

IRC & DOMLEC Negotiate New Licences



LEFT TO RIGHT: J. Paul Morgan—Regulatory Consultant; Mr. Lance McCaskey—IRC Executive Director; Mr. Glenworth Ducreay—IRC Legal Advisor; Mr. Lennox Lawrence—IRC Legal Advisor; Mr. Francis Paul—IRC Regulations Manager; Mr. Murray Skeete—Director (Board of Directors) DOMLEC; Ms. Elise Darwton—DOMLEC Company Secretary (hidden); Sir Henry Forde—DOMLEC Legal Advisor

DOMLEC's present licence to generate, transmit, distribute and supply electricity in Dominica expires on December 31, 2015.

As a result, and in accordance with Section 20 (1) (c) of the Electricity Supply Act (ESA) No 10 of 2006 which states 'The Commission shall, without limiting the generality of this section, have a duty to ensure the security and efficiency of the supply of electricity in Dominica through the conduct of an efficient long-term supply planning process with due regard for future potential generation sources such as geothermal and wind energy', the Commission embarked on direct dialogue with DOMLEC on licensing issues, as early as January 2009.

This was done with a view to commence licence negotiations at the end of discussions, since (as the Independent Regulatory Commission (IRC) pointed out to DOMLEC by letter), "The Commission is mindful that

there is some uncertainty in the sector in the aftermath of the enactment of the Electricity Supply Act of 2006".

Those issues related to capacity planning, pricing of the electricity, the quality of the electricity supplied and technical standards to be observed. Those discussions resulted in the promulgation by the Commission of the following decisions:

- Adding capacity to the Public Supply System
- The Demand Forecast and Integrated Resource Plan 2010 to 2015
- The Quality of Service Standards and
- The Tariff Regime

Of these, the Tariff Regime was the last to have been decided and publicized. This took place in April of 2010.

Subsequently, the Commission invited DOMLEC in July 2010 to begin negotiations on *altering* the

company's present licence. The Commission opted for an 'alteration' of the licence because the ESA did not (and still does not allow) the IRC to demand that DOMLEC joins the Commission at the negotiating table to discuss new licences. The closest the Commission could get to that point was through Section 35 of the ESA which deals with altering or amending the terms and conditions of an existing licence. In addition, the Commission had earlier advised DOMLEC that it had taken a decision to encourage competition in generation of electricity, but will grant an exclusive licence for transmission, distribution and supply.

After 14 months, DOMLEC advised the Commission that it will not discuss the issuance of new licences under Section 35 of the ESA as that Section relates to alterations and amendments. The Commission agreed and promulgated an amend-

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ment to its Licensing Procedure which set out the time table for negotiation, mindful of the fact that time was running against DOMLEC's present licence and the time horizon required for planning for new investments in the sector. That caused DOMLEC to make an application for a new licence and for the Commission to engage them in negotiation.

Those negotiations began earnestly in October 2012 and are expected to continue until the end of June 2013. We have just concluded the first phase of those negotiations and look forward to reporting on the second phase which involves public consultations, in our 2013 first quarter edition of this newsletter.

Public Consultations on DOMLEC's Licence Negotiation

The Independent Regulatory Commission will be holding a series of public consultations on DOMLEC'S licence negotiation in various communities across the island.

These consultations are conducted throughout the negotiations phase to seek input from stakeholders and identify issues and concerns that may need to be considered prior to completing the negotiation process.

The meetings will take place at the following venues and times:

Tuesday 15th January 2013
9 a.m.–4 p.m. (ROSEAU) Public Service Training Center

Tuesday 29th January 2013
5–9 p.m. (PORTSMOUTH) Central Cooperative Credit Union Hall

Tuesday 19th February 2013
5–9 p.m. (MARIGOT) Wills Strathmore Stevens School

Tuesday 26th February 2013
5–9 p.m. (GRAND BAY) Old Fort

We welcome your participation.

Deniane John is IRC's 5th Anniversary Essay Winner

Deniane John, a nineteen year-old home-schooled student and top island scholar at the 2012 GCE 'A' Level Exams, is the winner of the Independent Regulatory Commission's 5th Anniversary essay competition.

Ms. John won a Kindle Fire and cash award of EC\$200 for her essay on the topic: *'Explain why it is important to establish an Independent Regulatory Commission to oversee and regulate the electricity sector in Dominica and how this is of benefit to electricity consumers'*.

A total of 20 essays were submitted, representing seven schools across the island.

Seventeen year-old *Denzel Guye* of the Dominica State College (DSC) placed second, winning an Apple iPod Touch, and the third prize of a Sony digital camera was awarded to eighteen year-old *Nickel Cuffy* of the Dominica State College.

The essay competition played a key role in increasing young people's knowledge of the work of the Commission, while providing them with an opportunity to nurture their talent for writing. Finalists were judged on the content, creativity, style, structure and grammar used in their essays.

'The Most Outstanding School' award was presented to the Dominica State College for having the most participating students.

The prize-giving ceremony took place on Wednesday 17th October 2012, at the IRC's Conference Room. The winning essay can be read on IRC's website, www.ircdominica.org.



FROM TOP: 1st place winner Deniane John receives her prize; 2nd place winner Denzel Guye receives award from IRC's Regulations Manager, Francis Paul



FROM LEFT: 3rd Place winner Nickel Cuffy presented with award; Edgar Hunter, Director of Student Services (DSC) poses with IRC's Administrative Officer, Florestine Felix-Laurent

New Commissioner Appointed at IRC

Mrs. Marilyn A. Cuffy-Morris, Director of MAANZ Limited, has recently been appointed to serve on the Board of the Independent Regulatory Commission. Mrs. Cuffy-Morris will serve as Commissioner from September 2012 to May 2014.

A Business Professional with over 15 years experience at the Senior Management level, she has been Project Manager on many projects funded by the European Union (EU), Canadian International Development Agency (CIDA-CPEC), Caribbean Development Bank (CDB) and the World Bank.

Mrs. Cuffy-Morris holds a Bachelor's degree in Management, Post Graduate Certificate in Project Management and an MSc degree in Management. She is presently pursuing an International Certificate in Project Management with the Project Management Institute.

With her skills and experience, she is well-positioned to take on her new role and make a meaningful contribution to the purpose, vision and development of the Commission.

As the Board of Commissioners continues to fulfil the mandate of the IRC by building a credible regulatory framework that responds adequately



Mrs. Marilyn A. Cuffy-Morris,
New IRC Commissioner

to stakeholders' concerns, their multidisciplinary expertise and unique perspective will indeed enhance the regulatory process.

IRC Documentation Centre Welcomes You

The Independent Regulatory Commission has joined the ranks of two regulatory bodies in the region (RIC and OUR), by opening a Documentation Centre providing a reference library service to the general public.

This research centre, the first of its kind in Dominica, opened its doors in June 2011 and carries a wide assortment of information on energy and electricity regulation.

The facility provides access to books and decision documents from the IRC and other regulatory bodies in the Caribbean, as well as literature ranging from electricity generation and distribution to electricity regulation.

There is also an exhibit of traditional and contemporary meters and two computers for research purposes.

The Documentation Centre is open from Monday–Friday, 9 a.m.–3 p.m. You are invited to come in and browse through our collection.

We are happy to welcome you!



Documents on display at IRC Documentation Centre

Consumer Advisory Committee Openings

The Independent Regulatory Commission seeks applicants to fill three vacancies on its Consumer Advisory Committee (CAC).

Openings are available in the following parishes:

St. Patrick

South East: serving the communities of Grand Bay, Pichelin, Fond St Jean and Petite Savanne

St. David

East: serving the communities of Castle Bruce, Good Hope, Petit Soufrière and San Sauveur

North East: serving the Kalinago Territory: Sineku, St. Cyr, Crayfish River, Salybia, Bataka, etc.

The Consumer Advisory Committee is an ancillary body which provides a direct link to electricity consumers. The Committee represents all 10 parishes across Dominica and makes recommendations to the IRC regarding consumer issues within the jurisdiction of the Commission.

For more information on the above vacancies, please visit the IRC office on 42 Cork Street (upstairs Perky's Pizza) or call 440-6634/440-7247.

Application/nomination forms are also available on the IRC website www.ircdominica.org.

Get involved and make a difference in matters that affect you, as an electricity consumer!

Stakeholder Meetings:

Alpha Solar Technology

In October, IRC Executive Director, Mr. Lancelot McCaskey met with Marcus Paul from Alpha Solar Technology based in Ontario, Canada, to discuss investment opportunities in solar and wind energy in Dominica.

Paul is an engineer/entrepreneur with a particular interest in alternative energy. He plans to return to his native country, Dominica, to establish a renewable energy company.



Mr. Lancelot McCaskey, IRC Executive Director (right) and Mr. Marcus Paul, Alpha Solar Energy (left)

Organization of American States (OAS)

OAS Representative in Dominica, Mr. Michael Bejos met with officials of the Independent Regulatory Commission in November, to dialogue on adopting alternative forms of energy for Dominica. The OAS is currently assisting small island states in their transition from conventional fossil fuels for electricity generation, to more renewable forms of energy.

This meeting formed part of the OAS initiative to develop partnerships to promote generation of renewable energy throughout the Caribbean region. A significant component of the project is the facilitation and adoption of energy policies, strategies and legislation that stimulate development and the efficient use of renewable energy resources.



LEFT TO RIGHT: Mr. Lancelot McCaskey—IRC Executive Director, Mr. Michael Bejos—OAS Representative, Mr. Justinn Kase—IRC Utility Engineer