

**Independent
Regulatory
Commission**



Regulating Electricity, Promoting Our Energy

Coming to Dominica in November

12th Annual OOCUR Conference



ENERGY FOCUS

NEWSLETTER OF DOMINICA'S ELECTRICITY REGULATOR

September 2014

DOMLEC Tariff Review Deferred

The Independent Regulatory Commission has decided to defer the tariff review application for Dominica Electricity Services Limited (DOMLEC). At a press Conference Executive Director Lancelot McCaskey explained that at Commission is mandated to be transparent and to hold the public's interest as top on agenda. He said the conventional wisdom among generators has been to avoid conducting public proceedings such as tariff reviews where the discussion could be politically charged and impact the objectivity of the inputs received. He explained that is the consensus that the outcome of any decision on an issue such as tariffs could influence the outcome of a plebiscite and therefore it is not recommended that regulatory proceedings (which should be independent of and isolated from "political" outcomes) be conducted during the electioneering periods leading up to an election. This has been taken into consideration by the Commission.



Executive Director and Board of IRC

Also taken into consideration by the Commission is that a critical input to the tariff consideration is the proposed investment programme to be supported by the tariff. The consideration and approval of the utility's long term expansion plans and medium term investment programme is a proceeding which the Commission would wish to complete beforehand so that the related impact can be included in the tariff submission. It would help the process if there was greater clarity about our geothermal generation development programme, and the consequential North-South transmission line infrastructure. These issues will not and cannot be settled during this year.

The tariff regime contemplated in DOMLEC's Transmission Distribution & Supply Licence is for a mandated review of the tariff every three years with annual adjustments for inflation. Because of the impact of these major investments on capital requirements and on operational efficiencies, it would be prudent to include these impacts in the tariff consideration. The Commission is aware that completion of the tariff review as soon as possible is desirable, but the risk to consumers of a tariff which does not include the anticipated efficiency gains and other improvements associated with the new investments is undesirable. It would be less risky to DOMLEC and consumers to continue with the existing tariff for another year than to introduce a new tariff based on incomplete and inadequate data.

Because of these two issues the Commission, at its Board meeting held on May 22, 2014, agreed to defer DOMLEC's Tariff Review Application to May 1, 2015.

These are all critical issues for the tariff review which the Commission hopes to conclude before the actual application is received.

Dominica to Host OOCUR

This year Dominica through the Independent Regulatory Commission (IRC) will hosts the 12th Annual Conference of the Organisation of Caribbean Utility Regulators (OOCUR) Normally the even is held for 3 days of the 1st week of November but this would not be possible as Dominica will at that time celebrate its 36th Anniversary of Independence. As such OOCUR's Executive Council has agreed to shift this year's conference to November 19th – 21st.

The theme for the conference this year is “Regulating Utilities in a Changing Environment”. It will bring together some 100 participants from OOCUR's 12 member states. During the conference pertinent regulatory matters will be presented and discussed. Members and participants are always eager to share with and gain from the expertise and experiences of each other. Participants will also get the opportunity to visit and enjoy some of the many attributes of our Nature Isle.

OOCUR is a non- profit organization aimed at assisting in utility regulation, fostering transparent and stable utility regulation through self-directed and independent regulators in member countries, undertaking research, training and development and facilitating the understanding of regulation issues and sharing of information and experience. OOCUR is a non-profit organization and the success of these conferences come through sponsorship from both local and regional organizations.

This is the first time Dominica will host the OOCUR conference and in order that it be successful the IRC must raise US\$30,000. If you are willing and able to assist please don't hesitate.

Become a Sponsor



Goodbye Cover

After five years at the helm General Manager of DOMLEC (Dominica Electricity Services Limited) Collin Cover said goodbye to staff at the Independent Regulatory Commission (IRC). Mr Cover resigned to take on a new post of general manager of the Grenada Electricity Services Limited (GRENLEC). Mr. Cover had a very good working relationship with the IRC and was invited to the office before his departure.

Members of the Board as well as staff got an opportunity to address Mr. Cover and wish him well in his new position.



IRC 's Financial Analyst Connie Joseph and Commissioner Marilyn Cuffy Morris make Presentation to Colin Cover



Final Embrace Colin Cover and Financial Analyst (IRC) Connie Joseph

Good Luck



IRC 's Board members and staff with Mr Cover

Best Wishes



Welcome

General Manager of DOMLEC Bertilia McKenzie (l) and Executive Director Lancelot McCaskey (r)

Human Resources and Administrations Manager Bertilia McKenzie is the new General Manager of DOMLEC.

Mrs McKenzie visited the IRC and met with Executive Director Lancelot McCaskey and Francis Paul, Connie Joseph and Justinn Kase of the Regulations Department.

This was in an effort to discuss outstanding matters as well as to better acquaint her with those she will be in contact with on a regular basis at IRC.



Executive Director and IRC Regulations Department

Hello McKenzie



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Geothermal Project Update



Well Site



Alexis George
Project Officer
Geothermal Project Management
Unit

High Fuel Surcharge!! High Electricity Bills!! When will Bills decrease?? This is the general consensus of many consumers. We sat down with Project Officer Alexis George for the latest news on the Geothermal Project.

First let's see what has already taken place. Mr George explained that they have successfully completing the exploratory phase (June 2011– Dec 2012) and confirm a viable geothermal source to produce electricity. Three wells were drilled source two in Laudat and one in Wotten Waven. They moved on to the production phase and two other wells- one in Trafalgar and another in Laudat were built. From June 10–16 the wells were tested and found to be within the parameters to produce electricity safely.

Mr George says they are now in planning and design stage. He says government is in an advanced stage of discussion with investors and looking at preliminary designs. Presently there are no works on at the site. He said when an agreement has been reached work will begin to set up the site and have it commissioned by 2016. He says the plan is to first supply the island locally and later expand to export. When asked about how the project will impact cost he says it is Government's intention to reduce cost to the consumer. He said, "When you replace fuel with steam, that's a reduction right there because there is no fuel surcharge. Bear in mind it is a process, but the general idea is to reduce electricity bills."



Students of Dominica State College tour Geothermal Project Site



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Photos Courtesy Geothermal Project Management Unit

Congratulations

Mrs Bertilia McKenzie

On her appointment as
**New General Manager of
DOMLEC**

From the Board of Directors and Staff of the



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