

T&TEC

In the RIC's initial submission dated December 21, 2023, it was noted that the RIC's guaranteed standards schemes for the services provided by T&TEC were used to apply penalties to the service providers for non-compliance with the standards for services. Under these schemes, the utility service providers were required to provide a specified minimum quality of service, referred to as guaranteed standards, to individual customers. During the period FY 2014 to FY 2018, the number of non-compliance penalties incurred by T&TEC and the corresponding penalty payments assessed were as follows:

T&TEC's Non-compliance with the Guaranteed Standards		
Financial Year	**Number of non-compliance with the Guaranteed Standards**	**Total Penalty Payments Assessed**
2014	7,141	$428,414
2015	1,588	$95,388
2016	5,806	$348,376
2017	16,632	$998,924
2018	3,496	$210,492

WASA

In the case of WASA, it was mentioned that the RIC measured the quality of WASA's service by evaluating various aspects of their performance against a number of criteria such as service delivery capability, service continuity and service efficiency, as well as by evaluating customer feedback and complaints. However, with the lack of a gazette QSS reflective of the current environment which takes into account the local and international context, the quality assurance mechanism was limited. The publishing of the service standards for WASA has been a longstanding issue. Attempts to do so in 2004 and 2010 were unsuccessful as on both occasions amendments had to be made to the submission. Through recent consultations with WASA, the RIC was able to review the existing standards and resubmit revisions to the MPU. Only when the standards are gazette can the measuring of WASA's compliance be effected. Therefore, at the time of the Committee's inquiry, the enforcement framework for the RIC to truly assess the value of WASA's service was non-existent.

Recommendations:

i. ***The MPU should submit an update to Parliament on the anticipated timeline for Cabinet approval of WASA's service standards for gazetting by November 29, 2024; and***
ii. ***RIC should submit to Parliament the service standards currently being used by WASA in the interim whilst awaiting the gazetting of the revised service standards, by November 29, 2024.***

4. Risk Management and Internal Audit

The RIC had neither a Risk Management Policy nor an onsite Internal Audit function. In its initial December 2023 written submission to the Committee, the Commission identified that it encountered several areas of risk and did not have a single risk management policy. The Commission considered the strategic, operational, reporting and compliance risks associated with the pursuit of its mandate and used its observations to develop operating policies and procedures geared at mitigating risk.

Furthermore, it was stated that the Commission did not have an Internal Audit Unit. The management letters from the External Auditors were instead used to develop an understanding of the internal control requirements. It was expressed that, given the size of the RIC, it was not considered cost effective to staff an Internal Audit Unit. As such, steps were being taken to out-source both the Internal Audit and the Risk Management functions.

Even though the RIC developed strategies to monitor its risk management procedures, there was not a Risk Management or Business Continuity Policy in effect. Based on the written submissions, it was stated that to enhance its Risk Management procedures, the Commission was pursuing a review of the organizational structure to determine whether to engage an Internal Auditor and a Risk Manager in-house.

In the subsequent submission dated February 16, 2024, the Commission mentioned that it had begun work on a Business Continuity Policy which would include a comprehensive risk assessment. However, it was not mentioned when this risk assessment component was expected to be completed. In addition, it was indicated that the Commission would review the need for the Internal Auditor position in its organizational structure when the outsourced Internal Audit function is operationalized in 2024.

Recommendations:

i. ***The RIC should update Parliament on the status of outsourcing of its Internal Audit function by November 29, 2024; and***
ii. ***The RIC should submit to Parliament the details of the inclusion of the comprehensive risk assessment in the Business Continuity Policy and the Key Performance Indicators established in the new Strategic Plan for Risk Management and the metrics used to track their achievement by November 29, 2024.***

5. Strategic Plan 2020-2024

Price Reviews for T&TEC and WASA have spanned over multiple strategic plans. In its initial written submission, the Commission indicated that most of the projects related to the Price Review exercises from 2010-2014, were deferred to the strategic planning period 2016-2018. The priorities of the 2020-2024 Strategic Plan were, in many instances, directly related to the strategic initiatives pursued between 2016 and 2018 and were revised and streamlined to meet changes in

the utility landscape that required new approaches. Furthermore, it was stated that, while the most current Price Review for T&TEC had been completed in November 2023, the Price Review for WASA was still ongoing. At the public hearing it was noted the execution of the economic appraisal of the long-term capital maintenance needs of WASA was contingent on the completion of WASA's Price Review.

The completion of this Price Review initiative was linked to the RIC's ability to assess the sufficiency of the returns earned in terms of the financial position and efficient costs of T&TEC and WASA, the formulation of the Regulatory Reporting and Compliance Manual (RRCM) for T&TEC and WASA and the paper on Affordability of Electricity and Water services in Trinidad and Tobago. The RIC considered T&TEC's financial position up to 2021 in its Final Determination for the electricity transmission and distribution sector and the last assessment of WASA's financial position was for the period 2016 to 2019 and in both instances, the entities were operating at a deficit. In its subsequent submission, the Commission indicated that work had begun on the new Strategic Plan for the next five (5) years and it was intended that the resulting Plan would be approved before October 2024.

In the Commission's initial December 2023 written submission to the Committee, the breakdown of the achievement of the Commission's 2010-14 and 2016-18 strategic objectives was included. Some were listed as "achieved", while some were listed as "deferred" and others as "not achieved". In the status of the implementation of the Commission's 2020-2024 work plan, several projects were listed as "not started". In the additional information submission to the Committee following the public hearing, the RIC noted that "deferred" projects had not been launched during the strategic period in question. Those classified as "not achieved' had been launched but not yet completed. The RIC gave the commitment that, as part of the development of its new Strategic Plan, incomplete projects would be carried over into the new strategic period provided they were found to be relevant to the Commission's priorities for the subsequent strategic period.

Recommendations:

i. ***The RIC should provide a status update on the completion of the Price Review for WASA as well as the finalisation of the new Strategic Plan for 2025-2029 to Parliament by November 29, 2024; and***

ii. *The RIC should submit a brief explanation to Parliament by November 29, 2024 of which of the incomplete projects from the previous strategic period have been brought forward into the new strategic period.*

6. Public Awareness

The awareness of the RIC's role was limited in the public arena, especially in terms of the Commission's redress function. The RIC's written submission noted the following:

Year	Complaints				
	Received	Resolved	Resolution Rate	Unresolved	Withdrawn
2015	2,231	1,952	88%	265	14
2016	2,419	2,117	88%	294	8
2017	2,821	2,394	85%	425	2
2018	2,690	2,374	88%	316	0
2019	2,684	2,415	91%	252	17
2020	2,370	2,052	87%	316	20
2021	2,605	2,367	91%	238	0
2022	2,589	2,333	90%	256	0

The aforementioned figures reflected those persons who contacted the RIC after exhausting their efforts with the service provider in question. However, it was noted that the statistics presented did not seem to be reflective of the realities of society. At the public hearing, it was indicated that at times the Commission would monitor social media and act as a liaison between the public and the relevant utility providers - particularly WASA - by highlighting to the entity the customer's concerns for them to action. It was noted however, that based on the processes involved there was no direct engagement with the customer until the customers themselves exhausted the necessary channels to seek redress from the relevant utility provider. Therefore, going to the Commission was a last resort. It was noted that in the case of WASA, even though the QSS had not been given effect wherein compensatory payments could be applied, the RIC could still follow up on the concerns of the customer. Furthermore, the Committee was advised that the Commission had undertaken efforts to raise awareness of the entity but noted that more public

outreach was needed. In its efforts towards assessing its engagement strategies, as a deliverable under its strategic objectives for 2020-2024, at the time of the public hearing, the RIC was in the process of conducting a Public Perception Survey within the first quarter of the calendar year 2024.

Recommendations:

i. ***The RIC should report to the Parliament by November 29, 2024, on the strategies undertaken to improve its national presence so as to ensure that the public is aware of the avenue for recourse; and***
ii. ***The RIC should provide a status update to Parliament on the outcome of the Public Perception Survey by November 29, 2024.***

7. Human Resources

Approximately thirty-one percent (31%) of the posts on the RIC's organisational structure were vacant. According to the RIC's December 2023 written submission, several weaknesses were identified in the Commission's SWOT analysis for the strategic period 2020-2024. These included vacancies in key technical positions, manifesting in operational deficiencies and the organisational structure and staffing not fully aligned with strategic priorities. Furthermore, the RIC's 2020-2024 Strategic Plan outlined that the Commission's independence was constrained by Section 18 of the Act which has given the RIC the power to hire employees under terms and conditions it deems fit but stipulates that this must be subject to a maximum limit of remuneration determined by the Line Minister. This protracted process of obtaining approvals from the Minister has led to delays with respect to salary adjustments and may have adversely affected staff retention rates. In the RIC's Work Programme for 2020-2024, one of the deliverables was a review of the organisational structure to align with RIC's mandate, inclusive of job evaluations and a review of job classifications, as appropriate.

At the public hearing, the Committee enquired further on this matter and were informed that twelve (12) vacancies existed. It was indicated however, that though this was the reality, in the interim it did not adversely affect the Commission's ability to effectively function and fulfil its mandate. This was because existing staff who were quite knowledgeable about the organisation's operations having been employed with the RIC for a significant time were being heavily relied

upon. It was stated that, based on the workflow, the period of staff shortage highlighted lessons in terms of the streamlining of vacant roles to meet the organisation's needs going forward. In its subsequent February 2024 written submission, the Commission indicated that it was in the process of going through the steps to engage a Compensation Consultant to assist the Commission with the preparation of Salary Proposals to be submitted to the CPO via its line Ministry. In addition, the RIC intended to use the existing technical staff vacancies together with its learnings from its recent consultation to review the roles of positions and recommend the appropriate remuneration packages in each case.

Recommendations:

i. ***The RIC should inform Parliament of the conclusions of the review of the Commission's organisational structure and staff complement by November 29, 2024; and***
ii. ***The RIC should provide a status update to the Parliament on the staff recruitment efforts by November 29, 2024.***

Conclusion

The Committee was pleased to learn through this inquiry that the RIC has achieved a noteworthy level of efficiency in the execution of its mandate, operating as a self-sufficient entity since 2004. This means that the Commission has not relied on Government Subvention for its funding for the past twenty (20) years. This is in keeping with the RIC Act, section 29 of which provides that "The funds and resources of the Commission shall consist of such amounts as may be received by the Commission in respect of –

(a) Amounts as may be appropriated by Parliament until the Commission attains self-sufficiency."

The Committee acknowledges the efforts made by the RIC to ensure that it is applying an effective and credible approach to regulating service providers. It is noted that substantial progress has been made towards effectively regulating T&TEC. The Committee, however, learned that the same cannot be said regarding WASA, where significantly more work is required. The Committee notes that the RIC considers current electricity rates to be affordable. However, these rates do not reflect the actual cost of service, resulting in poor pricing signals about the scarcity value of the resources whereas the rates charged by WASA to its general customer base are significantly lower than what it costs WASA to provide the service. As such, the Committee urges the Commission to fulfil its strategic objectives as this is paramount to address these shortcomings.

The Committee also reiterates the need for the Commission to fill certain gaps noted in its internal policy framework – notably Risk Management and Internal Auditing and to ensure that the organisation is adequately staffed. The Committee notes the efforts made to increase levels of public awareness and urges the RIC to create a more dynamic strategy to foster engagement - especially since the Commission's mandate includes its ability to provide recourse to the citizenry once all relevant procedures have been followed. The Committee looks forward to engaging further with the RIC as part of the necessary follow-up to the present inquiry.

This Committee respectfully submits this Report for the consideration of the Parliament.

Sgd.
Mr. Davendranath Tancoo
Chairman

Sgd.
Ms. Jearlean John
Vice-Chairman

Sgd.
Mrs. Paula Gopee-Scoon
Member

Sgd.
Dr. Amery Brown
Member

Sgd.
Mrs. Ayanna Webster-Roy
Member

Sgd.
Mr. Roger Monroe
Member

Sgd.
Mr. Adrian Leonce
Member

Sgd.
Mrs. Hazel Thompson-Ahye
Member

Appendix I - Witnesses

At the public hearing held on January 24, 2024, the witnesses in attendance were as follows:

Regulated Industries Commission

- Mrs. Dawn Callender - Chairman
- Dr. Michelle Salandy - Executive Director
- Ms. Carol Balkaran - Deputy Executive Director
- Mr. Derrick Phillips - Assistant Executive Director, Technical Operations
- Ms. Donna Chapman - Manager, Human Resources & Administration
- Mr. Shameel Khan - Chief Financial Officer

Ministry of Public Utilities (MPU)

- Ms. Nicolette Duke - Permanent Secretary
- Mr. Curtis Augustine - Monitoring and Evaluation Coordinator
- Ms. Danielle Salandy - Administrator, Legal Services

Auditor General's Department (AGD)

- Mr. Gary Peters - Assistant Auditor General
- Ms. Anneshah Baksh - Audit Director

THE PUBLIC ACCOUNTS COMMITTEE
FOURTH SESSION, TWELFTH PARLIAMENT
MINUTES OF THE EIGHTEENTH MEETING
HELD ON WEDNESDAY JANUARY 24, 2024 AT 10:03 A.M.
IN THE J. HAMILTON MAURICE MEETING ROOM, GROUND FLOOR, CABILDO BUILDING, PARLIAMENTARY COMPLEX, ST. VINCENT STREET, PORT OF SPAIN

Present were:

Mr. Davendranath Tancoo	-	Chairman
Ms. Jearlean John	-	Vice-Chairman
Mrs. Paula Gopee-Scoon	-	Member
Dr. Amery Browne	-	Member
Mr. Roger Monroe	-	Member
Mrs. Hazel Thompson-Ahye	-	Member
Ms. Keiba Jacob-Mottley	-	Secretary
Mr. Justin Jarrette	-	Senior Research Specialist

Excused were:

Mrs. Ayanna Webster-Roy	-	Member
Mr. Adrian Leonce	-	Member

COMMENCEMENT

1.1 At 10:03 a.m., the Chairman called the meeting to order and welcomed those present. The Chairman informed Members that Mrs. Ayanna Webster-Roy and Mr. Adrian Leonce had asked to be excused from the Meeting.

EXAMINATION OF THE MINUTES OF THE SEVENTEENTH MEETING

2.1 The Committee examined the Minutes of the Seventeenth Meeting held on Wednesday, January 10, 2024.

2.2 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mrs. Hazel Thompson-Ahye and seconded by Ms. Jearlean John.

MATTERS ARISING FROM THE MINUTES OF THE SEVENTEENTH MEETING

3.1 With reference to item 9.3, the Chairman informed Members that the Committee's questions for additional information had been sent to the Airports Authority of Trinidad and Tobago and to the Ministry of Works and Transport, and that the responses thereto would be used to draft the 17th Committee Report once received.

3.2 With reference to item 9.4, the Chairman informed Members that the inquiry being conducted at the present meeting had been changed. The Chairman explained that, whereas the Committee was initially scheduled to conduct an examination of the Reports of the Auditor General on the financial statements of the Agricultural Development Bank (ADB) for the financial years 2014 to 2018, the ADB did not have a fully constituted Board of Directors as at the day of the meeting. The ADB would, therefore, not have had the necessary complement of witnesses to provide evidence at the Committee's public hearing.

As a result, the focus of the Committee's eighteenth meeting would be another item on its agreed work programme - an examination of the Reports of the Auditor General on the financial statements of the Regulated Industries Commission for the financial years 2014 to 2018.

The Chairman further noted that the ADB inquiry would be conducted at a later date.

OTHER BUSINESS

4.1 The Chairman informed Members that the Parliament of the Republic of Trinidad and Tobago, in collaboration with the UK branch of the Commonwealth Parliamentary Association (CPA UK), would host a 3-day workshop entitled "Caribbean Regional Public Accounts Committees and Trade" from February 27 to 29, 2024.

The Chairman noted that the workshop would be attended by representatives of PACs from around the Commonwealth Caribbean, and that this would be the first such event in Trinidad and Tobago since the successful hosting of the Caribbean Regional PAC Workshop in January 2020.

The Chairman outlined the aims of the workshop as follows:

i. to enhance the technical skills of PAC members and clerks, to improve their capacity to scrutinise government spending and hold government to account;
ii. to enhance delegates' knowledge of trade policy and their capacity to effectively scrutinise trade agreements, including through committee inquiries; and
iii. for participants to strengthen their networks and build contacts in the region.

The Chairman encouraged Members to attend the workshop and indicated that the Secretariat would provide Members with further information shortly.

PRE-HEARING DISCUSSIONS RE: AN EXAMINATION OF THE REPORTS OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE REGULATED INDUSTRIES COMMISSION (RIC) FOR THE FINANCIAL YEARS 2014 TO 2018

5.1 The Chairman reminded Members that the purpose of the public hearing was to:

- assess whether the RIC's expenditure conforms to the authority which governs it;
- examine the challenges being faced by the RIC and to consider possible solutions to those challenges; and
- To assist the RIC in achieving the efficient and effective execution of its mandate.

5.2 The Chairman outlined the remit of the inquiry.

5.3 The Chairman invited Members to review the Issues Paper based on the written submissions received from the RIC and from the Ministry of Public Utilities.

5.4 The Chairman invited Members to raise any issues or questions related to the inquiry. Members discussed the issues of concern and the general approach for the public hearing.

SUSPENSION

6.1 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:34 a.m.

PUBLIC HEARING: AN EXAMINATION OF THE REPORTS OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE REGULATED INDUSTRIES COMMISSION (RIC) FOR THE FINANCIAL YEARS 2014 TO 2018

7.1 The Chairman called the public meeting to order at 10:52 a.m.

7.2 The following officials joined the meeting:

Regulated Industries Commission (RIC)

• Mrs. Dawn Callender	-	Chairman
• Dr. Michelle Salandy	-	Executive Director
• Ms. Carol Balkaran	-	Deputy Executive Director
• Mr. Derrick Phillips	-	Assistant Executive Director, Technical Operations
• Ms. Donna Chapman	-	Manager, Human Resources & Administration
• Mr. Shameel Khan	-	Chief Financial Officer

Ministry of Public Utilities (MPU)

• Ms. Nicolette Duke	-	Permanent Secretary

- Mr. Curtis Augustine - Monitoring and Evaluation Coordinator
- Ms. Danielle Salandy - Administrator, Legal Services

Auditor General's Department (AGD)

- Mr. Gary Peters - Assistant Auditor General
- Ms. Anneshah Baksh - Audit Director

7.3 **Key Topics Discussed:**

1. The RIC's powers and functions as provided by the Regulated Industries Commission Act, Chap. 54:73 ("the Act");
2. The service providers regulated by the RIC, as listed under the First Schedule to the Act, which are the Water and Sewerage Authority (WASA), the Trinidad and Tobago Electricity Commission (T&TEC), the Power Generation Company of Trinidad and Tobago Ltd (PowerGen), and Contour Global (formerly known as InnCogen Ltd and Trinity Power Ltd);
3. The regulatory status of entities operating in the electricity, water and waste water sectors – namely, Trinidad Generation Unlimited, Seven Seas Water (Trinidad) Unlimited and the Desalination Company of Trinidad and Tobago Ltd (DESALCOTT) – which are not included in the First Schedule to Act and are, therefore, not subject to monitoring by the RIC;
4. The need for legislative amendments to ensure that the Act enables the RIC to keep up with new developments in the various utility sectors, and the status of the MPU's consideration of relevant proposals made by the RIC;
5. The oversight relationship between the RIC and the MPU;
6. The outsourcing of the audits of the RIC's financial statements from FY 2014 to FY 2018 to an external auditor, with the approval of the Auditor General, in accordance with section 34(2) of the Act;
7. The provisions of the Act regarding the time frame within which the Commission's audited financial statements are to be submitted to the Line Minister and subsequently laid in Parliament;
8. The recurring problem of delays in the Commission's preparation of its financial statements, as noted in the Management Letters issued by the external auditor with respect to FY 2015, 2016 and 2017;
9. The price of the audit of each of the RIC's financial statements from FY 2014 to FY 2018 and the increased audit fees incurred due to delays and additional work needed to finalise the accounts, which was highlighted as a risk in the Management Letters;
10. The new approaches adopted by the RIC since 2018 to reduce the delays in the preparation of its financial statements;
11. The RIC's income derived from its collection of "cess", defined by section 30(1) of the Act as a payment imposed by the Commission upon the rates and charges collected from customers by regulated service providers;

12. The provisions of the Act regarding the RIC's funds and resources, whereby the Commission may receive amounts appropriated by Parliament only until it attains self-sufficiency;
13. The RIC's achievement and maintenance of self-sufficiency through its cess income since 2004, due to which the Commission does not request or receive any Government Subvention;
14. The RIC's measurement of the quality of service rendered by the regulated service providers through Quality of Service Standards (QSS);
15. The international benchmarks used by the RIC in establishing QSS;
16. The absence to date of QSS for WASA, whereas standards are in place for the 3 other regulated service providers;
17. The expected time frame for the recently approved WASA QSS to be published in the Gazette, after which the Commission will be able to implement them;
18. The RIC's enforcement powers and its plans to develop and implement an enforcement policy for the WASA QSS, which may only be done after their publication in the Gazette;
19. The procedures regarding service providers' compensatory payments for customers in case of damages brought about by poor quality of service;
20. The RIC's assessment of the affordability of utilities in Trinidad and Tobago using guidelines developed by the World Bank;
21. The need to strengthen the RIC's public education initiatives given the low level of public awareness of the Commission's work;
22. The periodic public / stakeholder perception surveys conducted by independent consultants on behalf of the RIC, as noted in the Commission's Strategic Plans and Corporate Strategy documents;
23. The RIC's role in the price review process and the public consultations on the 2023-2027 T&TEC price review held in 2023 in accordance with section 6(2) of the Act;
24. The number of complaints recorded annually by the RIC from customers of regulated service providers and the percentage of complaints resolved each year since 2014;
25. The means whereby customer complaints may be submitted to the RIC;
26. The status of the Commission's 2020-2024 strategic initiatives for which progress was listed as "deferred" or "not started";
27. The staff retention challenges faced by the RIC due to its inability to offer competitive rates of remuneration in comparison to other regulatory bodies abroad;
28. The number of vacancies at the RIC as at January 2024 and the Commission's plans to fill them;
29. The RIC's performance management system for staff; and
30. The RIC's engagement and sharing of practices with utility regulators in other jurisdictions through the Organisation of Caribbean Utility Regulators (OOCUR).

Please see the verbatim notes for the detailed oral submission by the witnesses.

7.4 The Chairman thanked the representatives from the RIC, the MPU and the AGD for attending the public hearing and they were excused.

SUSPENSION

8.1 At 12:50 p.m., the Chairman suspended the public meeting for a post-mortem discussion with Members only.

POST-MORTEM DISCUSSION

9.1 At 12:55 p.m., the Chairman resumed the meeting.

9.2 The Chairman sought Members' views on the public hearing. A discussion ensued.

9.3 The Committee agreed that additional questions would be sent to the RIC and to the MPU. [**Please see Appendix]**

9.4 The Committee agreed that at its next meeting, the inquiry would be on the following:

- An Examination of the Reports of the Auditor General on the Financial Statements of the National Agricultural Marketing and Development Corporation (NAMDEVCO) for the financial years 2014 to 2021.
  AND
- Follow-up on the Implementation of the Recommendations made in the 23rd Report of the PAC of the 12th Parliament on an Examination of the Reports of the Auditor General on the Financial Statements of NAMDEVCO for the financial years 2008 to 2011.

ADJOURNMENT

10.1 There being no other business, the Chairman thanked the Members for their attendance and the meeting was adjourned to February 21, 2024 at 10:00 a.m.

10.2 The adjournment was taken at 12:59 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

January 24, 2024

Appendix 1 to the Minutes

ADDITIONAL INFORMATION

QUESTIONS TO THE RIC

ISSUE – STRATEGIC PLAN

The RIC had a Corporate and Work Strategy for 2010-2014 and a Strategic Plan for 2016-2018. The current framework is the Corporate Strategy 2020-2024.

The RIC explained in its submission (page 41) that

> "The priorities of the 2020 to 2024 Strategic Plan were, in many instances, directly related to the strategic initiatives pursued between 2016 to 2018, and have been revised and streamlined to meet changes in the utility landscape that require new approaches".

In the breakdown of the achievement of the Commission's 2010-14 and 2016-18 strategic objectives, some are listed as "achieved", others as "deferred" and others as "not achieved".

In the status of the implementation of the Commission's 2020-2024 work plan, several projects are listed as "not started".

Questions:

1. What was the framework for the RIC's strategic objectives between 2018 and 2020?
2. When an objective is classified as "not achieved", as opposed to "deferred", does this mean that the pursuit of that objective was abandoned all together?
3. Given that this is the end of the 2020-2024 period, will projects not launched be automatically brought forward into the subsequent strategic period?
4. What is the status of the RIC's development of its strategic plan beyond 2024?

ISSUE – HUMAN RESOURCE

There are 39 positions on the RIC's official organizational structure.

FINANCIAL YEAR	NUMBER OF STAFF
2014	30
2015	34
2016	31
2017	32
2018	32

"The RIC is staffed with a core team of highly knowledgeable, skilled and experienced regulators, with competent support staff. However, retaining staff has been a challenge for the RIC as highly skilled and trained staff are lost to other regulatory agencies and utilities locally, regionally and internationally" (page 15).

This is at least in part because the RIC "is unable to match the packages offered internationally compared to the nationally approved packages" (page 46).

Questions:

1. Has the Commission engaged the Chief Personnel Officer regarding the level of remuneration offered for its technical posts?

2. If yes, were any actionable commitments made based on those discussions?

The 2016-18 strategic objective to "develop an employee retention programme to retain and reward employees" was listed as "not achieved". As it was not "deferred", it is therefore not part of the 2020-2024 work plan submitted to the Committee.

Question:

3. How does the Commission plan to address employee retention?

ISSUE: MONITORING OF SERVICE PROVIDERS

Complaints

The following statistics were provided in the RIC's 2014 and 2015 annual reports.

YEAR	COMPLAINTS			
	RECEIVED	RESOLVED	UNRESOLVED	WITHDRAWN
2014	2,390	2,041 (86%)	329	20
2015	2,231	1,952 (88%)	265	14

Question:

1. What were the corresponding figures for each subsequent year since 2016?

Customer Satisfaction

The RIC's 2016-18 strategic objective to conduct a "feasibility assessment - ISO certification for Customer Satisfaction and Complaints Handling" was deferred.

Question:

2. What are the Commission's plans going forward in this regard?

TTEC and WASA

The RIC's written submission indicated that "the RIC produces annual reports reviewing various aspects of service by the providers" (page 10).

The following were noted in the RIC's Annual Reports for 2014 and 2015, which were the beginning of the Committee's period of review for this inquiry (2014-2018):

> "One of the functions of the RIC is to investigate complaints by consumers, about their failure to obtain redress from the service providers in respect of rates, billings and unsatisfactory service. ***The service providers under the purview of the RIC for which complaints are received are WASA and T&TEC***."[9]

Questions:

3. Does this mean that complaints are only accepted with respect to WASA and TTEC?
4. If yes, given that PowerGen and Contour Global are also regulated by the Commission further to the First Schedule of the RIC Act, why were complaints about them not entertained?

[9] RIC Annual Reports 2014 (page 19) and 2015 (page 18).

Powergen and Contour Global

The RIC has a performance and reporting scheme for these 2 entities. A performance report has been prepared and is due to be published upon approval by the Board of Commissioners[10].

Question:

5. When is the Board expected to grant approval for the publication of the performance report on Powergen and Contour Global?

ISSUE – INTERNAL AUDIT

The Commission's written submission (page 49) explained the following:

> "Given the size of the RIC it was not considered cost effective to staff an Internal Audit Unit. Steps are being taken to out-source this and the risk management function."

The Committee noted that the post of Internal Auditor does, however, exist on the Commission's approved organisational structure, which was included in the Commission's written submission to the Committee (Appendix 11).

Questions:

1. When does the Commission expect to begin outsourcing its Internal Audit function?
2. Once the function has been outsourced, will the post of Internal Auditor remain on the official organisational structure?

In the absence of an Internal Audit function, the RIC was guided by the management letters from the external auditors. The RIC's Board also constituted an Audit & Finance Sub Committee.

As a result, the RIC has not generated any Internal Audit Reports to submit to its Line Ministry.

Under the category Business Process Re-engineering, the strategic objective to "conduct an organizational audit to evaluate compliance with policies and procedures and implement appropriate improvement recommendations" was listed – not as "deferred" – but, as "not achieved".

Questions:

3. In light of this non-achievement, compounded by the absence of an Internal Audit function, how responsive has the RIC truly been to the recommendations made in the Management Letters?
4. What significant improvements had the RIC made to its internal systems based on its implementation of recommendations raised in Management Letters since 2014? Provide details.

ISSUE – RISK MANAGEMENT

The RIC does not have an entity-wide Risk Management Policy. The 2016-18 strategic objective to "develop Enterprise Risk Management (ERM) Framework" was listed as "not achieved" as at December 2023.

Instead, the Commission monitors risk mainly via its tracking of the implementation of its Strategic Plan.

The RIC also does not have a Business Continuity Policy. The relevant 2016-18 strategic objective was deferred.

[10] RIC submission, page 27.

Question:

1. Does the RIC have any plans to develop a Risk Management Policy and / or a Business Continuity Policy?

ISSUE – PROCUREMENT

According to the RIC's submission, under the heading *Plant and Equipment*, "with the Procurement legislation having now been implemented, the replacement and disposal of assets are executed in accordance with the requirements of the Public Procurement and Disposal of Public Property Act, 2015, as amended ("the Act")" (page 55).

Questions:

1. Has the Commission developed and received approval from the Office of Procurement Regulation for its special procurement guidelines as required by the amended Public Procurement and Disposal of Public Property Act, 2015?
2. If yes, when was approval secured?
3. If no, what is the reason for not doing so to date?

QUESTIONS TO THE MINISTRY OF PUBLIC UTILITIES

ISSUE – CASH AND CASH EQUIVALENTS

2014	2015	2016	2017	2018
$18,222,287	$20,418,501	$7,325,743	$8,155,570	$14,083,606

In response to the Committee's question as to the reason for the fluctuations in the RIC's levels of cash and cash equivalents over the period FY 2014 to FY 2018, the Commission explained that:

> "The approval of the Cess Budget was delayed over several years which led to the late collection of funds from the Service Providers. In several instances, as cash resources dwindled, projects had to be rescheduled or re-prioritised, which had a knock on effect on the cash and cash equivalent resources of the Commission."

The RIC Act provides the following:

> 30. (1) Subject to the approval of the Minister and subsections (2) and (3), the Commission may impose upon service providers, a cess on rates and charges collected by the service providers.
>
> (2) No cess imposed under subsection (1) shall be of any effect unless and until approved by the Minister by Order.
>
> (3) For the purposes of this section, the Minister—
>
> (a) shall satisfy himself that the cess is fair and reasonable having regard to the needs of the Commission; and
>
> (b) may have the cess assessed by the Auditor General or by an auditor authorised by the Auditor General for the purpose referred to in paragraph (a).

Question:

1. What was the reason for the lengthy delay in approving the Cess Budget in accordance with section 30 of the RIC Act?

ISSUE – RISK MANAGEMENT

Operational Risk

Under "Operational Risks", the RIC's written submission noted the following as a financial risk:

> "The RIC's inability to borrow for specific purposes (unlike other regulatory bodies such as EMA), further constrains the RIC to obtain the best solutions during periods when its budget has not been approved" (page 45).

Question:

1. What is the Ministry's view of the potential for / suitability of granting the RIC the ability to borrow?

ISSUE – LINE MINISTRY OVERSIGHT

In response to the Committee's question as to the Permanent Secretary's assessment of the RIC's accountability, transparency and value for money in each year from FY 2014 to 2018, the MPU's submission emphasised the RIC's independence and explained that the Ministry simply liaised with the Commission.

Questions:

1. Given the responsibilities of the Minister under the RIC Act in areas such as the approval of Cess and of the Commission's annual budget, and the laying of audited financial statements in Parliament, as well as the reporting relationship regarding the implementation of the RIC's Strategic Plan, is the Ministry fully satisfied with its level and quality of engagement with the MPU?
2. Are there any areas in which there could be improvements?
3. If yes, what are those areas?

Appendix III - Verbatim Notes

VERBATIM NOTES OF THE EIGHTEENTH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE HELD (IN PUBLIC) IN THE J. HAMILTON MAURICE MEETING ROOM, GROUND FLOOR, CABILDO BUILDING, PARLIAMENTARY COMPLEX, ST. VINCENT STREET, PORT OF SPAIN, ON WEDNESDAY, JANUARY 24, 2024, AT 10.52 A.M.

PRESENT

Mr. Davendranath Tancoo	Chairman
Ms. Jearlean John	Vice-Chairman
Dr. Amery Browne	Member
Mrs. Paula Gopee-Scoon	Member
Mr. Roger Monroe	Member
Mrs. Hazel Thompson-Ahye	Member
Ms. Keiba Jacob Mottley	Secretary
Mr. Justin Jarrette	Senior Research Specialist

ABSENT

Mrs. Ayanna Webster-Roy	Member
Mr. Adrian Leonce	Member

REGULATED INDUSTRIES COMMISSION

Mrs. Dawn Callender	Chairman
Dr. Michelle Salandy	Executive Director
Ms. Carol Balkaran	Deputy Executive Director
Mr. Derrick Phillips	Assistant Executive Director Technical Operations
Ms. Donna Chapman	Manager, Human Resources & Administration
Mr. Shameel Khan	Chief Financial Officer

AUDITOR GENERAL'S DEPARTMENT

Mr. Gary Peters	Assistant Auditor General
Ms. Anneshah Baksh	Audit Director

MINISTRY OF PUBLIC UTILITIES

Ms. Nicolette Duke	Permanent Secretary
Mr. Curtis Augustine	Monitoring and Evaluation Coordinator
Ms. Danielle Salandy	Administrator, Legal Services

Mr. Chairman: Good morning and welcome to the officials from the Ministry of Public Utilities, the Regulated Industries Commission, and the Auditor General's Department. My name is Davendranath Tancoo and I am the Chairman of the Public Accounts Committee.

The Public Accounts Committee has a mandate to consider and report to the House on:

a. The appropriation accounts of moneys expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago;
b. Such other accounts as may be referred to the Committee by the House of Representatives or as are authorized or required to be considered by the Committee under any other enactment; and
c. The report of the Auditor General on any such accounts.

The purpose of this meeting is for the Public Accounts Committee to conduct an examination

of the reports of the Auditor General on the financial statements of the Regulated Industries Commission for the financial years 2014 to 2018; to assess whether the RIC's expenditure conforms to the authority which governs it; to examine the challenges being faced and possible solutions for those challenges; and to assist the RIC in achieving the efficient execution of its mandate, while ensuring that expenditure is embarked upon in accordance with parliamentary approval. Based on these issues, the following representatives were invited to today's public hearing: the Ministry of Public Utilities, the Regulated Industries Commission, and the Auditor General's Department.

Please note that this meeting is being broadcast live on Parliament's Channel 11, on radio 105.5 FM, and the Parliament's YouTube Channel *Parlview*. Viewers and listeners are welcome and invited to send their comments related to today's enquiry via email, parl101@ttparliament.org, facebook.com/ttparliament, or Twitter @ttparliament.

I will now invite members of the Public Accounts Committee to present and introduce yourselves to the members of the media and your colleagues here present, starting on my right.

[*Introductions made*]

Mr. Chairman: Thank you. We also have present, members of the Secretariat of the Public Accounts Committee. I will now invite representatives present from the various institutions here to introduce themselves, beginning with the Ministry of Public Utilities.

[*Introductions made*]

Mr. Chairman: Thank you. Can members from the Regulated Industries Commission introduce yourselves, please?

[*Introductions made*]

Mr. Chairman: Thank you. And from the Auditor General's Department, we have?

[*Introductions made*]

Mr. Chairman: Thank you. I now invite the Auditor General's Department, that is the Assistant Auditor General who is with us present, to make a brief opening statement.

Mr. Peters: Thank you, Chairman. Good morning to members of the Committee, Ministry officials, and officials from the RIC, and members of the viewing public. The Regulated Industries Commission Act, section 34(2) states:

> "The accounts of the Commission shall be audited annually by the Auditor General or by an auditor authorised by him for such purpose."

For the years that are under consideration this morning, the audits were conducted by a private firm, but it does not end there. Before we issue our covering report, we actually go look at the auditor's working papers to ensure that everything that was supposed to be done, in accordance with the contract, is actually done. Thank you.

Mr. Chairman: Thank you. I now invite the Permanent Secretary from the Ministry of Public Utilities to make a brief opening statement.

Ms. Duke: Good morning, again, Chairman, Vice-Chairman, members of the Committee, members of the RIC, Auditor General. Thank you for affording the Ministry of Public Utilities the opportunity to join this discussion as it relates to the audited financial statements of the Regulated Industries Commission. In the execution of its role as an independent regulator, the RIC contributes to the Ministry's thrust to enhance the quality of life of the citizens, as well as the country's overall economic and social development through the provision of reliable, high-quality public utility services. The Ministry therefore looks forward to today's discussion and any recommendations that will enable us to further our efforts, along with our key partners, to meet this critical need of all citizens. Thank you.

Mr. Chairman: Thank you very much. I now invite the Executive Director of the RIC to make a brief opening statement. Sorry, I think we have the Chairman. Sorry, my apologies. My apologies, Ma'am.

Mrs. Callender: Okay. Thank you, Chairman. I recognize you and the Vice-Chairman, members of

the Committee, our colleagues from the Ministry of Public Utilities, and the Auditor General's Department, and, of course, the wider viewing public. The RIC is pleased to appear before this august Committee to respond to important questions concerning its mandate and its operations. We consider ourselves a learning organization and thus, we are always interested in receiving feedback from our stakeholders. In this context, the RIC will welcome the insights and recommendations that would result from this morning's proceedings. Thank you.

Mr. Chairman: Thank you very much, Ma'am. The way the Committee usually proceeds is I would begin by asking a few questions, you will respond, et cetera, and then my colleagues—we will open up the floor so that my colleagues will also engage the Committee's—the various institutions present here today. So allow me to begin with the first set of questions, please.

According to your submission to the Commission—the RIC, that is—you sent something to us, and on page 15 of it, it says that:

> "'The RIC Act clearly specifies the RIC's powers and functions. However, the RIC recognises that these powers and functions may need to be updated in light of new developments in the utility sector, including introducing renewable energy. The RIC is addressing its concerns surrounding…'"—these—"'…powers with the Ministry of Public Utilities.'"

It continues on page 16 of that same submission of the RIC to the Public Accounts Committee, that:

> "'The RIC has proposed amendments to its primary legislation to improve operational efficiency and its ability to effectively regulate the sectors under its purview.'"

Now, I have looked at your previous strat plans and I have looked at your submissions to the Public Accounts Committee. This requirement and the need for legislative adjustments and legislative changes was identified in your 2010 to 2014 strat plan, in your 2016 to 2018 strat plan, and we are still talking about the need for legislative review. Can you advise whether legislative amendments or proposed amendments to the RIC Act has been, in fact, prepared? And if so, have they been submitted to the Ministry of Public Utilities for its review and therefore, subsequent action?

Dr. Salandy: The RIC has indeed prepared a document, which would include the amendments—the suggested or the proposed amendments to the RIC Act, alongside a policy document that is basically a companion of the amendments to the MPU for its review, and that has been done—well, it was previously submitted earlier on in 2016. It was again resubmitted in 2021, alongside changes in the realm of what is happening in the utilities sector in terms of RE. So that has been submitted.

Mr. Chairman: Thank you. Madam Executive Director, you indicated that it was submitted in 2016 and then, in 2021, it was resubmitted?

Dr. Salandy: Alongside further—because it was reviewed again, and alongside further changes, there were submissions. Again, this came with the review of the feed-in tariff policy, et cetera, so the Regulated Industries Commission would have provided additional comments.

Mr. Chairman: Thank you. Question to the Permanent Secretary of the Ministry of Public Utilities: Ma'am, we just heard that submissions were made based on concerns that the RIC had with regard to expanding its mandate, and that that has been submitted to you in 2016, and revised and resubmitted in 2021. Can you advise whether the Ministry is currently considering—in fact, let us go the other way, can you advise what is the current status of those recommendations from the RIC?

Ms. Duke: Yes, Chairman. Those recommendations were received and they are being considered in conjunction with proposed legislative changes or amendments to the T&TEC Act as well. All of these fall within the ambit of the Ministry's analysis of power generation and transmission. So there are a number of pieces of legislation that impacted that, including the RIC Act, and they are all being considered together. I will have the Admin, Legal, elaborate a bit more.

Mr. Chairman: Thank you.

Ms. Salandy: Good day, Chair. Currently, the Ministry of Public Utilities has completed an overarching policy for power generation. As the PS has rightly stated, this overarching policy not only

includes amendments to the RIC legislation, but also to the T&TEC legislation, the electrical inspectorate legislation as well. The Ministry has had stakeholder engagements on the policy thus far and they have completed the second draft, which will go before Cabinet shortly. Thank you.

Mr. Chairman: Madam PS, I assume that you have a very good relationship with the RIC and that you are in constant conversations with each other, so we are hopeful that these amendments, these proposed legislative changes, would be presented in the shortest possible time frame, especially given that the RIC has been complaining about this for quite a while—since 2010, I believe it was. In fact, since that 2010 to 2014 strat plan, it was a focus of the RIC, yes?

Ms. Duke: Yes, Chairman. We are really working hard at trying to put this before Cabinet in the shortest possible time. One of the things about these types of legislation is because there are so many nuances from one to the next, you really want to ensure that you get it right. And then, with the advent of RE and the feed-in tariff, you want to make sure that you consider all the stakeholders in the process. We believe that in the consultations, that we have incorporated the key stakeholders, and their comments have been incorporated into the policy, and so we are thinking that within the shortest time frame, before the end of this fiscal year, we should have had that in Cabinet, and possibly—well, on Cabinet's timetable—have some feedback as to how we proceed from there.

Mr. Chairman: Thank you very much, Madam PS. That feeds into my area of concern. Because although I am not aware of what the contents of the recommendations are, based on the strat plan, et cetera, I saw the direction in which they were seeking to go, and I want to use that to springboard off something that my colleague from the Auditor General's Department raised. Section 34 of the Act—section 34 of the Act to expand—based on what the Assistant Auditor General raised—section 34 of the Act states, and this is 34(3):

> "(3) The Commission shall, not later than six months after the end of the preceding financial year, submit to the Minister in respect of the preceding financial year—
>
> (a) a copy of the audited statement of accounts; and
>
> (b) an annual report in respect of the preceding year.
>
> (4) The Minister shall cause a copy of the annual report and of the audited statement to be laid before Parliament within twenty-eight days of his receipt of the report and if Parliament is not then in session, within twenty-eight days of the commencement of its next session."

Where am I going with that? We have had reports from the RIC in which it stated that the 2020 audited financial statements were expected to be done on or before the 31st of December, 2023. The financial statements for 2021 were to be submitted for auditing at the end of December 2023. So that is not the financial statements—the audited financial statements being submitted to the Ministry. The audited for fiscal 2022 and 2023 will follow with the expectations that it is going to be finished in the first half of 2024.

As an entity with the responsibility of setting targets, implementing rules of law, in fact, providing—we will talk about that in a little bit—structures and penalties for failure to abide by the law, it is of grave concern to me and to my colleagues here that we seem to have a hiccup in the submission of your financial statements on time, as is required by law. Is it that—and maybe you can now advise—there is a—in fact, it was highlighted in the management letters to the RIC on several occasions—which I have had sight of—that there is this lethargy when it comes to submitting financial statements for consideration and for audit?

The 2019 management letter, if I may share, because I want to make—I want to give you as much—I want to give members of the public as much information as possible, and yourself as possible, so you could respond with regard to a solution. The "Observation" in the management letter of 2019 was that:

> "There…"—has been—"…a very long period between the completion of all audit work and the approval and eventual sign off of the financial statements which resulted in rework and

additional procedures to be performed."

The "Risk":

"There is a risk that rework and additional time spent over the budgeted hours lead to higher audit fee."

The 2019 management letter made a "Recommendation":

"A more efficient process for the review and approval of the financial statements should be implemented to ensure a smoother flow of work and to avoid overruns in the audit fee."

Given the experience of delay in the submission of financial statements—not just financial statements for audit, but financial statements, by extension, to the Minister, and therefore to the Parliament, and therefore to your Committee, can you advise what has been the reason for this persistent backlog in the preparation of financial statements over the years?

Mrs. Callender: Chairman, I should begin by saying that we also, as a board, share the concerns of not having our financial statements submitted on time and that we are taking steps to address that. So apparently, the delay actually was something that occurred prior to my board assuming responsibility there. So, in fact, we met a backlog. I took that chairmanship in 2019. At that time, 2016 was being done. However, as I said, we have taken ownership of the process. We have completed the 2020 statements recently.

We used a different approach in moving from the draft financials to the completely signed off financials. And I can say to you that even though we had committed there to do it by December the 31st, we actually had to go through some—well, you know, I do not want to call them "extra procedures", but sometimes getting third-party confirmations, and so on, those things can be a little time protracted. But we put all efforts into getting it done and we recently signed those statements, I think it may have been last week Friday or maybe Monday this week.

We were able to meet the standard for the 2021 statements and we have submitted them to the auditors, and they are in the process of being audited. We expect, perhaps within the next month, that those will be completed, and we will move immediately thereafter to do the 2022 and 2023 as we have submitted. So if I were to say the reason for them being late, to some extent, we inherited a delay. Notwithstanding our commitment, you know, we have experienced—I do not even want to bring into the discussion, COVID and so on, but those things did occur. But most of all, I think the commitment of the board to get them ready and taking ownership to get them up to date is there, and we will actually achieve that by the first half of this year.

Mr. Chairman: Ma'am, are you saying that you will have—you would be current, with the exception of 2023, as at the first half—at the end of the first half? Is this fiscal or calendar?

Mrs. Callender: No, this is calendar. So we are talking about June 30, 2024, we will certainly be completed with 2022, and it is our intention really to do 2023 by that date as well. But certainly, 2022 will be brought up to date by that time.

Mr. Chairman: So I just want for clarification, this is for the Commission to provide its audited financial or to provide the statements for auditing?

Mrs. Callender: No, no, no, audited financials.

Mr. Chairman: All right.

Mrs. Callender: We will complete them by that date in June.

Mr. Chairman: In your consideration for legislative changes, have you considered increasing the time frame required for the provision of these statements? Because even if you are finished with 2021, 2022 and 2023, the requirement, as is in law now, is a maximum of about seven months between when you submit your audited financial statements to the Minister—so that is your time frame. You have six months to submit your audited financial at the end of the financial year.

Mrs. Callender: "Mm-hmm".

Mr. Chairman: Admittedly, it seems to be a challenge. Let me ask the question then, what action

do you think is required—or do you think that you have put enough things in place to ensure that we do not have a repeat of delays in the submission of financial statements for auditing, and in the submission of the audited financial statements to the Ministry, to the Parliament, and to the Public Accounts Committee?

Mrs. Callender: No. So, Chair, I would not want an extension. I think having a time period of six months is quite appropriate. The fact that we have not met means that we have to really review ourselves and to meet that deadline. We have made some changes. So, for example, we had an issue that required a lot of reconciliations to be done, and we actually did that work, so now that we find that in moving forward, it is a lot smoother than it was before. So I think we are committed to meet the standard and we will put all our efforts into so doing.

Mr. Chairman: Can you advise—now, I am aware that the 2014 to 2018 financial statements were audited by a firm appointed by yourselves, with the approval of the Auditor General's Department, and that was in keeping with section 34 of the Act itself. Can you advise of the cost of these audits, that is the 2014 to 2018, which is really the period that we are supposed to focus on?

Mrs. Callender: Sure. With your permission here, I will ask our CFO, who was there during that period, to respond to that question.

Mr. Chairman: Thank you.

Mrs. Callender: Thank you.

Mr. Khan: Thank you, Chair. The annual cost was $85,000.

Mr. Chairman: Thank you. Can you advise as to whether or not that annual cost was increased to higher because of the fact that there were late submissions or delays in submissions?

Mr. Khan: In certain cases where additional work was required, there were slight overruns. In one case, it was by about 10,000, but other than that, it was in line with the $85,000 fee.

Mr. Chairman: Last question before I pass on to my colleagues. Is it then that the RIC does not have—let me ask the question differently again. Is the RIC sufficiently staffed and resourced, in your opinion—I will ask this to Madam Chairman. Is the RIC sufficiently staffed and resourced, in your opinion, to effectively and efficiently ensure at least—this question is purely with regard to financial statements—that the audited financial statements are prepared in the time as required by the Act?

Mrs. Callender: So, Chairman, I would say, yes. So the difficulty that I would say occurred is that we actually inherited a backlog. That situation was made a little—it was worsened by COVID and, you know, persons not being in the office and so on. I think apart from that, because of the commitment we made as a board, the statements otherwise would really have been up to date now. So I do not think it is really an issue of staffing, everybody always wants more resources and so on, but I would say that we have taken a very proactive approach.

We follow up differently with the auditors now. You know, we ask them to turn around the drafts for us more quickly. And as members of the board, we have all committed that our review should be quite timely. So I also look forward, just given my own background, to having up-to-date and current financial statements, and so we are holding ourselves—I would not even say "to a high standard", the standard that we should achieve, and it is our intention to do that, Chair.

11.20 a.m.

Mr. Chairman: Thank you. Colleagues, who is going first?

Mrs. Gopee-Scoon: Thank you very much—I am sorry.

Mrs. Thompson-Ahye: Mrs. Callender, you sounded very impressive. I felt confident that you would meet the goals that you have set for yourself, but then you go and spoil it all like the song says by saying the words "I think." So I am sure you would agree with me that you are going to withdraw that "I think" and say we are committed to meeting the standards because "I think" spoilt it all, just like the song said.

Mrs. Callender: Absolutely, we are committed. And this commitment is not solely my commitment,

it is the commitment of the board. We have been engaging in different techniques, those techniques have been quite well supported by our Executive Director and our CFO in meeting those standards. So yes, our commitment is there. Thank you.

Mrs. Thompson-Ahye: I am comforted, thank you.

Mrs. Gopee-Scoon: Thank you very much. I just want to ask a few about service standards. I am aware that there are service standards that are applicable to T&TEC at this time and there are service standards penalties that apply, you can correct me if I am wrong when you are responding. I want to know if there are similar service standards for WASA and have they been gazetted, what is the situation with regard to your service standards for those two particular entities? Thank you.

Dr. Salandy: The quality of service standards they exist for T&TEC as you asked and in regard to WASA, there has been continuous engagement with WASA and external stakeholders as well, in terms of consumers that quality of service standards actually have been resubmitted. I would say after all of the engagement at December 19th, 2023, and it is now submitted for gazetting. But at this current time, quality of service standards for WASA are not officially published just yet because we await gazetting.

Mrs. Gopee-Scoon: And I would imagine that that responsibility for gazetting and so on is with the Ministry of Public Utilities.

Dr. Salandy: Yes.

Mrs. Gopee-Scoon: Perhaps, PS can tell us where that is and then I would further want to go into your enforcement policy framework enquiry because they go hand-in-hand, whether or not your enforcement policy framework policy is in place as well. Thank you.

Ms. Duke: Yes, member we are in receipt at the Ministry of the quality of service standards for WASA. The Ministry is now preparing—normally when we get these quality of service standards, we prepare a note to Cabinet so that Cabinet is informed of the standard, and once we get the approval we move to the gazetting. So we are at this time preparing that note.

Mrs. Gopee-Scoon: And I expect in the interest of the customer that that will be expedited.

Ms. Duke: Quite so Minister.

Mrs. Gopee-Scoon: Quite so. But then of course there is the enforcement policy framework and I know that there was a commitment to review and implement a compliance and enforcement policy framework for both WASA and T&TEC. What is the status of that?

Mrs. Callender: So in order to have the compliance framework one must have their standards gazetted and taking effect.

I think just one clarification, the submission that we did in December 2023 was actually a fine-tuning of submissions that had been made prior. So in the case of T&TEC where those standards have been gazetted and accepted, there are a number of reports that T&TEC must produce to the RIC annually, things like their codes of practice, some of the provisions of the standards that were gazetted, what percentage compliance they have achieved. And so that is done annually in the case of T&TEC and would be done in the case of WASA once the standards actually are gazetted, in which case they then become effective for WASA's compliance.

Mrs. Gopee-Scoon: Good. So in the case of T&TEC, are they in compliance and if not, is there some kind of enforcement policy to ensure that they comply with the service standards which have been set and agreed on by the Ministry and Cabinet?

Mrs. Callender: Okay. I know we have some details on that and I will just let our ED respond.

Dr. Salandy: In relation to the quality of service standards for T&TEC there are two components, the guaranteed standards and the overall standards. The guaranteed standards are specific to basically individual service standards that must be met for the individual customer, where overall standards basically exist where it cannot meet particular specifics of an individual customer but relate to all customers in totality.

Relating to the standards, the general electricity standards there are eight of them. The first one in terms of the compensatory payments in terms of enforcement that is, of the eight standards the only standard in which it is not an automatic payment but for the remaining standards GES 2 to GES 8 those standards, the payments are automatic in terms of the compensation to customers for any breaches therein and the RIC would publish standards annually I can probably give you an example of how T&TEC is in terms of there. In relation to GES 1, which is regarding response and restoration time of an unplanned outage within 10 hours, T&TEC in terms of the percentage for compliance is almost 100, it is between 99.5 in 2014 to 99.9 in 2015, a slight dip to 99.76 per cent in terms of T&TEC's compliance.

Just go down to another, a GES 5 is in terms of investigation of voltage complaints. T&TEC is required to respond to all voltage complaints within 24 hours and in 2018 they had a maximum in terms of keeping to that standard of 100 per cent and in 2014, 99.9. Their standards in regard billing punctuality and for most of the standards their compliance level has been in the late 90s and very close to 100 and in some cases 100 per cent compliance.

Mrs. Gopee-Scoon: What system is in place in terms of the review of the compliance, when it is done because you are referring to 2014, long time now right? So what system is in place? I would imagine it is that enforcement policy framework, is that it?

Dr. Salandy: Yes. What we do is the same standards I am just recalling here they actually are current in terms of the same percentage levels exist today. So annually these reports are out and they are kept current as we do collate the information from T&TEC and we do publish so that in terms of the transparency all customers, and any stakeholder can actually go on to the RIC website and look at the quality of service standards reporting. There is actually another one that will be released, let us say by next month because it will be sent to the board for approval. So that is one area that we consistently look at to ensure that T&TEC is—

Mrs. Gopee-Scoon: Just to go back to the WASA service standard, so there is an existing service standard that is being revised?

Dr. Salandy: Right.

Mrs. Gopee-Scoon: Is that it?

Dr. Salandy: Okay. So the WASA service standard that one is currently—it was submitted firstly in December 2004 for gazetting. At that time it went for gazetting the questions arose in terms of—just like I would say need for clarification, need for some areas to be reworked along with the major stakeholder there WASA, the RIC would have looked at the comments received and would have resubmitted for publication in 2010.

Again at that point in time there was some issue in terms of agreement in terms of meeting the standards the RIC reviewed took all the, I would say the suggestions, recommendations, and the views of the stakeholders and would have reviewed it again and resubmitted. We most recently met with WASA to look at different areas because the one thing that the RIC would want to do in terms of having those standards is to ensure that customers receive a high level of service. So there are minimum requirements that must be achieved so we relook that to ensure that customers get value in terms of their service and to ensure that the service providers are able to do so. So we reviewed it one more time and it was sent. So at this point that it is not gazetted, until they are gazetted then they become effective.

Mrs. Gopee-Scoon: Right, I understand that but my final question before I allow my colleagues, are you all—sorry. My final question before I pass on to my colleagues, are your service standards benchmarked against some international or regional levels, and then I will pass on.

Dr. Salandy: As with all of the RIC's determinations in any area and standards in terms of quality of service, it is always two-sided because we look at international benchmarks, and then we have to look at it in relation to the context of Trinidad and Tobago, the company here basically our regulatory

environment, and our economic context. So it is benchmarked internationally within the region in terms of the Caribbean region and again given those benchmarking in terms of our local context, so yes.

Mr. Chairman: If I may, before we go further, you just said something that was very interesting. You benchmark based on international standards but you take the local conditions et cetera, the local context into consideration. Is your local context in terms of the requirement for service by the customer, the final customer or is your local content—your local considerations based on the status or the state, or the capability of the organization itself? So is your service standard based on the organization or the individual service required?

Dr. Salandy: The RIC in its consultations takes the views of all stakeholders and that includes the stakeholders which would be the utility and the stakeholders which are the customers. So in terms of the local environment, the customers have a very major part in influencing and guiding the RIC in terms of making its final decisions in these areas. And the RIC would look at it in terms of local context because the RIC has a customer service management database. So all of the complaints that come in that we received from customers over the years, all of those things in addition to or when we put it out for public comment, those collate together and combine to influence and guide the decisions of the RIC.

Mr. Chairman: Now, I know my colleague has some concerns about the—

Mrs. Callender: Chair—

Mr. Chairman: Sorry.

Mrs. Callender: May I just say that part of what we do is that we are interested in the service providers improving. So notwithstanding that something may be a little bit difficult for them, we are still likely to put in there what would be called, in a way, a stretch target meaning that you really should go a bit beyond your comfort zone of where you are now and get closer to the standards that we feel our consumers should enjoy.

Part of the consultative process allows the utility to understand the thinking of the RIC even before those standards are published so we always say to them, you know what our thinking is, you know where we want to go, so please begin to review your internal processes so that when it is gazetted and when it comes into effect you will actually be able meet these standards. Thank you.

Mr. Chairman: Thank you. And that is the right direction in any case. Now we have T&TEC, you have the enforcement policy already in place for T&TEC is that correct? In terms of enforcement, what exactly does RIC—what power does RIC have in terms of enforcement of a quality of standard, a standard of service? If T&TEC for example does not provide that benchmark, what recourse does RIC have, what is that enforcement policy?

Dr. Salandy: The enforcement with the quality of service standards as they are gazetted, they are now outside of GES 1 and in terms of the others the enforcement is actually—the compensation is automatic so that actually occurs. If there is a case in which a payment is, let us say, a payment is not made for whatever reason the RIC will then follow up with the utility.

Mr. Chairman: Thank you. Who determines the compensation? So in the event—just for the clarification, I think, for the viewing public if I have a surge in power supply and my appliances are damaged is that what the enforcement treats with, there is a valuation of some sort? Is that the enforcement? The enforcement I assume will be whether T&TEC does not provide reimbursement. You understand the question?

Dr. Salandy: Yes, I understand the question. That question will probably go more out—in terms of the specifics of a damaged appliance, will probably go outside of the specific standards that we have there in terms of the rebate programme or the rebate. I should not say programme, but given a rebate and I think my Assistant Executive Director for Technical Operations would possibly give you a more detailed response to that question.

Mr. Phillips: Good morning again. So for a situation where appliances are damaged for a customer they would normally file a claim with the utility and the utility will investigate and hopefully settle at that level. If that does not occur and the customer is not satisfied then they could refer their complaints to the RIC and we will investigate to see if the utility was at fault, and if we find that they were at fault because of, you know, negligence or something that they were supposed to have done and they did not do it, then we will rule in that regard and notify the utility that we believe that they are liable and they should make compensation to the customer.

Mr. Chairman: Thank you very much. Now that is a very, very, very, very, very, very, very important thing because of recent we have had multiple fluctuations of power supply but I am not aware that a substantial number of members of the public are aware of this option of proceeding in the event that T&TEC does not engage them. So there is a sort of give up by members of the public that nothing will happen even if their appliances are damaged. Can the—Madam Chair, the question is to you, are you satisfied that sufficient advertising of RIC's role in terms of enforcement of this particular sort of service, their role. Are you comfortable in your level of advertising so that members of the public are aware that this exists that they can pursue T&TEC and having not gotten through, that there is in fact another option that they could pursue for resolution?

Mrs. Callender: Chair, I would say I am not satisfied and I think one of the learnings that we took away from the consultations that we held last year was that the public is really unaware of RIC's roles and functions and so on. There really was a low level of awareness and now, sadly, people only know us as the people who are coming to increase your rates and not some of the other work that we do. There is actually knowledge by a large section of the public about the RIC work. They come to our customer service department, we have gotten a lot of rebates and other things for them. But I certainly think that that should be improved and expanded and every consumer should know about the RIC's role.

But with respect to the concerns expressed across the consultations we actually met with T&TEC, gave them some of the feedback we got regarding different services that they should provide to the public. We have a commitment from them that they would also be engaging in public education and that is something that we will follow-up over the course of this review period that we just completed.

Mr. Chairman: Sure.

Mrs. Thompson-Ahye: In your report to us, you mentioned customer complaints and you enumerated some of them, interruption in pipe-borne water supplies, street lights repair and installation, requests for truck-borne water supply, leaks, billing, and enquiries now, you submitted 2014 and 2015. When I look at the figures I find them extremely low and I am wondering though, can you tell us how accurate these figures are? Because if one is to take the pulse of the society by just listening to the talk shows and you hear all of these complaints about all of the utilities, the utility bodies under your jurisdiction, figures like 2,390 for the whole year, 2,231 and you said that you resolved like 86 per cent, 88 per cent, I mean is this real? Are we really to think that this is what is happening in this society today? What has happened since 2016, 2023? Has there been a dramatic increase in the number of complaints received and resolved and those that have been unresolved at the end of the year, is it possible that they were resolved in another year? I find it very—more than passing strange, the numbers that you have submitted.

Mrs. Callender: Yes, so—

Mrs. Thompson-Ahye: Can you explain?

Mrs. Callender: Yes, member. So those numbers are accurate in the sense that those are the persons who have come to the RIC for redress. Now, I agree with you, it certainly does not seem reflective of what we hear in the wider public and especially now on social media.

So one of the things that we have started doing is that we have persons who are now

canvassing social media from time to time, because very often, you know, that is where someone would go to vent their concerns or to look for some sort of redress. So we do now sort of poll what is happening in social media and we give feedback to WASA in the same way. But certainly, we are also very concerned about the level of service that the consumers are enjoying, particularly I think on the water side and we would like to see that improved, we always give that feedback to WASA and meet with them quite regularly. So, you know, this is what we have in terms of things coming to us, but unlikely to be reflective of the customer's experience.

Mrs. Thompson-Ahye: Thank you, I appreciate your honesty.

Dr. Browne: Just by way of follow-up and welcome once again, appreciate the responses provided thus far to the questions from the Committee. I have a few follow-up questions on the issue of complaints seeing that this treatment—investigation, and treatment of compliant forms an important part of the RIC's mandate. And I did take note of the content in your submission, your financial statements and annual report where you track and present data on complaints. So you would have presented complaints received, resolved, and withdrawn, I was very interested in the column of complaints withdrawn. So I wanted a little more insight from you on how you receive complaints.

I know that there are several programmes, even on radio focused on getting members of the public to call in and give and register comments or concerns about experiences some of which would fall under the industries that you regulate so is that part of your source of complaints? What really constitutes a complaint? How do you pursue investigations? Is it in-house, do you utilize consultants or other service providers and is that something that is paid for separately and then complaints resolved, I join with my colleague, member, who spoke a little earlier but my take is, I am very pleased to see that a significant number of the complaints you would be tracking are being resolved from year to year. I would like some insight into what do you consider a resolved complaint.

I would give you an example. If I take my car to the mechanic, and I have a complaint he did not sort out some system and he tinkers a little further and then you ask him, he would say "yes, he has resolved the problem" and if you ask me the initial complainant, I may have a different view of it. So for you to categorize a complaint as having been resolved what goes into that and does that entail feedback from the client or the complainant as well? So let us start with that and maybe I will have one very minor supplemental.

Mrs. Callender: Member, I will just give a little context but I will have my Executive Director expand. One of the things that we should remember is that the RIC only comes into play after the person has exhausted their efforts with the utility provider. So even though we are hearing some of the concerns being expressed like on the radio as now as I said we have asked that people look and see what is happening on social media, Facebook and so on. Those are not things that the RIC can interact with directly but what we have been doing is that we will draw them to the attention of the service provider to ensure that they are engaging with the complainant so to speak. Yes? So those are not ones that we can—the law does not allow us to interact with those persons unless they have exhausted their efforts, yeah? But I will have the Executive Director give some more details.

Dr. Salandy: The RIC receives complaints via several channels. Again, firstly you know, we actually have our customer service staff ready and available for walk-ins so persons can actually come in and make their complaint, they can make an appointment beforehand and come in to make that complaint face-to-face because we know that some persons prefer that one-on-one interaction when they do have their issues.

In addition to that you can actually send the RIC your complaint via email, or just call, we have an 800 number so it is toll-free. And again with the advent of COVID, the RIC has adapted and has a WhatsApp number so persons can also feel free to WhatsApp us their complaint and we use social media. We would advertise, tell persons how they can complain, what they can complain about, and the process for making a complaint so that when they do come in it is also very smooth in terms of

that process. As the Chairman would have indicated, we would identify to customers that we are the second call for redress. So the first step is to make the complaint to your service provider and if you are not satisfied with your result then you come to the RIC and we follow up on your case.

In terms of that question, what is the next step? How do we do investigation? So the first step would be to ask the customer, have you made your complaint, you should have a complaint number, those things are recorded. We take some general information from the customer, we would then review it and the customer is then informed either we would need or require some more information from them or we let them know that we require some more information from the service provider. Based on just the general conversation, or via the email thread, the information that we do have the customer services department will then determine if they need to carry the issue to our technical operations department or other members of staff in terms of looking at it from probably an engineering or more technical slant. The customer service department in some cases will actually go out and do the investigation either go to the customer's premises or actually go to the service provider to have further investigation be done. Once that is done and at least I should say, at every single stage of the process the customer services personnel will actually communicate to the complainant so that they know what is actually happening and I think that will now answer your second question in terms how of the investigation is pursued.

You also asked, and probably I will go to last before I go back to the third which is, how do we know when a customer is actually satisfied, right? So again the RIC after conducting an investigation, waits for in terms of notifying the service provider of the issue, will get the response of the—will make obviously its judgment, and submit that to the service provider, once it gets the final decision in terms of the service provider, what is the next step to resolve the issue of the customer. That will be communicated to the said customer and at that point in time the customer can determine if they are satisfied or unsatisfied with the determination therein.

11.50 a.m.

If the customer is satisfied, well the case is closed. If the customer is unsatisfied we will continue with some mediation, and if at the end of it the result is that in the case, even with all that the RIC has done, that there is still a level of "unsatisfaction"—or dissatisfaction I should say—by the customer, the RIC will then advise the complainant that they can actually carry their complaint, either write to the board further just indicating that they are unsatisfied or have other means outside of the RIC to challenge the result.

Dr. Browne: Thank you very much.

Mrs. Callender: So, member, what I should say is that, remember in every case it is not always that the consumer is correct in what they are seeking to pursue. There are times, in fact, that the utility could actually be correct and, you know, in that case what we try to do is to communicate with the consumer and explain why their claim would be, more or less, not go any further.

Dr. Browne: Sure. I gather that from the report that you would have shared in that resolve could be in favour of the client's perspective or sometimes from the industry's perspective. So, I also wanted to ask a little bit of insight into withdrawal of complaints. Why do some complainants withdraw and what are some of the circumstances around that?

Dr. Salandy: I would say that there are various reasons why a customer may withdraw. Going into the minds of customers, that may be a very difficult to say, but in some cases a customer may make a complaint and at the time of the complaint, let us say they would have made the complaint, let us say, one of the cases that you may have, a complaint—no water. "I did not receive water". So you lodged your complaint with the organization, "I have not received water in two weeks." We have taken your complaint and then your problem was actually resolved by the service provider. So in some cases customers would actually call and say, "I would have received water or the street light would have been fixed", and they would withdraw the complaint then. So in most instances I can say from what

we are aware of, it is that and there was resolution.

Dr. Browne: Just a little further because I hope we are not doing more harm than good here in this discussion, particularly as you have established a benchmark for what would constitute a complaint, in that it is the—certainly not—you are not the first port of call. How? That is very subjective. So how do you guide if you have a walk-in client, a member of the public, I have a concern with my—an experience with my electricity or something related, or water. I could say "I tried to call WASA this morning and did not get through and therefore I am coming". How do you guide and determine what would constitute a client having gone through the initial steps and properly reverting to the commission.

Dr. Salandy: Any customer that makes a complaint with the service provider is generally given a—there is generally a record in terms of a number that they are provided with so that is utilized by the RIC to know that that complaint has been lodged with the service provider. So that is our first step in recognition that that complaint would have been.

Dr. Browne: Thank you. And may I just, one other matter which I tend to ask would be, to enquire on your degree of connection, interaction, collaboration with similar bodies across the region or maybe further. Are you part of any connection, peer learning, or sharing of experiences within a regional context or beyond that? Is that part of your experience?

Mrs. Callender: So there is an association called the Organization of Caribbean Utility Regulators. The RIC was actually one of the founding members there we have continued to serve on that body as part of the executive committee. We have always, well, it is not automatic, but we have always stepped forward to serve. So that actually provides two platforms for a kind of leaning and training for the member countries. One being that we do share among ourselves and, in fact, right now I do have an invitation from the regulators in Jamaica for our regulatory body, our board of commissioners, to go there and have like a meeting with them. So that is something that, just subject to further meetings with our own board here in terms of what we want to pursue for 2024, that is available for us. That is a direct invitation.

But through that body we get other contacts, somebody who has used or had access to resources, they would generally share and say, "Oh, this person had made a particular study. Let me give you a name and contact", so we do that as well. In addition, OOCUR puts on training. Some of that training is sponsored by, let us see, the developed countries, people who are advanced in terms of regulations. So right now there are a number of programmes. There are three programmes that are already carded for 2024. The first one is in March. We have two persons who will attend, two members of staff that is, who will attend, and then as I said, there are some others being planned.

Dr. Browne: Thank you very much for your responses. Chairman, I turn back to you.

Mr. Chairman: Thank you. Just to follow up again. The Executive Director indicated that, and that she used an example that segues into my concern with regard to WASA, complaints about not having water connection or not having pipe-borne water, or not having access to truck-borne water supply. You mentioned that in terms of why people withdraw, but if you have a situation where you have multiple occasions in which the same condition arises, as I think exists in my constituency, so I do not want to politicize it, but also exists in other parts of the country where we have repeated situations where persons are without water for extended periods of time. I know, for example, my office has received complaints, on average about 100 complaints per month, often cycling every single month. Basically, it is the same set of people coming, and those are persons who would have made complaints to WASA. The question then is that, what happens now?—because we do not have the service standards, so we have no space for enforcement. Is that correct? But what happens then for WASA who is now receiving these complaints? How does the RIC treat with those complaints if they come only to WASA?

It comes back to my question with regard to the need to publicize yourselves a little bit more

aggressively so that the members of the public in particular—I think we have a fairly good control over the T&TEC issue, but I do not think we have a fairly good control over the WASA issue. So that the service standards and the enforcement policy is now critical to ensure that members of the public get a good service. The question I am trying to tie down is, how does an individual who has a repeated situation where every two weeks he has to plead with WASA for a truck-borne supply because he is not getting a pipe-borne supply, and that exists in a substantial part of Trinidad and Tobago, and I know that is exists in my constituency. So how does that person treat with that?

Dr. Salandy: Given that the QSS has not been given effect, it does not stop the RIC from still following up on the matters of customers. So if a customer does have an issue in terms of a late water supply, no water supply, it does not matter. Whichever area in terms of supplying of service, the RIC, once you make a report to your service provider, will follow up. So in terms of, as you said, there may not be at this point in time compensatory payment for—because it is not a breach of a standard, but again there are minimum levels of service that every customer is expected to have, and the RIC will follow up, and they have been, you know, in terms of the customer service representatives. And you have said it, it is accepted, that there are many persons that do have that issue recurrently and they do call the RIC recurrently because sometimes the RIC is there as their last port of call, so they will call and say, you know, this is a problem that I am having again, and the RIC's staff in that department are very diligent, they continue, they call WASA and they try to ensure that that customer can find some resolution or receive some resolution in that time. So recurrently it happens and without fail the RIC's staff tries to ensure to find and to bring their issue to resolve.

Mr. Chairman: Thank you. Well answered. Just to follow up on a question that my colleague here asked with regard to the numbers of the complaints. Would you by chance have more recent numbers? These are 2014 and 2015 numbers that we were looking at, and the numbers admittedly are very low but those would be the persons reporting. Would you have an indication of more recent complaints? And how they are—whether the resolved percentages still are as good as it was then or whether it has not been resolved, et cetera?

Dr. Salandy: We do have recent numbers as up to 2022. The number, total number of complaints were 2,589 for the year. And yes, it is recognized that the number of complaints, given what we know and hear in society, should be or is expected to be a lot more than that, but those are the complaints that have come into the RIC, and the resolution rate is actually in the 90th percentage in terms of that. So the customer service department has kept that level of diligence in resolving complaints.

Just to give a bit of—and they actually track their stats so that we know as an organization the response there. Once a customer makes a complaint, 99 per cent of the time the RIC responds within the same day. In 99 per cent of the cases there is actually a follow-up within the week, and it is around 84 per cent, if I recall that number exactly, where customers have received resolution in under 25 days.

Mr. Chairman: Is your complaint procedure online? Is it online or is it a telephone complaint that has to happen?

Dr. Salandy: The complaint can be via various channels. So you can make it online, in person, via WhatsApp, via the website. So every channel that is available, the 800 number, we accept the complaints as the RIC is the second call of redress once you have made your first complaint through the service provider.

Mr. Chairman: Thank you. Can I then—it is my view, I think, it is our view generally that the number of complaints are understated, and maybe a lot more effort has to be put in terms of reaching out to members of the public and advertising your responsibilities and your role in having some of these things resolved ASAP. Specifically, I can tell you that, in some of my areas you will be getting a lot more feedback from them. Maybe this 2,500 that you had for 2022 will only come from that one area in south, and that will only generally be about WASA at this point. Like I said, I think we are doing fairly well with T&TEC in terms of the solution of the complaints rate, but an increased

marketing and increased presence in the public domain would allow more persons to express their opinion. I want to turn over now to my colleague.

Ms. John: Sure. Thank you very much, Chairman. Thank you, Chairman Callender, and RIC team for attending. Coming off of what the Chairman just said, I looked at your status of implementation of the strategic plan which is good. A lot of people write their plan and they do not manage and monitor it, so I congratulate you on that. What we have before us, I do not know how current it is, how up to date it is, but I am still going to ask my questions out of it. You have pages 1 to 7 and I will start from item two which deals with the QSS, the quality of service standards that the director just spoke of. I wondered if it is you have completed that that you have completed since February 12th of 2021, and you felt it was important enough to update it, revised it up to December 19, 2023, so that is good also.

Do you think—WASA has this document I assume? How do you—is there a gap analysis or a review or you manage, you oversee this whole QSS?—because I think that will also help if they are looking at the gaps. Based on your own benchmarking, I think that will be taken up in the quality of standards also. It will be based on some level of benchmarking. I hope we are not watering it down to say well, because Trinidad is Third World and we this and we that. No. We cannot do that, you know. We have to aspire to something. Well, I see my colleague here looking at me. Are we developing? Are we not Third World? Where are we? [*Laughter*]

Dr. Browne: We get—we understand.

Ms. John: You understand? So [*Laughter*] I am just saying, we do not want to compete. With our standards, you know, because people are crying every day. So I am just asking, how do you manage this gap between what you are saying? These are the minimum standards taking into account—my model takes into account for the fact that our budgeting, our economic realities, our this, our that, so this is what we are willing to accept. Your gap, do you manage your gap? Is there a gap?

Dr. Salandy: In relation to that item which is line two, the resubmission, in a sense, was not based on an evaluation of specific gaps because it has not actually been effected. Right? And in terms of giving the QSS life, it has to be gazetted first. The reason for the resubmission is in terms of from the first time the QSS has been submitted to the NPO for gazetting, so now there has always been, you know I would say, some changes in terms of persons or stakeholders having their opinions in terms of meeting those standards, and the regulator always has that very hard and difficult role of, as you say, balancing the needs of both parties, the customers and the service provider. And definitely, to basically carry your sentiment, it is really not at that point to just water it down and say, well we know you are here, so let us just have standards that are minimal and almost, I would say, not good enough.

The RIC will always put forward standards that have a good level of service, and it is generally very comparative to what you would see internationally. Given our context, yes, but good standards, because when we look at standards internationally there are some that are actually very, very poor and just service levels that really would not be acceptable by the customer, because at the end of the day we are accountable to those customers as well. So the services in terms of the utilities that they provide, that QSS has to have some minimal level of standard and that standard has to be something that can be—the organization as well could be held to account by the customer.

Ms. John: Thank you. I want to add my voice to my other colleagues with respect to, given your role in the community as the middleman stakeholder as it were, where people see you as, well they saw you as an independent stakeholder, and I see the Chairman would have gleaned from the outing in the consultations that basically you have moved from people not knowing you to telling themselves that you wield the big stick. Right? And I do not know if there is where you want to be, because people really wanted to see you as an independent, well dealer or broker as it were looking after the interest of the consumer, the end user at the end of the day. Which brings me to your—I am jumping to item 15 now on this same, what you call it?—the management of your strategic plan. The public

perception survey of the RIC. And the project description is:

> The survey conducted by the independent consultant to measure public awareness of the RIC, as well as the effectiveness of the communications strategy and overall quality of the RIC's work.

I do not know if this went in there after you all would have done the consultation or if that was always there because what happened out there in the consultation must have been a wake-up call. Because certainly, well I mean, one could do what is called the Monday morning quarterbacking, but certainly if one would have gone out prior to—people might have said that, I do not know about you at all or I do not have a favourable view of you as the case might be. I do not know what it would have been. What are you going to do now, because this is in progress, a work in progress? What are you going—how soon do you expect this work to be completed, and what are you going to do with it?

Dr. Salandy: This actually did not—this came on in terms of this line item for a project as part of the 2020 to 2024 strat plan, so it was there prior. The reason it is there, the RIC generally conducts a public perception survey. One was conducted in **2007** for the RIC looking at the public's perception and awareness of the RIC. So the survey goes out to determine the number of persons that are aware of the RIC, the function, the role of the RIC and to also ask questions in terms of how they would prefer to have the RIC engage with them. So if they are aware of the RIC, what methods have they identified what they see us in the press. Did they see us on social media, and based on that question, the follow-up: well how would you prefer to have the RIC engage with you?

In terms of the timeline for the next public perception survey that is going to happen in the first quarter of this year. It will be conducted. The reason for "in progress" the draft survey has already been developed, but given that consultations were ongoing during that time, as you say, us looking like the big bad wolf with the big stick, we decided we will have that run after the consultations have ended. So in the first quarter we will see that.

Ms. John: I have two more questions. Given that outcome in the actual operationalizing of your function, that interaction with the public, which you really do not usually do being the regulator, I am just wondering whether in listening to you talk about the complaints and that you are the person of last resort as it were, but a lot of stuff is going on with the providers, you know. Some of the complaints just fall by the wayside as the case might be. Do you think it will be better to have a process that is better managed and not kinda by the way, we look on social media, we probably listen on the radio and if somebody happens to come to us? Is there any way, I am just asking, maybe that is not possible given the law, the policies, or what have you, that it gives you no business in the operational business? I just want to know, is there a way that you can manage it a little better than that?

Dr. Salandy: That is one of the areas that we, in terms of corporate communications, in terms of the whole of organization, and alongside the board, have been looking at reviewing what we currently do. And the reality is that the organization has taken several steps to bring awareness to the public. So the organization has radio campaigns. They go on different television programmes, radio programmes, in addition to social media boosts, et cetera, and the organization actually does outreach. So they actually do outreach at different locations and that are advertised so that persons can actually come to meet the members of the RIC, bring their complaints, know more about the RIC. Those have happened.

The organization has also had different campaigns in which we involve school children. So there have been school tours. Most recently, we have actually engaged the schools in Trinidad and Tobago by having school children basically provide the RIC with different depictions of what they would like to see as our mascot. So, we actually have "Pluggie" and "Tappie" and they would have provided some responses to us in terms of what they see as environmental. Why this mascot or what is the representation for the RIC. So, we have utilized different channels and I take it that we do need

to do some more work and find some different ways to fine tune what we have been doing to get more customers to acknowledge us as their port of call for any issues that they have.

Ms. John: Thank you, Chair. I just have one last thing. In item six and seven and I saw where you had your price review, well it was concluded in the case of T&TEC, WASA is still ongoing. However, in item 13 the project is the economic appraisal of the long-term capital maintenance needs of WASA and the description is asset management, et cetera, which is, well it calls for capital. Is that not an item you pick up when you are trying to determine a suitable rate or tariff as the case might be? And if it has not started, I am just wondering, how we came to the—five and—what is it? Six and seven, and this has not yet started.

Dr. Salandy: Thirteen, in terms of that, would not have been started because that obviously, as you rightly said, would occur as you looking at capital and while you are doing the rate review to look at tariffs. At this point in time because the T&TEC has been completed, that will be, you know, completed therein, but WASA has not been completed just yet so—

Ms. John: But it is ongoing? But this has not started.

Dr. Salandy: But it is ongoing. So in terms of the economic appraisal of the long-term maintenance, that will require us to be looking at the capital expenditure, and at that point in time it has not been started because it will require us to be going through the business plan, et cetera. So once that is at that point, coming to completion, we will be—that programme, project will be started and completed therein.

Ms. John: Thank you.

Mr. Chairman: Right. So just for clarification. So that means that you will be doing that as part of your continuation of this item seven, price review under WASA. So will be looking at item 13 the economic appraisal of the long term. It will form part of your appraisal. Is that correct?

Dr. Salandy: Yes.

Mr. Chairman: I will allow my colleague.

Mr. Monroe: Thank you, Chairman, and thank you to the entities for coming before this Committee. My question would fall right in line with compliance risks. I would like to know, based on your submissions:

> "…service providers operating in the water and electricity sectors"—are or should be—"listed under this Second Schedule of the RIC…"

Who remains unrepresented? Are the Trinidad and Tobago or Trinidad Generation Unlimited, TGU, Desalcott and Seven Seas, as they are not listed in first schedule of the RIC Act, could you please inform this Committee, one, who is responsible for regulating the Trinidad Generation Unlimited, Desalcott and Seven Seas? Has any consideration ever been given to amend the RIC Act to include these entries as in the First Schedule? And if yes, what was the result or what is the result of these considerations?

Mrs. Callender: So, member, those are particular bodies, I would not use the term "regulated" because regulation has a specific context, but they operate in accordance with their contractual arrangements between them and the service provider. So TGU, for example, would have a direct contractual arrangement between themselves and T&TEC, and then the other companies you called there regarding water, they have direct arrangements with WASA.

The RIC has actually applied over many years, this is an ongoing issue, to bring those companies within the First Schedule, because I think they, just the environment would be a more even environment, all the companies subject to the same kind of review would be preferred. I do not recall when was the last time we made that initiative. It is probably part of that same review of the Act that we were talking about with respect to what we would like to see happen.

We have not had any success with that thus far, but we would see it as something that is desirable, a desirable industry framework within which everyone is operating and so we will continue

to pursue, give the recommendation, and the justification as to why it should occur.

Mr. Monroe: Chairman, just a follow-up question. Given your response, do you have a projected timeline that you wish to achieve such?

Mrs. Callender: Yesterday would not be too soon. We really would like the industry to be more even and everybody to be subjected to regulations. I think it is just preferable.

Mr. Monroe: Thank you.

Mr. Chairman: Thank you, colleagues. Just for clarification, I do not know if you want to provide some basic guideline. Again, coming from the queries raised by my colleague and comments made by yourself at the RIC, at the consultations that we had before persons were of the view that the RIC's role was something specific, and we now know that that is a little bit different. Can you for clarification advise, in November 1st, 2023, based on your strat plan you completed the price review of T&TEC. Just for clarification, because I attended several of these consultations and I was aware that persons were of the view that the RIC is raising the rates but that your role is for the calculation and estimation. What happens after you submit your report? Just for clarification. So your role in terms of doing price review, how is it initiated and what happens thereafter?

12.20 p.m.

Dr. Salandy: Right, so it is initiated by the RIC putting out its framework and approach, and the request for the business plan. Once the business plan is received the RIC staff will then review and assess the business plan. In areas where there are questions that we posed to the service provider, they would make amendments accordingly, and when the RIC is satisfied with their final submission then we call that the "submission of the final business plan". That is then utilized. The RIC currently uses the revenue cap mechanism, and utilizing that, the revenue requirement is calculated, et cetera, tariffs at the end.

Those tariffs are considered to be maximum tariffs. So, at this point the RIC sets the maximum rates that the utility can charge. That is determined in or stated in the final determination, along with other compliance mechanisms in there, and that is then put forward to, in terms of once it is published and given life, that is put forward to the utility who can then determine the rates and charges. But they cannot charge more than, because we set the maximum rates but they can charge that or anything less.

Mr. Chairman: Thank you, but in your submissions again, to the Committee, I saw something that says that the RIC Act places direct functional responsibility upon the commission to consult with all stakeholders, and to have regard to the public interest, and in particular—and this is the point I wanted to raise—and in particular, maximum efficiency in the use and allocation of resources, and that services are reliable, and provided at the lowest possible cost. But you just indicated that your proposal is based on the maximum tariff chargeable.

Dr. Salandy: Let me clarify in terms of that. So, the maximum rates that they can charge are aligned to the lowest possible cost. One of the things in regulation is that when someone hears "revenue requirement", your first port of call is to think, "money that they are going to make". But the money that is determined in terms of their revenue is actually derived from looking at the cost and that is the efficient cost of the utility.

So, when the regulator looks at a business plan submission, they are looking at it from the cost perspective, the efficiency part of it. So, they look at operating expenditure, we look at efficient level of operating expenditure that the firm or the utility basically would have to expend to provide that level of service. We look at capital expenditures. It is again, is the efficient level of capital expenditure that would have the utility provide the services.

So, once the RIC determines what is the efficient level in terms of minimal level of cost, so, when we look at minimum, it is in terms of the cost and that is why when we have the business plan submission, the utility in some cases, may ask for more than the RIC would have approval for, because

the RIC only approves its efficient cost. And that efficient cost is basically the sum or the value that the RIC would determine as their revenue requirement.

So, they are only able to earn what is equivalent to their efficient cost, and once we have that, then we look at the cost of service study to determine how that sum is going to be derived from the different customer classes, and then that is brought down to the tariff that we see. So the maximum tariff that the RIC sets is equivalent to the lowest cost that utility should have, let us say the highest cost based on efficiency, and therefore, therein lies that discussion of maximum revenue. That maximum revenue should match the lowest cost in terms of efficiency.

Mr. Chairman: Thank you, well done. In your strat plan, you indicated that one of the considerations that RIC focuses on is regulation that is fair to our customers, and in item 3.1.3, that is on page 13, you specified that the protection and vulnerable groups is always a key concern for any regulator and the RIC has put measures in place for disadvantaged customers, although these have sometimes been proven inadequate. Can you indicate what sort of measures you have put in place for disadvantaged customers, and why do you think they were inadequate and what—so, three questions: What exactly you put in place for disadvantaged customers, why you thought that they were inadequate, and what measures have you put in place to ensure that they are no longer inadequate?

Dr. Salandy: And you are saying that is on page 13, in terms of "inadequate"?

Mr. Chairman: Item 3.1.3, it is regulation that is fair to all customers.

Dr. Salandy: On page 13? Okay. I can, from the perceptive of the rates, what the RIC would put into place, firstly, for rates, is to ensure that there is that—which is what we call the "lifeline tariff", which is really in the first tier. And that lifeline tariff is firstly, one, placed to ensure that for that, I would say, minimal average level of service, that those rates are generally the lowest.

The assumption therein, and it is an assumption, but the assumption there is that persons that really fall in that tariff category, that first band, are generally those that are considered to be customers that are most vulnerable. They have the lower level in terms of their consumption, in terms of their usage of electricity, so, that is the first thing. First thing off, setting tariffs and that is why we would have that tiered system and not a fully flat system. The tiered system allows that first level to meet with a lower tariff level, for those groups of customers.

In addition to that, the RIC will have things in terms of codes of practice, in terms of directives through the utility to provide for persons that may have different levels of hardship at different times. So in terms of how you disconnect, putting things in place for customers, having payment plans, those are some of the things we would discuss with the utility to ensure that persons who may be vulnerable would have some level of recourse there.

Outside of that, I am not saying that one in terms of—and that is the only thing I am not saying in terms of "inadequate". "Inadequate" at the point on page 13, really responds to the fact that the current tariffs are inadequate, because in terms of fairness, we look at it from twofold. In terms of fairness of rates, we look at it from the customer perspective.

So, you have the lifeline rates and then additional to that, there is a World Bank, I would say, benchmark or target that many regulators look at, and it is to ensure that your expenditure on electricity is no more than in terms of 10 per cent of your overall expenditure as a customer. The RIC will also look at that target to say, okay, generally we are not burdening customers too much, and we have something in place for all the vulnerable, but in terms of inadequacy, as part of ensuring that customers are met with a high quality service, we also have to ensure that there is longevity for the utility so that they can provide that service. So there must be that level in terms of the RIC being responsible to ensure that the service provider can meet its efficient cost.

Mr. Chairman: Well done. Again, following up on my colleague who raised the issue with regard to the strat plan, and some of the items that were listed as incomplete. Some of those items in your strategic plan would have straddled several previous strategic plans, and therefore, we would have still

have focused on them because we would have seen that there were important enough to put as an item for consideration in the strat plan, between 2020 and 2024. Some of those are very, very, very critical, published RIC's views on the legal, institutional and governance arrangements for the electricity and the water, and waste water sector, not started.

Well, we spoke about the economic appraisal before, that has not started but you indicated that that will be a work to fall into line when you get further along the line of the price review of WASA. Item 14, "the Regulatory Reporting and Compliance Manual for T&TEC and WASA", that too is pegged to the rate review, correct? But there are two others that I am very curious about, which are listed as not started in your implementation of the deliverables for 2020/24 strat plan that you have provided as part of your submission to the Committee.

Item 20, "customer satisfaction survey of services provided by T&TEC and WASA". The project description: "an external third party will be contracted to conduct the survey measuring customer satisfaction of the service provided by WASA and T&TEC", that is listed as not started. There is a paper on affordability of electricity and water services in Trinidad and Tobago, that too, is listed as not started. Both of those in theory should inform any evaluation listed on items 6 and 7, which is the price review.

Both of those should be used for guiding your way forward. Now, you have stated that these are not started here. Is it that the intention is to have them started and competed so that they will inform your rate review, or at least with regard to WASA, which is in progress, or is it that these were simply not started for another reason?

Dr. Salandy: Item 20, "customer satisfaction survey for the services". This is not started because it was not intended, even at the plan it is intended to occur after. So we have a rate review completed, you potentially would possibly see increases in prices. So completion of rate review if prices have increased or they have stayed the same, once we have completed a price review, the aim thereafter is to look at customer satisfaction because with any review it is twofold.

The RIC does not look at the review of prices simply to increase prices. The increased prices, if they are prevalent, it is to be matched with an increase in service, because again, the cost is the revenue which had to matched with what the service provider is supposed to provide to the customers. And therefore, we can now hold them to account because they have been provided with the revenue to conduct their work, so that happens after. So now that we have completed the price review for T&TEC, then that will start. The contractual arrangements there to have a third party do that, those things can generally happen very quickly, so now that the price review has been conducted, this will actually happen in 2024.

Mr. Chairman: Should there not be a benchmark? Should you not be able to compare? How would you know if things have gotten better or worse? Should there not be a before and an after? Because you are doing an assessment of customer satisfaction after the rate increase.

Dr. Salandy: There was a customer satisfaction—so in 2017, we looked at our public perception and in 2021, the RIC actually conducted a survey with customers on the service providers.

Mr. Chairman: In 2021?

Dr. Salandy: In 2021.

Mr. Chairman: I have not seen those results. Were those results public or is that in-house?

Dr. Salandy: That would be—I would have to get that from corporate. I am not too sure at this point in time, so that is something I can provide to you at a later date. I know that those results are generally out and we can provide that. Twenty-one, which is the paper on affordability of electricity and water services in Trinidad and Tobago, the aim of that paper is to look at the impact in terms of elasticity of demand and so forth. And because there is not sufficient data because in terms of the last price increase that would have happened in regard to electricity, that occurred in 2009. And because that occurred in 2009, we would not have sufficient data for the preceding years to conduct such

analysis. And with the rates review, that will allow the RIC to have such data to work on that paper. I mean, we did have some delays in the completion of that, if not, it may have already been started, but now that that is completed, those two items can now proceed.

Mr. Chairman: Thank you. My final question at least as at now: In your SWOT analysis, the RIC listed in its weaknesses: human resource constraints, inadequate monitoring capabilities, need for review and expansion of enforcement powers, organizational structure, and staffing not fully aligned with strategic priorities. I have that listed because I printed these individual pages as opposed to the whole book. Why I have that listed is as part of the strat plan of 2020 to 2024.

So this SWOT analysis, I am hoping that this is not true. That this SWOT analysis existed for the strat plan for 2020/24. No?

Dr. Salandy: Given the question, the question asked us, we looked at it from a current perspective, given that we would have provided the strategic plans here. Those aspects, some of them are relatively new. So one in terms of looking—so one would have been prior in terms of looking at the overall structure—some of the things are current—

Mr. Chairman: These concerns, weaknesses, well, these identified weaknesses are current?

Dr. Salandy: Potential weakness are current.

Mr. Chairman: So, in terms of human resource constraints, what are those?

Dr. Salandy: So, human resource constraints, we do have some vacancies that the RIC will be looking to fill and that has been identified. It is something that the HR manager, and managers here would have been looking at, and that has been brought to the board, and soon the organization will be filling those vacancies to ensure that we have the staffing requirement for the work.

12.35 p.m.

Mr. Chairman: How many vacancies are there and at what levels?

Dr. Salandy: There are vacancies at—we currently have 12 vacancies, and the vacancies are at various levels within the organization but mostly at the lower management, sort of, points within the organization.

Mrs. Callender: Do not forget to say the professional level.

Dr. Salandy: The professional level. We have some professionals.

Mr. Chairman: But in your view—because you have identified this as a weakness—has this impacted upon the organization's ability to effectively function and fulfil its mandate?

Dr. Salandy: At this point, no. The vacancies—actually, some of them are very current. So given that we had that staff component, the organization is able to carry out its mandate. It is now recognized, as I said, recently, because we know that we need to push to fill those vacancies to ensure that we can continue to fulfil our mandate.

Mr. Chairman: Just remind me, you said there were how many vacancies? Twelve?

Dr. Salandy: Twelve.

Mr. Chairman: You have an organizational structure with a staff complement of 39?

Dr. Salandy: Thirty-nine.

Mr. Chairman: So 12 out of 39 is a substantial amount of persons that are missing—

Dr. Salandy: Yes.

Mr. Chairman:—but you are convinced that that has not adversely affected your efficiency?

Dr. Salandy: In terms of efficiency, because the 12 vacancies—a couple of them happened within the last five to six months—

Mr. Chairman: Okay.

Dr. Salandy:—and the persons who have been there are now at the upper management and the executive team. One of key strong points of the organization is that many of our staff, and at the senior level, have been there for over 20 years, so they have all of the organization's history, the understanding, the regulatory expertise. So with the coming of those vacancies, we have had to depend

heavily on those very skilled and knowledgeable staff members.
Mr. Chairman: Thank you.
Mrs. Callender: Chair, if I may be allowed to add that the number of vacancies is something that we will be moving to address quite soon. Of course, the persons who were there, we had work to do, we had deadlines to meet, and they have risen to the occasion. But, of course, you know, it is not sustainable that we will kind of call on those staff members. The interesting thing though about having that level of vacancy coming out of the last public consultations and really just completing a rate review—as I think we all know the RIC has not completed a lot of rate reviews before. So it is kind of an opportune moment—not desirable from a staffing standpoint to burden the persons there too much—but it is also opportune in that we have learnt a lot about what is required now, in terms of doing a rate review, so that we will use that information and filter that in with respect to the kind of organization that we want to forge.

And just to give you one example. You know, somebody was asking before, well, how do you determine if these standards and the reporting from T&TEC and so on, if that is adequate? One of the things that I felt coming out of the rate review is that we must get closer to our service providers, and we must have persons who can go in there more regularly and become more intimate with what they are doing. So that is—the vacancies allow us to kind of craft a job description in that direction. Other than that, it is quite possible that we may have just filled the vacancies, just turned them over with what we had before. But I think it is a bit fortunate that we can use what we have just learnt in kind of crafting the organization that we want.
Mr. Chairman: So, is that the logic behind this other weakness, the organizational structure and staffing not aligned fully with the strategic priorities? Is that what you meant—
Mrs. Callender: Yes.
Mr. Chairman:—that your strategic priorities would now have changed based on your consultants, et cetera, so, you know, you need different clientele, different support staff, et cetera, and you are now going to realign your structure?
Mrs. Callender: Yes.
Mr. Chairman: So we can look forward to seeing a change in the organizational structure itself to reflect these new priorities?
Mrs. Callender: Oh, certainly. And, you know, as I did say at the beginning, we see ourselves as a learning organization, and that really was not just a platitude. I think as we have done more and more work, we have discovered the importance of research, and us being, in a sense, thought leaders of some of the things that we want to promote in the country. So those vacancies would allow us that opportunity—you know, filling them with respect to the alignment with the strategy.
Mr. Chairman: Final, before I turn over to my colleagues. You indicated that several of your—well, many of your senior officers now have been there for a long time and therefore they understand the system, et cetera, so you moved them up, which is why we have the vacancies at the lower level. How is employment at RIC done? Is it internally sourced or do you have to advertise? Are you required by law to advertise? Do you have to go through the Service Commissions, the various institutions? Although I know you are an independent organization, how—if I want a job at RIC—well, not me. If an individual is seeking a job at the RIC, how do they apply?
Mrs. Callender: We advertise our positions, so we take applications from members of the public. And I think we do what, in my view—this is just my personal view—what good organizations do, which is that we begin that process with an internal advertisement and we look at our staff members there, and once they have achieved the standards, we are quite willing to promote them. Now, of course, that requires that in order for them to be ready, that we review their performance, we give them feedback, we give them training as the case might be, and once they are attaining the standards, we are very willing and open to promote them.

Mr. Chairman: Who makes that decision?
Mrs. Callender: Well, we have a performance management system and in the system, your performance is recorded. I think because people have been there for a while, they do tend to know their staff members and so on. So it is really done through a structured process, the performance management system.
Mr. Chairman: Sure. Thank you. I want to turn over to member Munroe—
Mrs. Thompson-Ahye: Thank you—
Mr. Chairman: No, let me let member Monroe first and then I will come back to you.
Mr. Monroe: Thank you very much, Chairman. Just a question to the Auditor General's Department. I would like to know if the Auditor General's Department has ever been called upon to assess the RIC-proposed cess rate, as provided by section 33 of the RIC Act?
Mr. Peters: Well, I am not sure if we have ever been invited, but I am pretty sure we never made any recommendations or responded to any such question.
Mr. Monroe: Thank you very much for your clarity.
Mrs. Thompson-Ahye: Thank you, Chair. I am looking at your report to us where you stated that—following on from what Mr. Chairman's line of questioning just now:

> "…retraining staff has been a challenge for the RIC as highly skilled and trained staff are lost to other regulatory agencies and utilities locally, regionally and internationally.
> This is at least in part because the RIC 'is unable to match the packages offered internationally compared to the nationally approved packages'".

You stated also that in your:

> "…2016-18 strategic objective to 'develop an employee retention programme to retain and reward employees' was listed as 'not achieved'. As it was not 'deferred', it is therefore not part of the 2020-2024 work plan submitted to the Committee."

So you are not pursuing that.

When I put that against an amazing statement, which speaks to your competence or operation, you said, in quoting—first of all, the legislation says—section 29 of the RIC Act provides the following:

> "The funds and resources of the Commission shall consist of such amounts as may be received by the Commission in respect of—
>
> (a) amounts as may be appropriated by Parliament until the Commission attains self-sufficiency..."

And then comes the amazing statement:

> "The RIC's submission indicated that, having achieved self-sufficiency…the Commission does not apply for or receive any Government Subvention…"

—which must please the Minister of Finance very much.

So, on the one hand, you are unable to retain employees because you have not been able—you know, you do not have the wherewithal to do so, yet there is a potential for achieving self-sufficiency—for achieving your objective by following what the Act has put for you, section 29, where you can get money from Parliament, but you choose not to do that because you say you are self-sufficient. So how on the one hand, you are self-sufficient, and on the other hand, you cannot meet the requirements for your employee retention? I am puzzled.

Now, I mean, I am sure you have some formula or you have some way that you have achieved this self-sufficiency, which you can share because everybody wants part of the financial pie, but you are saying, "Oh, it is available to me, but I am leaving that alone." So I am a little puzzled.
Mrs. Callender: Let me ask the CFO to speak about how the RIC obtains its funding, which is through cess, and cess is actually provided based on the RIC's budget and then charged to the service provider, but he could explain to you in greater detail. With respect to the RIC's salaries, those salaries

are not set independent of the RIC. We go through the HR committee—the Government, CPO and the HR committee, in terms of determining what those salaries are, so we are subject to that limitation.

And through you, Chair, and member, if we were to try to match what persons have gotten internationally, we would be here for a different reason, because those are very high and favourable packages. When we have actually—I think four of the vacancies, where we have lost persons recently, they have gone internationally. We could not possibly matched those packages. So, if I could, let me just get the CFO to talk a lil bit more, in terms of our funding, so that there is some clarity on that, and then we can speak about what flexibility we have with respect to setting salaries. Yes?

Mrs. Thompson-Ahye: Before we go to the CFO, I just want to make it clear, I am not expecting you to match internationally, because the people who—most of them are leaving and staying there.

Mrs. Callender: The last four persons who left have gone internationally.

Mrs. Thompson-Ahye: Yeah, but you had more than four people leaving over the time. Yes?

Mrs. Callender: "Em hmm".

Mrs. Thompson-Ahye: All right. Sure.

Mr. Khan: Thank you. Good morning, again. The RIC's budget is set according to the cost that the RIC would expect to incur over the next year, and this is built up—let me address specifically the salaries. It is aligned to the limits as set by the Minister who obtains those salaries from the CPO. So it is from that, that the budget is built and then we receive, in addition to the other expenses of the Commission, that from the service providers on a percentage basis from their cumulative revenue.

With respect to the funding, we attained sufficiency in 2004. So therefore, we do not require or request any moneys through subventions from the Government and we are fully self-sufficient on cess income from the service providers. Thank you.

Mr. Chairman: All right. I think we have no more questions for you all and therefore it falls unto me to thank you all—

Mrs. Thompson-Ahye: [*Inaudible*]

Mr. Chairman: Sorry?

Mrs. Thompson-Ahye: No, no, I am trying to wrap my mind around their concept of self-sufficiency.

Mr. Chairman: All right. So it falls upon me to thank you all very much today for your presence here and your willingness to provide information as required and requested. It has been a pleasure engaging you all. I just want to remind the RIC of the Committee's recommendation that a little bit more public relations outreach is done. Because I think if you do that, you will probably get a lot more complaints, but you will get a lot more satisfied members of the public, that something is being done to treat with some of the concerns they have, particularly about WASA. Thank you all again.

At this point, we will break camera coverage, live coverage—and I want to thank you—to facilitate your exit, at least from the chamber. But thank you all very much again. It has been a pleasure.

Mrs. Callender: Chairman, allow me to respond to just say thank you for the very probing questions. We have actually taken notes where concerns have been expressed and we will actually be utilizing it, in terms of what we do in 2024, and as we do our new strategic plan for the next period. So thank you very much.

Mr. Chairman: Thank you.

12.50 p.m.: *Meeting suspended.*