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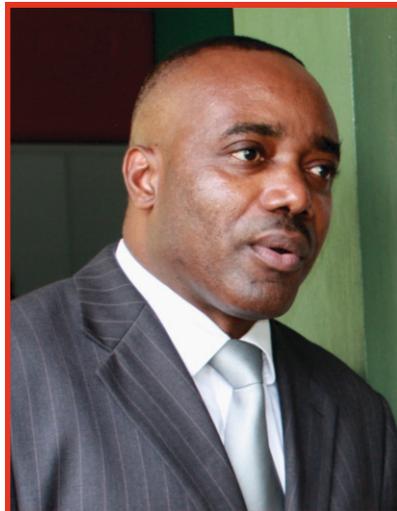
Message from

Honorable Rayburn Blackmoore

Minister for Energy

THE INDEPENDENT Regulatory Commission (IRC) has been charged with a very important responsibility and function of creating the necessary regulatory environment to encourage investments in the electricity sector of Dominica and for ensuring the effective and efficient generation, transmission, distribution and supply of electricity services in the Commonwealth of Dominica.

I am happy to note that, since the IRC came into existence in 2007 by the enactment of the Electricity Supply Act No.10 of 2006, the IRC has been doing a very good job considering the numerous challenges we confronted, having to liberalize the electricity sector. Having said this, we still recognize that there is a long way to go and with the continued concerted effort and vision of the IRC, supported by informed policy guidance and governance by Government, many of the emerging concerns and hurdles shall be effectively overcome.



Honorable Rayburn Blackmoore

The electricity sector is largely recognized as a vital sector for sustainable growth and development of any economy. For this reason Government recognizes that the advancement and support of the key agency responsible for ensuring that the country has efficient, reliable and affordable electricity supply is given the requisite support.

Furthermore, I feel encouraged to note that the IRC is paying particular attention as it relates to the monitoring, assessing and controlling of the generation, distribution and supply of electricity to the consumer.

We know of the concerns expressed regarding the high and fluctuating fuel surcharge rate and the negative impact on the cost of electricity to consumers, particularly domestic consumers. Notwithstanding, we are equally mindful of the volatility associated with world fossil fuel prices and the disturbing effect on the price of petroleum products and associated uses. For this reason the Government of Dominica will continue to give

priority attention toward the development of the geothermal resource of this country. We believe by doing so, we shall eliminate the serious shock to the price of electricity caused by fluctuating oil prices on diesel generation.

Furthermore, the reversal of our reliance on fossil fuel will realize millions of dollars in savings on importation of fossil fuel used for power generation. In addition, since we are desirous of being a net exporter of renewable energy derived from our geothermal resource, the country is also expected to gain from revenue generation from the sale of electricity to our French neighbours of Guadeloupe and Martinique.

We have completed the exploratory drilling of the three geothermal test wells in the Roseau Valley which has proven the existence of the resource, and by the end of June 2012 we will realize the extent and quality of the geothermal power production capacity. We shall have the full knowledge and benefit of realizing the goal of energy security, energy independence and socio-economic returns.

This geothermal development and export potential also mean that there is going to be further

demands and regulatory obligations placed on the shoulders of the IRC for ensuring that there are fair and reasonable power purchase agreements, tariff setting arrangements, as well as ensuring a fair level of transparency and an open playing field for potential developers and investors in the emerging electricity sector, especially the geothermal power generation aspect.

As the Minister with responsibility for Energy, it's my distinct pleasure to congratulate the IRC for making the valiant effort to improve communication with the general public and to keep them effectively informed and knowledgeable on the critical issues surrounding the electricity sector in this country. I wish to further commend them therefore, for taking the excellent initiative to publish this magazine.

I also wish to take the opportunity to assure the Dominican public that Government shall steadfastly maintain all efforts and commitment to ensure that the citizens of Dominica benefit from affordable, efficient and reliable electricity reliant on renewable energy primarily derived from geothermal resource and supplemented by hydropower. ■



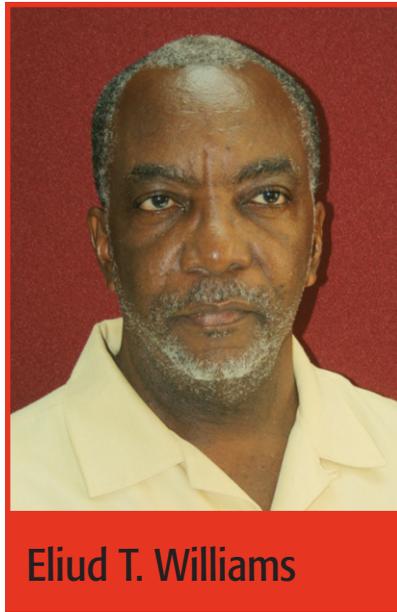
Message from

Eliud T. Williams
IRC Chairman

IT IS A VERY DISTINCT pleasure on the occasion of the 5th anniversary of the Independent Regulatory Commission (IRC) to extend warm greetings to the many stakeholders who contributed towards the establishment and success of the Commission during its first five years of operation. In the corporate world five years may seem a short period, yet it is worthy of celebration as the organization has had to weather storms and navigate through various challenges.

Electricity regulation in the Eastern Caribbean is relatively new. Therefore, credit must be given to the Government for the vision in establishing a regulatory regime to protect the interest of consumers. Government has also demonstrated its commitment by providing the financial resources for the operation of the IRC. Due recognition must also be given to the people of Dominica for the support extended to the Commission.

There are two major purposes underlying regulatory intervention. Firstly, a properly designed regulatory regime must foster efficiency in the delivery of services and secondly, must lead to better prices to consumers through cost-effective service delivery. Also, in regulating the electricity sector, the



IRC has committed itself to act in a transparent and predictable manner in order to promote the highest quality of electricity supplied to customers at fair and reasonable prices while also maintaining the financial viability of efficient service providers.

During its five-year existence, the Commission has issued various Orders and Directions to DOMLEC through a public consultation process. It has developed technical standards with prescribed penalties for breaches. The IRC has also collaborated with the supplier to reduce system-wide losses and generally to promote greater efficiency in the delivery of services. Under the Electricity Supply Act, DOMLEC is accountable to the IRC and has been demonstrating a greater degree of responsiveness to the Commission's requests.

Now, stakeholders are reporting fewer unscheduled outages with increased reliability of supply. It is my hope therefore that during the next five years we will witness increased use of renewable energy sources and an expansion of the Commission's work for the social and economic benefit of all stakeholders. ■

Now, stakeholders are reporting fewer unscheduled outages with increased reliability of supply. It is my hope therefore that during the next five years we will witness increased use of renewable energy sources and an expansion of the Commission's work for the social and economic benefit of all stakeholders. ■

Message from

Lancelot McCaskey
IRC Executive Director

W

HILE THE INDEPENDENT Regulatory Commission (IRC) came into being on June 1, 2007, its regulatory operations did not begin until the Executive Director assumed duty. This took place on July 1, 2008, just over one year after the formal installation of the first Board of Commissioners.

From inception, the Commission established an office and hired the appropriate staff to ensure the smooth operation of the business. One of the initial dilemmas was whether the Commission was going to operate as a quasi-judicial body (like some other regulatory bodies in the region) or whether it would adopt a consultative and open approach. The latter option was chosen and this approach is embodied in the IRC's Rules of Practice and Procedure. This document was designed by the Commission following consultations with various stakeholders in the electricity sector including DOMLEC. It was then adopted by the Board of Directors to represent the Mode of Operation of the Commission.

Essentially, the task of the IRC was to establish a regulatory framework for the electricity sector in Dominica which would encourage local and foreign investments within the sector. The Commission decided that in order to do this, a codified regulatory framework was necessary. It therefore



Lancelot McCaskey

established a website to publish regulatory documents so that anyone from anywhere in the world could access the rules and understand the state of play in the electricity sector in Dominica.

Over the past five years, the IRC has published regulatory documents ranging from its Procedures for making Tariffs, to Procedures for licensing DOMLEC and other generators in the sector. Others achievements include the establishment of the procedures for adding new

electric capacity to the National Grid, the Interconnection Policy and Pricing of electricity produced by small distributable renewable systems, added to the grid, prescribing the quality of service that DOMLEC must follow in providing electricity to its customers, improving DOMLEC's systems to provide a more reliable supply of electricity and the establishment of a complaints procedure for DOMLEC's customers.

In addition, the IRC established a regime that allows it to monitor DOMLEC's operations through DOMLEC's submission of timely financial and technical information to the Commission. This allows the Commission to closely monitor on a monthly basis, the amount of fuel used by DOMLEC as well as the frequency and duration of blackouts,

CONTINUED ON NEXT PAGE



particularly those affecting one hundred persons or more at any one time. A Consumer Advisory Committee was also established to provide feedback on consumer issues to and from the Commission. Apart from dealing with DOMLEC all known large self-generators across the country have been licensed and registered as well as the smaller generators not connected to the DOMLEC system.

The Commission would have been further on its way to completing the regulatory framework except for the fact that:

- At the outset, regulation was new to Dominica and apart from the Executive Director, all the members of the initial Board had to be trained in regulation and then had to be guided in the process of regulation, and
- As was expected, DOMLEC who held a monopoly position in the sector had to be persuaded and sometimes forced to enter negotiations with the Commission.

The next five years should see the Commission acting with greater alacrity in performing its statutory functions.

It is no small feat, therefore, to find the Commission numbered among the most progressive of the regional regulators. One crowning moment of this achievement was when a member of staff of the IRC presented a regulatory paper at the 9th Annual Conference of OOCUR (Organisation of

Caribbean Utility Regulators) and found that the topic, while obvious and interesting, was never attempted by the older regulatory bodies and requests for guidance on how to proceed poured in from them thereafter.

While kudos are in order for the Commission for the past five years, the next five brings its own challenges. New licences for DOMLEC are still to be negotiated to take DOMLEC's operations beyond December 31, 2015, the date its present licence expires. New tariffs are still to be made. In addition, the Commission has to set operational and efficiency standards for the sector. It has to be in a position to periodically inspect and test all licensed self generators and new electrical installations, collaborate with the Minister for Energy to create regulations to ensure enforcement of the Commission's orders and to have electrical contractors and electrical engineers certified. Getting these done would require collaboration with the Energy Minister, the Bureau of Standards and other stakeholders within the industry.

As I write, a Standards Committee has already been established and the Commission is actively engaged in establishing a Certification Committee. It is hoped that by the time the 10th Anniversary comes around, all of these goals would have been accomplished.

Let me, therefore, join in the celebration of this 5th anniversary and wish the Commission every success in its future endeavors. ■

Message from

Glenworth Ducreay
IRC Legal Advisor

I AM HONORED AND TAKE great pleasure in joining the Independent Regulatory Commission (IRC) in celebrating five years of existence and in particular five years of regulating the electricity services in Dominica.

As the drafter of the Electricity Supply Act No. 10 of 2006 which ushered in and established the IRC, I am pleased that the Commission is delivering its mandate.

The IRC has embarked upon an area that facilitates economic activity and economic development without the existence of, in most quarters, the knowledge, impact and appreciation of its work.

Is it a mere coincidence that complaints from the public against the main electricity service provider, DOMLEC, have subsided since the establishment and functioning of the IRC? Or is it that complaints have diminished because the IRC, by virtue of its outstanding regulatory activities, has managed to call DOMLEC to greater accountability and in so doing DOMLEC has taken due heed and cognizance of its responsibility to electricity consumers and has therefore addressed many problems which in the past, would probably go unheeded or would languish in inordinate delays in any redress of the problems?



Glenworth Ducreay

The IRC, however, must not rest on its laurels but must continue to forge ahead to make regulation an ongoing process and not a static procedure, forever adapting to change that adopt best practices and procedures. Moreover, the IRC must incorporate in its *raison d'être*, the support for and encouragement of initiatives in renewable energy that seek to reduce Dominica's reliance on fossil fuels.

The years ahead for IRC will be filled with challenges but it is my fervent belief that the Commissioners, Management and Staff of the IRC have the wherewithal technically and otherwise, to regulate the electricity sector to the benefit of all Dominicans.

In closing I am happy to know that the IRC has not just survived but has succeeded in its first five years. It would be remiss of me if I did not say "thanks" to the members of the Task Force who were given the mandate to craft and develop the contents of the Electricity Supply Act and who by their commitment and dedication to regulating electricity services in Dominica made my work of drafting the Act easier. Special mention therefore must be made of the yeoman efforts of the Chairman and member of the Task Force Patrick Pemberton and Sylvester Vital.

I wish the IRC team many more five years! ■



DOMLEC

congratulates the

IRC

on the occasion of its

5th

Anniversary of Operations

*as we continue to work for the
development of the
energy sector.*

About the IRC



Regulating Electricity, Promoting Our Energy

The Establishment of the IRC

THE INDEPENDENT REGULATORY COMMISSION (IRC) was created by section 4 of the Electricity Supply Act No. 10 of 2006 (ESA). It was inaugurated on June 22nd 2007, when the five-member board officially took office.

The Electricity Supply Act of 2006 empowers the Independent Regulatory Commission to regulate the generation, transmission and distribution of electricity in Dominica.

The IRC is an independent authority responsible for setting rules and regulations for the electricity sector through a process of consultation with all stakeholders. It also provides a forum for customer appeals in their dealings with service providers and advises and supports government's policy on the supply of electricity for national development.

Vision

To be numbered among the best regulators in the Caribbean by fairly balancing the interests of all stakeholders.

Mission Statement

THE INDEPENDENT REGULATORY COMMISSION is committed to acting in a transparent and predictable manner in order to ensure that the highest quality of electricity is supplied to customers throughout Dominica at fair and reasonable prices while also maintaining the financial viability of the electric utilities and protecting the national environment.



About the IRC

Corporate Values

IN LINE WITH OUR VISION and mission statement, the Commission commits itself to embrace the following core corporate values.

Professionalism: The Commission shall uphold high standards of professionalism; and all members of the Commission and professional staff are expected to adhere to their respective codes of ethics.

Predictability: The Commission shall follow clearly defined rules and regulations in the efficient and equitable delivery of its services.

Integrity: The highest levels of integrity shall be expected in all transactions.

Responsiveness: The Commission shall endeavor to be sensitive and expeditious in dealing with stakeholder concerns.

Teamwork: The Commission shall at all times embrace teamwork, mutual cooperation, extensive consultation and appreciation of diverse perspectives in the discharge of its functions.

Transparency: To establish rules and guidelines which will allow for consistency, predictability and transparency in the regulation of electricity supply in the nation.

Objectives

THE COMMISSION'S PRINCIPAL OBJECTIVE, as set out in the Electricity Supply Act, is to ensure that electricity is produced and delivered to all classes of consumers in an efficient, fair, reliable and environmentally sustainable manner. The Commission is also required to promote and facilitate the efficient use of electricity.

Other objectives include:

- To be an independent arbiter in all matters relating to the sale of electricity
- To establish rules and guidelines which will allow for consistency, predictability and transparency in the regulation of electricity supply in the nation
- To be a forum for customer appeals in their dealings with the service providers.
- To protect the health and safety of all persons affected by the operators in the sector.
- To support Government's policy on the supply of electricity for national development.
- To engage and work with other agencies to promote, protect and enhance a sustainable environment.

About the IRC

Who We Are Commissioners



CHAIRMAN
Eliud T. Williams

ELIUD T. WILLIAMS is a management consultant at WHITCO Inc and was Managing Director of the Eastern Caribbean Telecommunications Authority (ECTEL) from 2004 to 2008. He is a University of the West Indies' graduate with a bachelor's degree in Accounting and a master's degree in Business Administration. He is also a Fellow of the Chartered Management Institute of the United Kingdom. Mr. Williams has pursued specialized training in Regulatory Strategy and Policy at the University of Florida and in Development Administration at the Manitoba Institute of Management.

He was a Permanent Secretary in the Government of Dominica from 1987 to 2004, serving in various Ministries. He has also served as a director on several national and regional boards, including the Organization of Caribbean Utility Regulators (OOCUR).



COMMISSIONER
David Cassell

DAVID CASSELL has gained considerable experience in the field of telecommunications as an employee at Cable & Wireless/LIME Dominica for the past 20 years. He currently serves in the Restoration and Provisioning Department. As part of his training, he has completed telecommunication-related certification courses, including AUTOCAD and has acted on two occasions as Manager in that Department.

Mr. Cassell is currently a shop steward and a member of the Lime Negotiating Team for the staff of LIME Dominica. Mr. Cassell was appointed as a Commissioner on the IRC Board on June 1, 2010, and continues to serve the Commission with due diligence.



COMMISSIONER
Dr. Eisenhower Douglas

DR. EISENHOWER DOUGLAS is employed in the Ministry of Employment, Trade, Industry and Diaspora Affairs with the Government of Commonwealth of Dominica as an economist, with responsibility for Trade & Sustainable Development. He has also served as Development Economist, Development Coordinator, Financial Secretary and Permanent Secretary with the Government of Dominica.

In 1977, he graduated from the University of Connecticut, USA with a Master of Science (M.Sc.) degree in Agricultural Economics. In 1998, he obtained a Master of Philosophy (M.Phil.) in Economic Planning from the University of Glasgow, UK. In 2004 and 2005, he served as a Member of the Energy Task Force, Government of Dominica, representing the Ministry of Finance. The Task Force received Technical Assistance from the World Bank and its work culminated in the Electricity Supply Act #10 of 2006.

Dr. Douglas graduated from the University of the West Indies (UWI) in October 2008 with a Ph.D. in Economics. He was appointed as a Commissioner on June 1, 2011.



About the IRC

Who We Are Management and Staff



EXECUTIVE DIRECTOR
Lancelot McCaskey

THE EXECUTIVE DIRECTOR acts on behalf of the Commission, responsible for ensuring the accomplishment of the Commission's mission and strategy. Managing the Commission's day to day activities, the Executive Director supports the Commission with the development of a regulatory framework for the electricity sector by setting clear objectives.

The Executive Director is responsible for the establishment and oversight of the Commission's financial management, Human Resource function as well as Administration and Communications and directly supervises senior staff.



REGULATIONS MANAGER
Francis Paul

THE REGULATIONS MANAGER is responsible for directing the economic analysis and research in the area of public utility operation. He undertakes research on a variety of regulatory issues and provides recommendation, performs theoretical and econometric analysis of the utility sales and revenues.

Some of his functions are to review tariff advice filings, estimate utility income and its price elasticity. He also supervises and coordinates the activities of the Regulations Division.



UTILITY ENGINEER
Justinn Kase

THE UTILITY ENGINEER works closely with the staff in the Regulatory Division of the Commission. He performs engineering investigations and provides guidance in all areas of technical regulatory engineering problems. The Engineer also acts as a liaison between the Regulations Division on engineering matters and the Executive Director, other Commission staff, individual Commissioners, utility representatives, the public, and other utility regulatory Commissions.



FINANCIAL ANALYST
Connie Joseph

THE FINANCIAL ANALYST reviews the tariffs of the operating electric utilities to identify their revenue requirements to allow them to carry on commercially sustainable operations, while providing cost effective service to the consumers. The Analyst also monitors regulatory compliance within the utilities and identifies any regulatory, legal and accounting issues arising.





**PUBLIC AND CONSUMER
RELATIONS MANAGER**
Mara Etienne-Manley

THE PUBLIC/CONSUMER Relations Manager (PCRM) is responsible for shaping the IRC's corporate identity and dealing with consumer

complaints. The PCRM also identifies the need to change or create new IRC policies and rules, or the need to modify existing tariff rules to address the concerns of the electric utility consumers. Such concerns are identified through several methods, including analysis of consumer complaints, and communications with community groups, utilities and stakeholders.



COMPLAINTS CLERK
Corine Pinard

THE COMPLAINTS CLERK deals with consumer complaints, enquiries, and referrals in line with the IRC's Customer Complaints procedure.

The Complaints Clerk also helps to plan and co-ordinate promotional activities and outreach efforts as well as liaising with the media and other stakeholders within the sector.



ACCOUNTING OFFICER
Keitha Peter

THE ACCOUNTING OFFICER assists the Executive Director in his responsibility for the Commission's accounting system and financial

management. The Officer establishes and maintains proper controls to protect and manage the Commission's Assets and maintains the financial records as well as assisting in financial planning.



ADMINISTRATIVE OFFICER
Florestine Felix Laurent

THE ADMINISTRATIVE OFFICER assists the Executive Director in carrying out responsibility for human resource management, as well as

supervising office services. The Officer also provides clerical support to the Commission and the Executive Director.



RECEPTIONIST/
ADMINISTRATIVE ASSISTANT
**Denise Pemberton-
Shillingford**

THE RECEPTIONIST/ADMINISTRATIVE Assistant maintains the office environment by interacting, assisting and/or directing customers, visitors and the general public in a helpful, courteous and friendly manner, answering phones, maintaining an effective filing system and record keeping. She is required to participate when necessary with Board and special events planning and preparation.



OFFICE ASSISTANT
Nickez Bannis

UNDER THE SUPERVISION of the Administrative Officer, the Office Assistant maintains the office environment by performing office errands such as mailing and payments, and cleaning of the Commission's offices, ensuring that the day-to-day office maintenance is carried out, thereby facilitating the operation's daily functions. The Office Assistant/Cleaner also assists in reception and special events planning and preparation.



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Consumer Advisory Committee

The Establishment of the Consumer Advisory Committee

THE ELECTRICITY SECTOR in Dominica has been without an effective consumer voice for many years. As a result, the Independent Regulatory Commission saw it necessary to establish an ancillary body to provide advice and feedback to the Commission on its directions, policies, and services as they affect consumers.

The IRC believed that such an effective body will not only serve to address the needs and concerns of consumers, but also provide a useful resource to the regulator in the conduct of its duties.

In October 2011, the IRC established the Consumer Advisory Committee (CAC). The Committee consists of 15 representatives across ten parishes.

The Objectives of the Committee are as follows:

- to serve as a formal mechanism to exchange ideas and concerns related to electricity services as identified by CAC members and consumers in their communities.
- to serve as a communications vehicle through the various communities on the work and plans of the IRC and its impact on the country and consumers.
- to assist in the education of consumers on electricity matters.



Consumer Advisory Committee



Consumer Advisory Committee

Message from

Vanya Eloi

Consumer Advisory Committee Chairperson

Hello Consumers,
As Chairperson of the Consumer Advisory Committee (CAC), I feel privileged to pen this message. I, along with a team of dedicated citizens have agreed to serve on this committee with a view to helping you, the consumer.

Every parish has a representative and we aim to work closely with stakeholders to ensure that electricity consumers are treated fairly.

We have been doing our best over the past few months, to become familiar with the electricity industry, as it relates to your rights and responsibilities, and that of the electricity provider. We have also paid particular attention to our role as we seek to represent the interests of electricity consumers in Dominica. Armed



with this knowledge, we are able to represent your interest to the best of our ability.

As an electricity consumer, you have a key role to play in ensuring that you are treated fairly. We are powerless if you do not play your part. To date, the Consumer Advisory Committee has held meetings in several communities around the island. I urge you to attend these meetings when they are held in your parish. You will

undoubtedly be empowered to make wiser decisions.

We are committed to our responsibility to provide guidance to electricity consumers. We look forward to serving you and playing our part in developing the electricity sector in Dominica. ■





Consumer Advisory Committee

Committee Members



Vanya Eloi
Chairperson
LaPlaine



Judy Lawrence
Secretary
Portsmouth/Glanvillia



Glenroy Toussaint
Deputy Chairperson
St Joseph



Cleville Mills
Canefield/Jimmit



Vesta Anselm
Colihaut/Dublanc



Julia LeBlanc
Pont Cassé



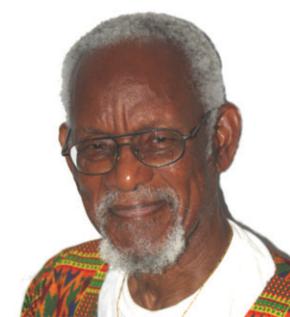
Keith Benjamin
Roseau



Gordon Baptiste
Roseau



Heston Charles
Soufriere/Scott's Head



Osborne Riviere
Roseau



Sylvester Jno. Baptiste
Pointe Michel



Delroy George
Rosalie/Grand Fond



Euella Joseph
Vieille Case



Bertrand Telemaque
Wesley

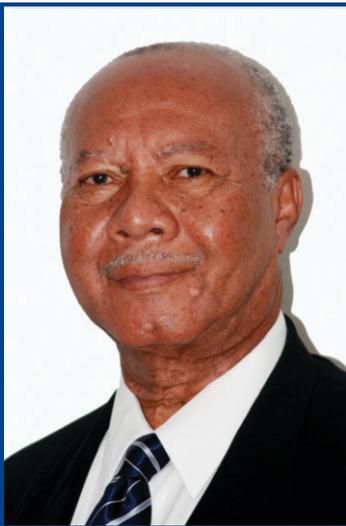


Forbes Charles
Marigot



Former IRC Commissioners

The IRC extends heartfelt thanks to the following former board members for their invaluable contributions during their terms of office. On behalf of Management and Staff of the IRC, thank you for your service!



Curtis Tonge | First Chairman

Served from June 1, 2007 to March 31, 2008

Mr. Curtis Tonge has extensive experience in Business Management, having opened the first ALICO office in Dominica in 1966. He has since managed several regional insurance companies such as Life of Barbados, Nemwill, SAGICOR and First Domestic Insurance Company Ltd. Mr. Tonge has served as director on several boards, including the Dominica Traffic Board (1993), Princess Margaret Hospital Finance Committee (1990–93) and the Roseau Cooperative Credit Union (1992–93).

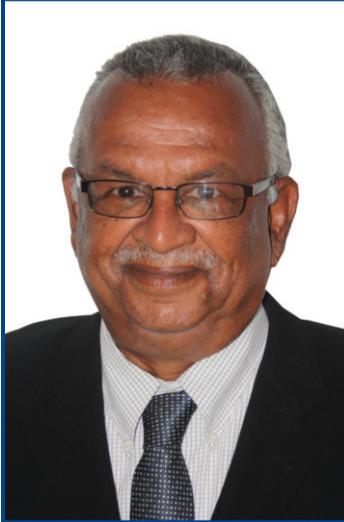
Mr. Tonge was appointed as the first Chairman of the IRC Board on June 1, 2007. Due to pressing work matters, he resigned on March 31, 2008. He is currently the Executive Chairman of The Tonge Group of Companies.



Betty Perry-Fingal | Commissioner

Served from June 1, 2007 to November 30, 2008

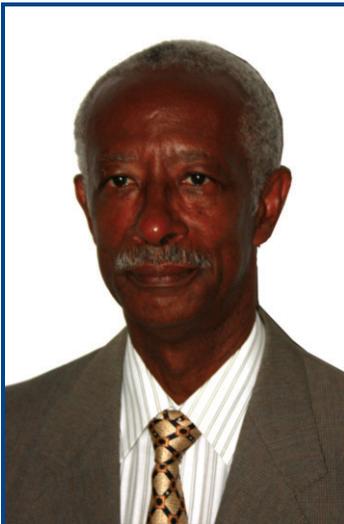
Mrs. Perry-Fingal practiced law in the United States before coming to the Caribbean. She has provided management consulting services to organizations in the East Caribbean for over sixteen years. With emphasis on organizational development and human resource management, she has guided the implementation of new management systems and participated in strategic planning by NGOs and statutory bodies in several OECS countries. Mrs. Perry-Fingal served as a board member of the IRC from June 1, 2007 to November 30, 2008.



Carl Duncan | Commissioner, Second Chairman

Served from June 1, 2007 to May 31, 2010

Mr. Duncan is an Electrical Engineer and Project Manager with extensive experience working in the region. For the past 20 years he has developed significant experience in the production, maintenance and control aspects of the electricity sector. Mr. Duncan was first appointed to the Commission on June 1, 2007 as a board member, and later served as Chairman of the IRC from April 2008 to May 31, 2010.



Eustace Bellevue | Commissioner

Served from June 1, 2007 to May 31, 2011

Mr. Bellevue served as a Commissioner with the IRC from June 1, 2007 to May 31, 2011. He has immense experience in the Electricity sector and Human Resource Management. Prior to his retirement, he was employed at DOMLEC as Administration Manager/Corporate Secretary. Mr. Bellevue is also a corporate member of the Chartered Institute of Personnel and Development.



Francis Paul | Commissioner

Served from June 1, 2007 to May 31, 2011

A former employee of Cable and Wireless (now LIME, Dominica Ltd), Mr. Paul has extensive working experience in the field of telecommunication engineering and the electrical industry. During his time at Cable and Wireless, he served on the senior management team as Head of Customer Service and Acting General Manager. He also served as General Manager of the Public Works Department of Dominica. Mr. Paul was appointed as a member of the Commission from June 1, 2007. He currently holds the position of Regulations Manager at the IRC.



St. Bernard Sebastian | Commissioner

Served from November 1, 2008 to May 1, 2010

St. Bernard Sebastian is an international financial and business management consultant with over 24 years experience in the financial services industry. He served as the Founding Chief Executive Officer of the Eastern Caribbean Home Mortgage Bank (ECHMB) in St. Kitts & Nevis for 11 years. A former Executive Director of the Dominica Social Security and Financial Secretary and Director of Finance with the Government of Dominica, Mr. Sebastian also served as Policy/Programme Analyst at the Caribbean Development Bank (CDB) in Barbados. Mr. Sebastian served as Commissioner for the period November 1, 2008 to May 30, 2010.



Noelize Knight Didier | Commissioner

Served from January 2, 2009 to May 31, 2012

Noelize Knight Didier joined the IRC as a Commissioner from January 2009. She is a practicing Attorney-at-Law and past Treasurer of the Dominica Bar Association. She has gained credible regulatory knowledge, having successfully completed the PURC/World Bank International Training Program on Utility Regulation and Strategy in Gainesville, Florida, through the IRC. Her appointment at the IRC ended on May 31, 2012.



Cassius Pierre-Louis | Commissioner

Served from June 1, 2011 to February 1, 2012

Mr. Cassius Fitzgerald Pierre-Louis is an Industrial Engineer by profession. In 2006 he received a Government scholarship to study at the University of Valle De Puebla (Mexico) where he won 3rd place in a competition for Best Innovative Idea for creating a Biogas Generator and developing a business plan for the use of alternative energy. A past president of the Portsmouth Optimist Club, Mr. Pierre-Louis was appointed to the IRC's Board on June 1 2011. His service came to an end in January 2012, when he took on an opportunity to further his studies abroad.



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Bringing Value Home

Five years of the IRC

Reflections on the early days— informing the next five years

BY J PAUL MORGAN

The early days

The Independent Regulatory Commission (IRC, the Commission) was established, pursuant to the Electricity Supply Act No 10 of 2006, to regulate the electricity sector in the Commonwealth of Dominica. The Act actually came into effect on January 18th 2007, when it was signed by the President of the Commonwealth of Dominica, and gazetted on the 25th. Among other things the Act gives the IRC powers to issue, amend and revoke licenses, to set tariffs and through a number of provisions to protect consumers in their relationship with the licensees. It provides for the introduction of competition into the sector although it confirmed DOMLEC's licence to generate, transmit, distribute and supply electricity until 31 December 2015.

While the Act, though not perfect, unambiguously establishes the independence of the IRC in the carrying out of its functions it specifies the separate roles of the IRC and the Minister for Energy and provides the framework for the relationships between the two.

It is against this background that the early members of the Board of the Commission sought to introduce the IRC into the system of governance in Dominica and took the first tentative steps to build a regulatory relationship with DOMLEC.

The records of the Commission suggest that even as the Board sought to establish administrative processes for the Commission, there was some “push back” at its attempts to interface with the utility company.

In April 2007, Independent Consultant Winston C. Hay, who was retained under arrangements with the CREDP/GTZ “Caribbean Energy Development Project”, issued his report ‘*Dominica—Establishment of an Independent Regulatory Commission*’ where he discussed five broad issues for the IRC: (i) Organizing the Commission; (ii) Capacity Building; (iii) Tariff Determination; (iv) Performance Standards; (v) Guidelines to Investment Planning.

The pioneering period

In July 2008, the Executive Director, Lance McCaskey, was hired while this writer (J Paul Morgan) was later retained, in October 2008, to provide advice on the development of the regulatory framework which would guide the Commission in regulating the sector.

It is, in the context of this latter work, that one should be disabused of the notion that because regulatory frameworks are developed based on the same basic tenets they should be very similar and therefore “one size fits all”. Nothing could be further from the truth!

It became clear that the Commission's credibility was going to be severely tested, before it even started work, if one recalls that it was in this period 2007–2008 that (i) fuel prices and therefore electricity prices (through the fuel surcharge on consumer's bills) rose uncontrollably to unprecedented levels and (ii) the impression was conveyed



(not without tacit political support) that the IRC would bring about a reduction in electricity prices.

It was against this background that the writer, building on the earlier work done by Winston Hay, submitted a Project Initiation Report (PIR) that attempted to formulate a plan of action for the first three years of the IRC. The PIR was intended to serve as an instrument for the Commission to use as a tool to secure the successful and sustainable establishment of the IRC in the following broad areas:

- Policy and Legal Framework
- Regulatory Framework: economic, technical, consumers' protection; opportunities for development of a competitive environment
- Institutional development, culture and capacity building

In each of these three broad areas a number of interesting events occurred which to some extent has shaped the way the IRC has evolved over the succeeding years. It was felt the IRC had to take early positions on its desired relationship with consumers and that in doing so the IRC should develop its own unique approaches to:

- The form and format of consultations with stakeholders
- Educating consumers on the work of the Commission
- Helping consumers with demand side management (DSM) techniques
- Assisting consumers in their relationships with the utility: 'know your rights'
- Communicating the Commission's decisions

It was therefore not surprising that among the earliest consultative documents issued by the

Commission was its proposed Procedure for Handling Customer Complaints (2008/003/NPRM-01). This along with the fact that one of the earliest new full time hires was the Public/Consumer Relations Manager, to take line responsibility for the Consumer functions as well as public education and public relations, gave emphasis to the Commission's concern for that important stakeholder group—the consumers.

One of the early challenges was to find a sustainable mechanism for funding the operations of the IRC. The Electricity Supply Act addresses this issue with the following provisions:

1. The Commission shall have an independent budget proposed by the Chairman, to be approved by the Board, and laid by the Minister before Parliament.
2. The funds of the Commission shall be generated by
 - a. Licence fees
 - b. Other fees determined by the Commission
 - c. Subvention provided by Parliament
3. Licence fees, other fees and levies shall require the approval of Cabinet

The Government of Dominica decided that the Commission would be fully funded through subventions from parliament. The then Minister for Energy proffered that the IRC should not be funded by levies or fees imposed on DOMLEC as these would increase electricity rates which would be inconsistent with the expressed opinion that the IRC would cause a reduction in rates! This was the first of two memorable interactions with Hon. Minister Savarin, who was always ready to engage in a debate on the issue of the day! Whether he was wrong or right on this issue is a matter for debate

but suffice it to say that the received wisdom is to preserve the independence of the regulator by providing for the required funding to be independently sourced. This also, the Commission argued, would have the advantage of relieving the Government and therefore the general tax payer of the burden—that burden being placed on the main beneficiary, the customer of the utility. The point is, however, that a solution fitting for the times in Dominica was determined.

Just to complete the curiosity, the other memorable intercourse with Minister Savarin was another debate about the credentials for “fit and proper person”. The Commission had been struggling with this concept because of a provision in the law which requires the Commission to establish “*specified objective criteria to ensure that all prospective licensed operators are fit and proper persons to be issued with a licence*”. This was considered of great importance to which no consensus could be found. Minister Savarin was brought into the debate and, one afternoon, after an hour or so of verbal cut and thrust, in his own inimitable style and with a flourish he exclaimed “IRC go away and do your job which is to regulate, you are not the police—leave them to do their job!” He really solved what was a real philosophical issue for the Commission. Minister Savarin was very sensitive to his role as Minister for Energy in his relationship to the IRC, and was particularly careful not to undermine the independence of the IRC but he was, nevertheless, extremely supportive in an arm’s length sort of way.

In the early days, the IRC’s relationship with DOMLEC was, as would have been expected, tenuous at best. The company, while doing everything to remain compliant with the law must have been understandably uncomfortable with the

uncertainties brought about by the establishment of the IRC as regulator. This would probably have been exacerbated by the IRC’s treatment of DOMLEC’s January 2008 application for a tariff adjustment, where the application was eventually denied.

As a small agency with very limited resources the IRC was able to accomplish a slate of work in the 15 months, between July 2008 and October 2009, which better endowed jurisdictions would have taken many more years to complete. In this regard the IRC should be proud that during that period it issued a whole slew of consultative documents and the related decisions covering issues such as, to name the major ones in no particular order, (a) the Commission’s Rules of Procedure, (b) Licensing Procedures; (c) Quality of Service Standards for DOMLEC; (d) Rules for Adding Capacity to the Public Electricity Supply System; and (e) the proposed Tariff Regime for DOMLEC.

Looking to the future

The Commission has felt that the key to Dominica’s development is a stable, efficient electricity system and its policy focus has been to be proactive in supporting an environment which would encourage appropriate investment in the sector. To this end, for example, the Decisions on Adding Capacity to Public Electricity Supply System and Licensing Procedures are adapted to reflect closely, the expectations arising from the Government’s policy to encourage investment in the generation sub sector in particular. As a matter of policy, the Commission made early statements regarding DOMLEC’s licence and the need to negotiate a new licence under the new regulatory regime in order to bring certainty to the environment to stimulate investments in the electricity infrastructure. The



design of these initiatives along with the attendant imperatives of selling them to stakeholders were major challenges which even after five years, have yet to be fully realised; due, perhaps, to continuing scepticism on the part of DOMLEC as well as to some recent perceived blurring of the lines between the Government and the IRC. These are issues which will weigh heavily on the IRC's agenda for the near term.

The Commission's success as a regulatory agency will be measured in two ways (i) its effectiveness in securing investor confidence through predictable and transparent regulatory interventions and (ii) the credibility which its actions portray to consumers and the government. To achieve this

success the Commission has to be made more independent of the public purse in its funding arrangements, it has to build strong internal and institutional capacity and most importantly it must maintain and build on its established processes for promoting transparency in its decision making. In this regard, perhaps the most important proceedings that it will face in the immediate future will be the design and issuance of licences to DOMLEC that are fair, offer incentives for investment, provide for efficient pricing mechanisms and protect consumers' interests through specified customer standards of service and other performance metrics. If it achieves this, its value as a credible regulatory agency fitted for Dominica will be assured. ■

J Paul Morgan served as Regulator Advisor to the IRC from October 2008 to October 2009. He was responsible for advising on the design of the regulatory framework and drafted the consultative documents on the whole range of issues that the Commission addressed during the period. He continues to provide advice to the Commission on an ad hoc basis.



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to the
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IRC: The New Kid on the Block

BY EUSTACE BELLEVUE, PAST COMMISSIONER

WHEN THE IRC WAS established in 2007, much was expected from the public of this ‘new kid’ on the block. The perception was that DOMLEC would be ‘sorted out’ with its ever increasing electricity bills, fuel surcharge, damaged equipment and frequent outages, whilst still maintaining a high profit.

My tenure as commissioner with the Independent Regulatory Commission lasted two terms totalling four years—eleven months after the IRC’s inauguration in June 2007. Setting up the IRC was a ‘revelation’ as there was no money to fund the operation, with the Commission unable to get an advance from the Ministry of Finance. However, by December 31st, 2007 the Commission had held twenty-one meetings in addition to several conferences with DOMLEC without having any operational funds available.

Meetings held with the Project Coordinating Unit, a division of the Reform Management Unit (responsible for disbursing funds from the World Bank) in November and December, indicated that funds would be dispensed subject to availability of an Executive function within the Commission. However, at that time, the IRC could only recruit an Executive Director if funds were available to meet the recruitment cost with no office and administrative support. During all this time we were only able to operate with the help of the Acting Permanent Secretary from the Ministry of Public Works and Public Utilities. By the first half of the following year, new office accommodation was finally arranged and lease

arrangements were finalised with the expectation of occupancy on May 1st, 2008.

Despite all the setbacks, the IRC was able to move forward guided by five Commissioners with an abundance of knowledge and skills. The Management skills that I acquired at the British Post Office during my stint as Personnel/Training Manager and my experience working in Administration and Human Resource Development at DOMLEC were invaluable during my term at the Commission. I, along with another Commissioner, Mrs. Betty Perry-Fingal, led the bulk of the initial recruitment process; fine tuning of job descriptions to suit the organisation structure, job specifications, advertising and interviews. Additionally, my knowledge of DOMLEC’s functions was especially invaluable as oftentimes I was able to provide guidance on some aspects of DOMLEC’s operations.

Unfortunately, the knowledge and skills acquired by the initial five Commissioners are not currently ‘resident’ with the Commission. Because of the tenure period and the staggering of the first set of appointments, most of the initial Commissioners are no longer present at the IRC. Fortunately however, the current Chairman of the Commission was the former Executive Director of ECTEL, and so he brings with him a wealth of knowledge on Regulatory matters.

That said, I take great pleasure in congratulating the IRC on the occasion of its 5th anniversary and wish the Management and Staff continued success as you work to develop the energy sector in Dominica. ■



IRC Achievements Over the Years

An Overview

BY DAVID CASSELL – IRC COMMISSIONER

SINCE ITS FORMATION, the Independent Regulatory Commission has made considerable changes to Dominica's electricity sector. Established in 2006, under the provisions of the Electricity Supply Act No. 10 of 2006 (ESA), the Commission was inaugurated in June 2007, when the five member board was appointed.

Now with ten full-time staff members, the Commission is on a mission to fulfil its multi-faceted mandate. A key objective of the IRC is to establish rules and guidelines which will allow for consistency,

predictability and transparency in the regulation of electricity supply in Dominica. The Commission is charged with ensuring that consumers throughout Dominica receive the highest quality of electricity at fair and reasonable prices, while also maintaining the financial viability of electric utilities and protecting the national environment.

To this end, following consultations with all stakeholders including DOMLEC, the business community and domestic customers, the IRC has made a number of final decisions such as:

The Establishment of the Rules of Practice and Procedures of the Commission

These rules were set up to guide the Independent Regulatory Commission in its decision-making process. The IRC's vision is to be numbered among the best regulators in the Caribbean by fairly balancing the interest of all stakeholders. There is a Mission Statement and Core Corporate Values, which includes Professionalism, Predictability, Integrity, Responsiveness and Team Work.

The Establishment of Procedures for handling complaints by DOMLEC's Customers

In the event that a customer has a dispute of any kind with the utility, it should first be referred to the company for resolution. The company is expected to handle the complaint in accordance with its own Complaints Handling Procedures, until the process is exhausted. In the event that a complaint is not resolved by way of the relevant utility company's complaint handling process within 30 days, the customer may refer the matter to the Commission. The Commission shall make a determination as to the classification of the contact based on the information provided by the customer. The utility company also has the right to refer complaint matters to the Commission.

The Establishment of an Integrated Resource Planning Process for Electricity

Section 20 [1] [c] of the Electricity Supply Act provides a duty for the Commission to 'ensure the security and efficiency of the supply of electricity in Dominica', through the conduct of an efficient long term planning process with due regard for potential generation sources such as geothermal and wind energy. Essentially, there are two elements to the planning process. Firstly, the preparation of the Integrated Resource Plan (IRP) followed by the Least Cost Expansion Plan (LCEP). The first step in this process however, is agreed on system planning parameters. This is critical as the decision taken will influence system reliability and investment dollars which ultimately translates into tariff.

The Establishment of Policy and Procedure for Adding Capacity to the Public Supply System

Under the Guidance of the Independent Regulatory Commission, DOMLEC is required to prepare and update periodically a Least Cost Expansion Plan in accordance with prudent Utility Practice, based on the Demand Forecast approved by the Commission. This shall be submitted to the IRC for review and approval. The Commission will subsequently use the results of the Integrated Resource Plan as the basis for determining the quantum of and timing for addition of new capacity.

The Establishment of Quality Service Standards for the Electricity Sector

The Quality of Service Standards for electricity supply shall comprise guaranteed standards and overall standards. Guaranteed Standards are service criteria which the utility will guarantee as a basic level of service to individual customers. In providing this guarantee the utility will undertake to make a compensatory payment to the affected customer, should the standards be breached. Overall Standards are service criteria which will affect the Public Supply System generally and therefore large groups of customers. Breaches of these standards have an overall impact on delivery of service either to customers generally or impact on technical performance of the power system. Although there are no direct compensatory payments under these groups of standards, the Commission will take into consideration, performance of the utility, upon reviewing tariffs.

CONTINUED ON NEXT PAGE



The Establishment of a Tariff Regime for Setting Tariffs for DOMLEC

The primary legislation governing the electricity sector in the Commonwealth of Dominica is the Electricity Supply Act 2006 (ESA). The Act establishes the Independent Regulatory Commission as a corporate body for 'the purpose of performing the functions and carrying out the duties conferred on it under this Act'. Among other things, the Act provides the frame work for the Commission to grant, amend or revoke licences for Generation, Transmission, Distribution and Supply of electricity, to set prices and tariffs and to protect the interest of consumers and investors alike.

The Establishment of a Policy and Licensing Procedure for Licensing Generators

Pursuant to Section 28 of the Electricity Supply Act, the Commission is required to establish and keep under review specified objective criteria to ensure that all prospective licensed operators are fit and proper persons to be issued with a license or exemption.

The Licensing of Self Generators

There is a simple process for the licensing of self-generators:

1. Generator/Owner installs plant and requests inspection by the Government Electrical Inspector—providing all the details and information required
2. Government Electrical Inspector certifies installation and issues original certificate to Generator/Owner and sends copy to Commission
3. Generator/Owner applies to the Commission for licence—on the prescribed form and pays requisite fee
4. Commission issues licence and updates register

The Licensing of Self Generators with capacities of 20Kw and over (not connected to the national grid)

Owners of these generator facilities will have 90 days from the effective date of this Rule to collect, complete and submit their application form to the IRC along with the requisite fee and the inspection certificate issued by the Government Electrical Inspector. In this instance, the first licence will expire on the fifth anniversary of the date of issue of the Government Electrical Inspector's certificate. These generation sets are to be utilized for self supply on a 24/7 basis with facilities that are totally independent of the public electricity supply system, or utilized as standby generators where the primary electricity supply is from the public electricity supply system.

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A summary of the legislative backing for enforcement of IRC directives

BY NOELIZE KNIGHT DIDIER

IT APPEARS, SOMETIMES, that there are more boards and commissions in our small nation, than we know what to do with. They all must serve some purpose, no? Indeed. But alas, there are some whose legislative framework effectively results in their existence being a mere ceremonial affair, with no 'bite' to accompany their bark. The Independent Regulatory Commission (IRC) is no such fanciful institution. The framers of the legislation that created the IRC, in recognising the importance of such an institution, ensured that there was more than just a little support in the legislation so as to ensure that the IRC would be taken seriously by stakeholders.

The function of the IRC, if it can be summed up in one sentence, is to regulate providers of electricity in Dominica, such as DOMLEC, in such a manner that is in the interest of the public, the electricity provider, the country at large, and taking into consideration the policies of the government of the day as embodied in legislation. The enabling legislation is the Electricity Supply Act No. 10 of 2006. Section 4 of this Act establishes the Commission, and a brief look at Sub-section 19 and 20 gives an idea of the importance of this institution. Section 19 states that the "Commission shall have sole and exclusive authority to regulate all electricity entities that are subject to this Act and shall have full powers to regulate all licensees... especially with regard to the determination of tariffs or electricity charges". Section 20 sets out the matters that the Commission has the responsibility to strive to attain in exercising its functions.

These matters are no easy feat and are crucial not just to the energy sector but by extension the economy of the country. General duties of the Commission include (but not limited to): "encourage the expansion of electricity supply in Dominica..., ensure the security and efficiency of the supply of electricity... with due regard for future potential generation sources such as geothermal and wind energy..., facilitate the promotion of sustainable and fair competition in the electricity sector where it is efficient to do so..., ensure that the financial viability of efficient regulated electricity undertakings is not undermined...". It is imperative therefore, that the IRC has a solid footing.

To perform its role, the legislation non-exhaustively lists several functions and responsibilities in Section 21 of the Act, and throughout the Act, gives the Commission the tools to accomplish these. The Commission has the power, for example, to issue, monitor and amend licences to electricity entities, to approve tariffs, and to set quality standards for the supply of electricity. In doing so, the Commission may create and put into effect rules, regulation and by-laws, to be followed by the regulated entities. Indeed, during its short existence, the IRC has issued a number of Rules and Orders.

The legislation therefore gives the IRC clear, extensive and concrete mechanisms for fulfilling its role. This of course facilitates a regulated entity in complying with the decisions of the IRC and the Act in general, since it leaves no room for confusion as to what the regulated entity is required to do, or for uncertainty about a weak authority. Indeed, reduc-



ing the likelihood of non-compliance is, in my view, the first step in enforcing compliance.

What happens then, if a regulated entity fails or refuses to comply with a decision of or rule issued by the IRC, or otherwise violates a matter over which the IRC has purview? Several sections of the Act address this issue:

- Section 39: “The Commission shall investigate any matter which appears to be an enforcement matter...”;
- Section 40: “The Commission may... issue administrative orders or rules or take such actions as are necessary to:... (i) investigate possible violations and otherwise enforce the provisions of the Act...”;
- Section 29: “(1) ...no person, unless authorized to do so by licence under this Act, shall engage in the operation of facilities... generating electricity..., transmitting electricity..., distributing and supplying electricity. ... (3) any person who contravenes this section commits an offence... (4) no proceedings shall be instituted in respect to an offence under this section except by or on behalf of the Commission.” (emphasis mine);

- Section 22: “In carrying out its functions under this Act, the Commission shall... (h) have the authority to order a licensee to cease operating and to disconnect its apparatus.”
- Very importantly, Section 34: “The Commission shall revoke any licence issued for material failure of the licensee to comply with the conditions of its licence;... the Commission may, in lieu of revocation, apply to the High Court to order the licensee to pay compensation for the damage that the material failure may have caused.”;
- Emphasis must however be placed on Section 40 (item 2 above), which states that “the Commission may take such actions as are necessary to enforce the provisions of the Act.” This is such a wide, all-encompassing provision, which gives the IRC incisors, canines and molars, depending on the nature of the food!

However, given the overarching goals of the IRC, which require it to do nothing that may put the electricity sector in jeopardy, and to consider fairly the interests of the consumers, the regulated and governmental policy, it is fair to say that the IRC is obligated to temper its powers with restraint. Diplomacy, open-mindedness, patience and co-operation must be the order of the day. These traits, as well as transparency, consistency, integrity and the knowledge and strength of character of the personnel within the IRC, have augured well for us, as has the general desire of the regulated to co-operate. To date, there has not yet been reason to invoke any of the major tools for enforcement of a violation... maybe just a little snipping with the incisors, but yet no need for a clenching chew. Let us hope that this will indeed remain the case. ■



Economic Development and Energy Policy in Dominica: Getting The Right Mix

BY DR. EISENHOWER DOUGLAS, IRC COMMISSIONER

DURING THE DECADE of the 1980s the mean annual real growth rate of the local economy was 4.4%; this compares with a rate of 2.01% in the 1990s and .65% for the period 2000–10. The deceleration in economic growth over the thirty-one year period at reference has adverse implications for economic development, and that phenomenon must be of concern to Policymakers. While a return to economic growth levels of the 1980s is desirable, the international trade liberalization regime of today is not supportive of local production patterns of that era; the core difference being that a higher level of competitiveness in cross-border movement of goods and services is required and hence the justification for adjustment, a process which has already begun. The challenge now is to sustain that adjustment process and to accelerate its pace where feasible.

In this regard, economic growth and energy policy are intertwined. Indeed, when energy consumption patterns in Dominica and other neighboring islands are juxtaposed against the medium-term prospects for renewable energy locally, energy policy could be categorized as a potential source of economic growth. That is, an effective energy policy could result in stimulating economic growth by serving as a guide to investment decisions henceforth, whether by the public or private sectors, including Foreign Direct Investment (FDI), and in the enactment of new legislation where appropriate. This outlook is fur-

ther enhanced when Dominica's '*Low Carbon Climate Resilient Development Strategy, 2012-2020*' is taken into account. The latter is configured to facilitate action aimed at reducing greenhouse gas emissions thereby making a contribution to mitigating the adverse impact(s) of Climate Change on Livelihoods, both locally and abroad, coupled with undertaking adaptation measures/projects in the economy where necessary.

During 2011–12, considerable progress was made in the formulation of a '*Draft National Energy Policy*' and a '*Sustainable Energy Plan*' for the Commonwealth of Dominica, utilizing external expertise financed by the Organization of American States (OAS). Currently, the technical work on these studies is complete with the associated reports expected to be submitted to Cabinet shortly for consideration and endorsement. Furthermore, Minister for the Environment, Natural Resources, Physical Planning and Fisheries, Honorable Dr Kenneth Darroux reported recently that US\$16 million had been sourced from the International Donor Community to fund implementation of Dominica's Climate Resilient Strategy referred to earlier.

The main objectives of the Energy Policy are a reduction in the average cost of energy per unit to households, businesses and the Government over time and a significant increase in the generation and utilization of renewable energy. This would serve to reduce vulnerability of the economy to imported oil and gas from fossil fuel sources for the purpose



photo courtesy Discover Dominica Authority Image Library

of transportation, electricity and cooking services. These imports account for an estimated 900 barrels of crude oil equivalent or a total of 47,000 tonnes of oil equivalent (TOE) per year. In terms of dollars and cents (l'argent seche), imports into Dominica in 2009 of diesel, gasoline, kerosene and liquefied petroleum gas (LPG) amounted to EC\$94.8 million in the aggregate.

With respect to electricity in particular, a survey on average price per kilowatt hour (kWh) for selected CARICOM countries undertaken in October 2011 revealed the following: Dominica US\$0.35; St. Lucia US\$0.39; Guyana US\$0.27; Trinidad & Tobago US\$0.04. Of course, since then, with escalating oil prices globally, the average price per kWh would have risen, thereby providing further justification for the Energy Policy initiative by the Government of Dominica.

The evidence is unmistakable that the transition process to the new economy of the future is underway; one in which the probability exists that 'the green economy of tomorrow' will be "fueled" by Energy Policy. This phenomenon is consistent with the Nature Island image of

Dominica as reflected in the country's Eco-Tourism thrust. Moreover with those ingredients, the path of the economy is likely to be sustainable. So that for example, a priority target under that scenario would be a gradual reduction in the EC\$ 94.8 million in fossil fuel imports or its equivalent figure for 2012, with those expenditures being allocated to domestic renewable energy suppliers and their employees as income. Additionally, it is expected that this income will be augmented annually by foreign exchange earnings from exports of geothermal energy.

'Getting the right mix' in the context of energy policy and economic growth going forward is a crucial challenge confronting the current generation of citizens, an outcome which has implications for inter-generational equity and ecological conservation. Triumph in this arena will require as a minimum that standards of efficiency and quality control in production and institutional capacity are in keeping with Best Practice. May the effort required for success in this endeavour be forthcoming in a manner commensurate with the magnitude deemed necessary. ■



Challenges and Opportunities in the Energy Sector for the Independent Regulatory Commission

BY THOMAS M. SCHEUTZLICH,
PRINCIPAL ADVISOR CARIBBEAN RENEWABLE ENERGY DEVELOPMENT PROGRAMME (CREDP/GIZ)

DOMINICA as many of the other CARICOM Member States is blessed with technically and economically feasible renewable energy (RE) sources like wind power, solar energy, hydropower, biomass and partially, geothermal power. While in most of the Caribbean countries more than 90% of electricity is still generated from imported fossil fuels, the energy mix of Dominica consists of an installed generating capacity of some 26.5 MW, of which 6.4 MW are small hydropower plants and the remaining 20.1 MW originate from its diesel plants.

But this energy mix with its considerable portion of renewable energy is not the only characteristic that makes Dominica a special case in the Caribbean context. In 2006, Dominica became the first and so far only OECS country and one of the first CARICOM countries to implement a remarkable energy sector reform. That reform not only approved and implemented a new Electricity Supply Act (ESA); it also liberalised the energy sector, revoked the universal monopoly of the incumbent electric utility and re-regulated it and created the Independent Regulatory Commission (IRC), now celebrating its Fifth Anniversary this year. The new ESA provides the foundation for a sustainable energy supply future of Dominica.

In fact, with its abundant renewable energy resources Dominica is one of those Caribbean territories which could most probably satisfy all its energy needs for electricity production from

indigenous renewable energy sources, namely hydropower and geothermal power, but also solar and wind energy are feasible supply options.

The IRC is an institution with a broad mandate that among other tasks, paves the way into a sustainable energy future by being the independent arbiter in all issues related to the commercialization of electricity based on established rules and regulations which ensures transparency, consistency, and predictability in the regulation of electricity supply in Dominica.

Some of the challenges faced by the IRC include encouraging investment in sustainable energy projects by Independent Power Producers while protecting the indigenous interests of all energy stakeholders like electricity consumers but also that of the incumbent utility DOMLEC.

However, Dominica is not unique in that regard. In fact there are increasing concerns by individual electricity consumers and commercial consumers alike throughout the Caribbean region, about the steadily increasing cost of electricity. One obvious option to address that concern appears to be what is called 'distributed generation' or in other words, self-generation by end consumers at small scale. In the case of Dominica, micro and mini hydropower plants as well as individual photovoltaic (PV) plants are options in this regard.

Finding the right balance between the interests of individual end-consumers in self-generation and the mandate of the incumbent



electric utility's electricity supply obligation and its legal economic interest is one of the challenges of Caribbean governments or their respective regulatory entities.

Since 2003, the Caribbean Renewable Development Programme (CREDP/GIZ), a development cooperation project between the German Government and the Caribbean Community (CARICOM) assisted the Government of Dominica in improving the frame conditions for investments in renewable energy projects and

energy efficiency. Among other activities, CREDP/GIZ provided advisory service in the preparation of the creation of the IRC, provided capacity building measures for government staff and assisted in renewable energy resource assessment in hydro power and wind energy.

CREDP/GIZ congratulates the IRC to its successful conclusion of its first five year period and wishes an equally very successful period of future work for the benefit of all Dominican citizens. ■



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Exploratory Drilling Proves Geothermal Energy Potential in the Roseau Valley

BY GEOTHERMAL PROJECT MANAGEMENT UNIT (MINISTRY OF PUBLIC WORKS, ENERGY AND PORTS)

The test drilling component of Dominica's geothermal resource exploration project was completed at the end of April 2012 with very favourable results.

Activities involved drilling of three exploratory "test" wells to depths that would access the geothermal reservoir, and that would provide information on its location, size and dimension, the available temperature and pressure, and therefore its energy production capacity. Further studies will determine the financial and technical feasibility of the export of 40 Mega Watts of electricity each to Martinique and Guadeloupe via a submarine interconnection cable, as well as the preparation of economic and business studies to support the commercialization of the project. Approximately 20 mega watts of electricity will be reserved for the local market.

Three wells have been drilled in a triangular format in Laudat and Wotten Waven within the geothermal resource area, and each well drilled was confirmed as having accessed the geothermal reservoir. This confirms that the extent of the reservoir is approximately 15 square kilometres as had been suggested from preliminary studies. The initial flow tests of each well have indicated minimum temperatures within the reservoir of 240° Celsius and steam pressure upwards of 90 bars (1305 psi). These test results prove beyond any doubt that the Roseau Valley geothermal resource area has the potential to generate at least 300 Mega Watts of electricity.

The three drilling sites were selected based on the results of initial surface studies carried out between 2004 and 2009 with assistance from the

OAS, and subsequently, under an EU funded Interreg IIIB project in partnership with the Regional Councils of Martinique and Guadeloupe, and the French development agencies of ADEME and BRGM/CFG.

The proving of Dominica's geothermal energy resources in the Roseau Valley started with the establishment of the Project Management Unit (PMU), and with funds from the European Union (EU) and the L'Agence Française de Développement (AFD) totalling €5.5M Euros. The Government of Dominica funded the PMU and the costs related to site access and site preparation works.

The European Investment Bank has pledged €1.1M Euros for the feasibility and engineering studies of the submarine electrical interconnection component, and to define the optimal power rating of the new link. ADEME funded the drilling for the Environmental Impact Assessment (EIA) at a cost of €100,000 Euros.

The Government of Dominica has placed a high priority on geothermal energy development. The possible benefits of low cost and affordable electricity, energy security and independence, increased foreign exchange earnings, a reduction in petroleum products imports and reduced greenhouse gas emissions will substantially contribute to an improvement in the standard of living for all Dominicans. Moreover, this will enhance Dominica's international image as the Nature Island.

There were no significant environmental or social risks during drilling and testing activities. Toxic gas levels were monitored at all times during



drilling and testing. Cuttings, drilling fluid and geothermal fluid are being analysed before a final decision on disposal. There was no surface run-off, and all fluids were collected in concrete pits. Meetings were held at nearby communities before and during drilling and well testing activities to sensitise residents of possible risks, and to inform on the progress of drilling activities.

The results of all flow tests will be compiled and a model of the geothermal field will be developed. This model will provide information on the resource area, the best options for locating a power plant and production and re-injection wells. The final report on the test drilling will inform on the extent and quality of the geothermal resource and on the potential energy that can be harnessed from the geothermal field. This report is expected by September 2012, and will help inform the design and implementation plan for our first geothermal electricity power plant.

The Government of Dominica acknowledges the invaluable support of all of its development partners, including the Organization of American States (OAS), L'Agence Française de Développement (AFD), the European Union, the



Top: Well Pad 2, Rain Forest Aerial Tram (Laudat)
Below: Well Pad 3, near DOMLEC's Balancing Tank (Laudat)

European Investment Bank (EIB), the Regional Council of Guadeloupe, the Regional Council of Martinique, French Environment and Energy Management Agency (ADEME), the French Geological Survey (BRGM) and the French Geothermal Company (CFG), and thanks them for their continued support throughout this initiative and in the further development of Dominica's geothermal resources. ■



Elements of Technical Regulations

BY JUSTINN KASE, UTILITY ENGINEER

THE ELECTRICITY SUPPLY ACT, No.10 of 2006 was introduced to allow for the development of a comprehensive regulatory framework for the electricity sector in Dominica. The Act provides the Independent Regulatory Commission with the mandate to regulate all aspects of the electricity sector to include the generation, transmission, distribution, supply and use of electricity. Section 21 (1) states: the Commission shall (c) establish, maintain, review and amend as appropriate, technical and performance standards for all types of facilities, including hydro facilities in the electricity sector and shall monitor and enforce compliance with such technical standards

Generally there are two main areas of focus in regulation: Economic Regulations and Technical Regulations. In this instance, we will examine the elements of *Technical Regulation*.

Scope of Technical Regulation

Technical regulation is concerned with the establishment of technical norms, codes and standards to ensure that the security and quality of supply facilitates investments. It also ensures that health, safety and environmental concerns are properly addressed.

- Elements of technical regulations include benchmarking, long term planning, code of practice, health, safety and environmental issues.
- Benchmarking has been effectively used in technical regulation to bring about greater efficiencies and best practice.
- Another important aspect of technical regulation is the application of Planning in a manner that ensures the security of supply at Least Cost.

- Whilst paying attention to this, there is also the need to establish Standards and Codes of Practice which will ensure the health and safety, not only of employees of utilities and electrical contractors but that of users of electricity and the general public at large.

In many ways, the IRC has been pursuing regulation in that regard. This is evident in the collection of data for the establishment of Benchmarks, the development of an Integrated Resource Plan, the process of formulating Standards and Codes and the moves to protect the end-users of electricity.

Utility Technical Codes

The technical obligations of the utility are set out in technical codes as required by the Electricity Supply Act and in some cases the rules established under those codes.

Subject Matter	Technical Codes & Subsidiary Requirements – Electricity Generation & Distribution
Quality of service supplied	Electricity Distribution Supply Standards Code
Standards to which the networks are constructed or maintained	Management of Electricity Network Asset Code
Who is authorized to undertake work on the networks	Utility Approved Accreditation Plan
Preparedness for emergency situations	Utility Emergency Preparedness Plan
Utility Metering	Electricity Metering Code



Future Considerations

The following objectives should guide the development of the Technical Regulation section of the Electricity Supply Act:

Objectives	Possible Outcomes
Towards a simple, effective and formidable regulatory framework	<ul style="list-style-type: none"> Objects and scope for technical regulation under the Act Streamlining of regulatory framework. Definition of utility networks and network boundaries Third-party accreditation for work on existing and new infrastructure
Up-to-date technical standards	<ul style="list-style-type: none"> Review/develop updated technical standards Initiate rules, codes and standards (by the regulator) Use of operational and management plans by the utility Technical performance and compliance reporting requirements Clearance and access rules for utility network protection
Workable regulation	<ul style="list-style-type: none"> Measurable performance indicators for network serviceability. Utility procedures and obligations. Compliance audit of utility technical operations. Technical Regulator functions and enforcement powers.

Conclusion

Technical regulation is a small but essential aspect of regulating utilities. It can be partly prescriptive and partly performance-based with the goal of long term serviceability of the electrical system always in focus.

Can you imagine a utility system that complies with no reference codes or performance standards? Such a utility would default to doing what it thinks is best or most expedient with little or no regard to protecting the environment or adhering to the best Quality of Service Standards. Therefore, Technical Regulation is as important to utility regulation as is Economic and Legal Regulation. ■

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An informal Chat with Executive Director: **Lance McCaskey**

For the benefit of those who are not familiar with you, can you start off by telling us: 'who' is Lance McCaskey?

Lance McCaskey is a Guyanese man who was recruited to come to Dominica and assist in setting up the IRC. I am a Chartered Accountant by profession and practiced at that profession in England, Guyana, Trinidad & Tobago, Barbados and Belize. I got acquainted with the discipline of regulation in the mid-to-late 1990s and have been practicing it ever since.

I am also something of a technology buff. I like to remain up to date with the movement of today's IT and spend a lot of my spare time exploring all the possibilities.

How do you explain the role and responsibilities of the Executive Director of the Independent Regulatory Commission?

The Executive Director's role is to ensure that the mission and strategic objectives of the Commission are met and that the day to day operations of the Commission are properly managed. In this respect he supports the Commission with the development and maintenance of a comprehensive regulatory framework for the electricity sector and manages the functions of the Commission to achieve its objectives.

After four years at the IRC, what is next on the agenda for Lance McCaskey?

I hope to return to Guyana in the not too distant future and to continue practicing regulation, perhaps at a higher level.





The IRC is celebrating its 5th anniversary. As Executive Director, what would you say has been your most memorable experience here?

Everything is memorable for me here. From July 1, 2008 to now, I have been the only fixture here at the level of the Board. While we could now glory in the achievements of the Commission after five years of its existence, they did not come without trying times. Often the Commissioners were asked to read and understand bulky documents on regulations when they themselves were learning about the discipline. This meant that the speed at which the Commission should have progressed was slowed down, while they came to terms with the issues contained in the documents. That time has been indelibly etched in my memory. It also provided a lesson to all of us on how to establish a regulatory body.

What legacy do you hope to leave at the Commission?

Hard work and dedication to the cause of ensuring that Dominica's electricity sector is well regulated, and that the regulatory framework established encourages investments in the sector.

In retrospect, what would you have done differently to move the Commission forward, if you were to start all over again?

I would have preferred to have the Government provide the seed money for the first year of the operations of the Commission provided by an agency that would have allowed for speedier releases of funds. The seed money for the IRC was provided under a World Bank Programme which meant that it had to conform to the lengthy procurement procedures of that institution. This stood in the way of speedy progress.

The world is currently experiencing a steady rise in the cost of fuel. As Regulator of the Electricity Sector, what advice would you give to the political directorate to lessen the impact of this crisis on the country?

Regulating electricity in Dominica is not just a function of the IRC. While the IRC is deemed to be an independent body, in performing its functions, it must "have due regard to the public's interest and overall Government policy, as embodied in law". In the final analysis, therefore, the Government of Dominica could act to lessen the impact of the rising cost of fuel on electricity consumers, and, once that is done, the IRC must comply with such action.

At present, there is much discussion on the exploration of geothermal energy in Dominica. What is the IRC's role in all of this?

According to the Electricity Supply Act (ESA) No.10 of 2006 the IRC is empowered to license, set operating standards for all operators in the electricity sector of Dominica. In addition, it is the only authority charged with the responsibility of setting and approving tariffs in the sector. Whether the IRC will be allowed to perform these functions as they relate to the extraction and processing of geothermal energy in the country, will depend on the provisions of the proposed Geothermal Development Bill, which is expected to be approved by Parliament some time soon.

How do you maintain a healthy work-life balance?

I believe in maintaining a healthy life style and sleeping at least 7 hours a night.

CONTINUED ON NEXT PAGE



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Tell us something about yourself that very few people may know. I am a very private person who has an undying love of self. Because of this I spend most of my time in my own company. I am a bit of an introvert.

You have been away from Guyana for a number of years, what do you miss the most about home? I miss my wife and my friends. Of course, home cooking is almost at the top of the list.

Of all the places you've lived and worked, which country would you revisit for pleasure? I really have no preference. I will revisit all of them for pleasure.

Looking back on your life—is there anything you would have done differently? Not really. If I had to relive my entire life, I would have made the same choices.

What have I forgotten to ask you? Whether I like Dominica and like living and working here. I find Dominica to be a very peaceful and friendly country. It is perhaps the most friendly place I have lived in, and while there has been some small increase in crime since I arrived in 2008, it is still less crime ridden than Guyana and the others. ■

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How AMI Technology Benefits Electricity Consumers

BY FELIX JULIEN, COMMERCIAL ENGINEER, DOMLEC

ADVANCED METERING INFRASTRUCTURE (AMI) provides two-way communication to every meter and supports many functions beyond providing a monthly meter reading for the purpose of billing the customer. AMI has a number of benefits, both for DOMLEC and the electricity consumer.

How does it benefit the customer?

Having an accurate electricity bill is important for our customers. The AMI project therefore replaces the older electro-mechanical meters with accurate digital meters. This new technology makes it much easier to verify discrepancies, since it can be done remotely. It also means that replacing a meter is a simpler process and so, this can be done much quicker now than in the past.

DOMLEC will no longer need access to customers' homes in order to read the meters, so there is more customer privacy. Moreover, there is a reduction in the number of estimated bills, which was often the case when a meter could not be read due to lack of access to the premises. It has now become easier for DOMLEC to monitor power quality, particularly voltage, and take quicker action to improve power quality to benefit electricity consumers.

The new Advanced Metering Infrastructure allows DOMLEC to be more aware of fault occurrences at customers' premises even before the consumer is aware of them. DOMLEC is also able to alert the customer to an issue without having to send someone to their premises. Although some customers may not be happy with the ease in which DOMLEC can disconnect their electricity supply, this is balanced by the benefits to the customer, as they can be reconnected just as quickly.

With the increased use of renewable energy by electricity consumers, it becomes necessary to begin preparing the grid to seamlessly integrate these technologies into our energy mix. The AMI meters allow for two-way metering for renewables and are capable of accommodating more advanced functions to meet customers' needs.

The biggest benefit to the customer however, is DOMLEC's increased operational efficiency due to the fact that AMI will ultimately result in lower costs to electricity consumers, primarily due to lower operating expenses in specific functions such as meter reading, collections and billing. ■



My IRC Experience

BY FLORESTINE FELIX-LAURENT, ADMINISTRATIVE OFFICER



UPON ENDING my 12 year stint in the private sector in December 2007, I made an interesting decision to venture into a new sector of work; the public sector. The fish out of water feeling was rather brief for me, when I joined the IRC.

I officially began employment with the IRC on January 2nd, 2008. To begin with, my role was rather interesting, as at that time the Commission did not have its own ‘office’, neither an Executive Director. For approximately six months I worked directly with the Board of Directors. During that time, my office space consisted of a desk and chair at the Public Service Training Centre.

For three months, I performed the task of Clerk/Secretary of the Commission, and my main role was to take the minutes at the bi-monthly

Board meetings, identify the much needed office space, and facilitate the interview process for hiring the first Executive Director.

In 2008, my position changed to Administrative Assistant. In May of that year, the IRC was relocated to its first official office building on 42-2 Kennedy Avenue. Following his successful application to the Commission, the new Executive Director, Mr. Lancelot McCaskey, came on board one month later. In 2009, my job title changed once again, this time to Administrative Officer; and so an Office Assistant/Receptionist was hired.

As Administrative Officer, my work involved a great deal of responsibility in the area of administrative support, clerical support and staff supervision. This was an immense undertaking since we were building a regulatory office from scratch—note that such regime was not common in Dominica.

The IRC has been a source of inspiration for my personal development. During my years at the Commission, I got to complete my Bachelors Degree in Management with the University of the West Indies (UWI), did a one-month in-house training at a sister regulator, Regulated Industries Commission (RIC) in Trinidad, and most recently, completed an IP3 online course on the Fundamentals in Regulations.

Today, my role as Administrative Officer covers the Personnel and Human Resource functions, added to the operational management of the office. I firmly believe that a leader should not work on being liked, but respected. This is my goal as I continue to work with the Commission, as we strive to fulfill its function as mandated by law. ■

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The Future of the Independent Regulatory Commission

BY ELIUD T. WILLIAMS, FCM I

THE INDEPENDENT REGULATORY COMMISSION (IRC) was established by Parliament under the Electricity Supply Act (ESA) No. 10 of 2006.

The primary purpose of the Commission is to regulate the generation, transmission, distribution and supply of electricity services. It was set up at a time when Dominica, like many other countries, witnessed the social and economic benefits being enjoyed from the liberalisation of the telecommunications sector.

Further, history has shown that a free market unfettered by Government regulation, will not always produce the optimum quantity of goods and services. Typically, the monopolist will not produce at the most efficient point, that is, where marginal cost equals marginal revenue. Instead, output will be lower resulting in higher prices and monopolistic profits.

Since its formation in 2007, the IRC has been engaged in creating an environment for the effective regulation of all electricity providers; conscious that its role is a facilitative one while the service providers deliver services to consumers. To achieve its mandate, the Commission published its corporate values which guide its operations. These core values are:

- 1) Professionalism
- 2) Predictability
- 3) Integrity
- 4) Responsiveness
- 5) Teamwork and
- 6) Transparency

Currently, there are several matters receiving the attention of the IRC, such as:

- 1) New Licences to DOMLEC for Generation, Transmission, Distribution and Supply
- 2) A Least Cost Expansion Plan
- 3) An Integrated Resource Plan
- 4) Preparation for Revised Tariffs

Here, two of these matters are considered, namely the New Licences and the Integrated Resource Plan (IRP).

New Draft Licences have received particular attention since DOMLEC's current licence issued under the ESA of 2006 expires in December 2015. For various reasons, however, the primary supplier, DOMLEC, has not engaged the Commission in any meaningful negotiations. Consequently, alternative approaches have had to be developed to ensure that should the primary supplier fail to apply for new licences, the IRC could still satisfy its statutory responsibility and thereby ensure that there is a sufficient and continuous supply of electricity on the island beyond the expiry date of the licence.

The Commission considers the Integrated Resource Plan (IRP) to be of particular significance given the on-going work in geothermal test drilling and exploration. The IRP is a planning and selection process for new energy

resources that evaluates the full range of alternatives, including new generating capacity, power purchases, energy conservation, efficiency and renewable energy resources in order to provide adequate and reliable electricity to customers at the lowest cost. Indeed, the supply mix for the future will reflect an expansion of renewable sources alongside traditional sources of generation from fossil fuels.

The ESA of 2006 provides some guidelines for the future, since section 4 (3) states that the Commission may operate as:

- a) A separate Regulatory Commission for electricity; or
- b) Part of a multi-sector Regulatory Commission; or
- c) Part of a multi-jurisdictional regulatory body serving Dominica and one or more other jurisdictions in the region.

The available evidence suggests that the most cost effective use of resources would be to expand the operational ambit of the IRC as a multi-sector regulator. This expansion could include water resources and public transportation. The latter would be restricted to the mini-buses as this is the primary mode of public transport in Dominica. It would require a national association of the bus owners and operators with agreed

routes and criteria by which these buses would operate.

To achieve an effective, efficient and sustainable arrangement, the human resources of the Commission would have to be expanded to include an in-house counsel, water resources economist and a transport economist or analyst with fees charged to those entities in proportion to the costs they impose on the IRC. An alternative option requiring careful consideration is the multi-jurisdictional approach.

As the sub-regional cooperation movement is further strengthened and the OECS Economic Union becomes fully operational, the IRC may be required to establish a Technical Cooperation Agreement with the Eastern Caribbean Electricity Regulatory Authority (ECERA) which is an initiative of some OECS Governments with financial support from the World Bank.

It must be noted however that the Government of Dominica has indicated that its preferred policy position is to continue with the IRC as a national entity. The Commission could nonetheless benefit by sharing information with ECERA and utilize any technical expertise available at the regional body. It appears then that the most likely option for the foreseeable future would be a national multi-sectoral regulator for electricity, water and public transportation that serves the interest of all stakeholders. ■



Commendations

RC Management and Staff congratulate staff members who have made strides in their career since joining the Commission.

Keitha Peters



In April 2012, Ms. Keitha Peters received a Certificate in the Fundamentals of Regulations, following completion of the IP3 Online Course from the Institute for Public-Private Partnerships (Virginia, USA).

Florestine Felix-Laurent



Mrs. Felix-Laurent, affectionately known as 'Pam', received a Certificate in the Fundamentals of Regulations in April 2012, following completion of a six-week IP3 Online Course from the Institute for Public-Private Partnerships (Virginia, USA). In 2009, Pam also completed her BSc in Management at the University of the West Indies.

Connie Joseph



In January 2012, Ms. Connie Joseph was awarded a Certificate of Achievement from the Public Utility Research Center (PURC) from the University of Florida for completing the World Bank International Training Program on Utility Regulation and Strategy.

Justinn Kase

Mr. Justinn Kase has recently graduated from the University of Wales RDI, with a Masters Degree in Business Administration. In June 2010, Mr. Kase was also awarded a Certificate of Achievement from the Public Utility Research Center (PURC) from the University of Florida for completing the World Bank International Training Program on Utility Regulation and Strategy.

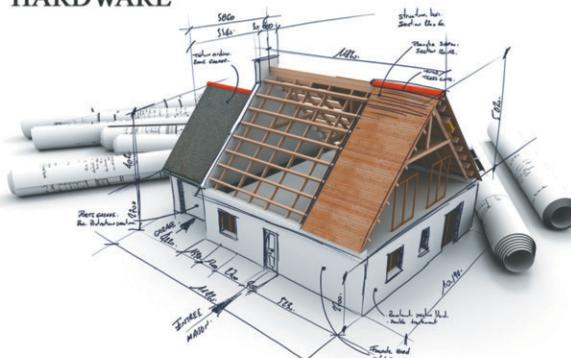


Francis Paul

Currently serving as Regulations Manager at the IRC, Mr. Francis Paul has been awarded certificates of achievement from the Public Utility Research Center (PURC) from the University of Florida for completing the World Bank International Training Program on Utility Regulation and Strategy as well as a Certificate in the Fundamentals of Regulations, following completion of an IP3 Online Course from the Institute for Public-Private Partnerships.



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IRC Pictorial Highlights



The IRC Management and staff



Creole Day at the Office

Corine Pinard in her Creole wear (left); Connie Joseph relaxing after Creole lunch (below)



Executive Director, Lance McCaskey, in his office



Staff party

Above: Connie Joseph presenting Justinn Kase with a birthday present; Corine Pinard at staff lunch at Tao Restaurant (right)

From right: Nickez Bannis taking in the scenery; Justinn Kase – man of the hour (far right)



CAC members discussing important matters



Glossary of Regulatory Terms

BY FRANCIS PAUL, IRC REGULATIONS MANAGER

AVOIDED COST The cost the utility would incur but for the existence of an independent generator or other energy service option. Avoided cost prices have been used as the power purchase price utilities offer to independent suppliers.

INDEPENDENT REGULATORY COMMISSION (DOMINICA)

An independent Commission created to regulate all activities related to the generation, transmission, distribution, supply and use of electricity in Dominica.

PEAK LOAD The electric load that corresponds to a maximum level of electric demand in a specified time period.

BASE LOAD The minimum amount of power delivered or required over a given period of time at a steady rate.

INTEGRATED RESOURCE PLANNING A public planning process and framework within which the costs and benefits of both demand and supply side resources are evaluated to develop the least total cost mix of utility resource options.

PERFORMANCE BASED RATES Any rate-setting mechanism that attempts to link rewards (generally profits) to desired results or targets.

FEED IN TARIFF An economic policy created to promote active investment in and production of renewable energy sources. Feed-in tariffs typically make use of long-term agreements and pricing tied to costs of production for renewable energy producers.

KILOWATT-HOUR (kWh)
One thousand watts per hour.

POWER PURCHASE AGREEMENT A contract between two parties, one who generates electricity for the purpose of sale (the seller) and one who is looking to purchase electricity (the buyer).

GRID A system of interconnected power lines and generators that is managed so that the generators are dispatched as needed to meet the requirements of the customers connected to the grid at various points.

MEGAWATTS One million watts.

RATE BASE The value of property upon which a utility is permitted to earn a specified rate of return as established by a regulatory authority.

INDEPENDENT POWER PRODUCER A private entity that operates a generation facility and sells power to electric utilities, wholesalers, or to retail customers.

NOTICE OF PROPOSED RULE MAKING A public notice issued by the regulatory body when it wishes to add, remove or change a rule or regulation as part of its rule making process.

RENEWABLE ENERGY
Energy produced from non-fossil fuels

STRANDED COSTS This refers to the sum of all assets and liabilities in which the book value exceeds the market value.

Prem Persaud

*Retired Judge of the Court of Appeal,
Chairman of the Public Utilities
Commission of Guyana and
Acting Secretary General of OOCUR*

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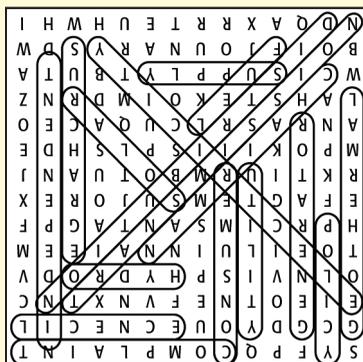
Anniversary

Entertainment Corner | ANSWERS

Riddles | From page 58

- 1. A river
- 2. The letter 'E'- End, time, space, Every place
- 3. A pea

Wordsearch | From page 58 **Sudoku** | From page 58



8	2	1	3	7	4	9	6	5
6	7	5	9	8	2	1	3	4
9	4	3	6	1	5	7	2	8
1	6	2	5	9	7	4	8	3
3	9	4	8	6	1	5	7	2
5	8	7	4	2	3	6	9	1
2	1	9	7	5	8	3	4	6
7	3	8	1	4	6	2	5	9
4	5	6	2	3	9	8	1	7



Entertainment Corner

Riddles

- 1 What always runs but never walks, often murmurs, never talks, has a bed but never sleeps, has a mouth but never eats?
- 2 I am the beginning of the end, and the end of time and space. I am essential to creation, and I surround every place. What am I?
- 3 I am a seed, three letters in the name. Take away two and I sound quite the same. What am I?

Answers on page 57

Sudoku

Fill in the grid so that every row, every column, and every 3 × 3 box contains the digits 1 to 9 only once.

	9		6				1	
	1				5		9	4
		3					6	
7								
		1	5		3			8
				9	1			
	6	4						
2			9				4	
	8				2		5	9

Answers on page 57

Wordsearch

Search the box to find the words in the list below. Remember that the words can run horizontally, vertically, diagonally, and even backwards.

- | | |
|--------------|--------------|
| Chairman | Independent |
| Complaint | Licence |
| Consumer | Policy |
| Distribution | Solar |
| Electricity | Supply |
| Fuel | Surcharge |
| Generator | Transmission |
| Geothermal | Utility |
| Hydro | |

S	Y	F	P	Q	C	O	M	P	L	A	I	N	T
G	C	G	D	Y	O	U	E	C	N	E	C	I	L
E	I	E	O	T	N	E	F	V	N	X	T	N	C
O	L	N	V	I	S	P	H	Y	D	R	O	D	V
T	O	E	I	L	U	I	N	N	A	I	E	E	M
H	P	R	C	I	M	S	A	N	T	A	G	P	F
E	F	A	G	T	E	M	S	U	J	O	R	E	X
R	K	T	I	U	R	M	B	O	T	U	A	N	J
M	P	O	K	I	I	I	S	P	L	S	H	D	E
A	N	R	A	S	R	L	C	U	Q	A	C	E	O
L	A	H	S	T	E	K	O	I	M	D	R	N	Z
W	C	I	S	U	P	P	L	Y	T	B	U	T	A
B	O	I	F	J	O	U	N	A	R	Y	S	D	W
N	D	Q	A	X	R	R	T	E	U	H	W	H	I

Answers on page 57





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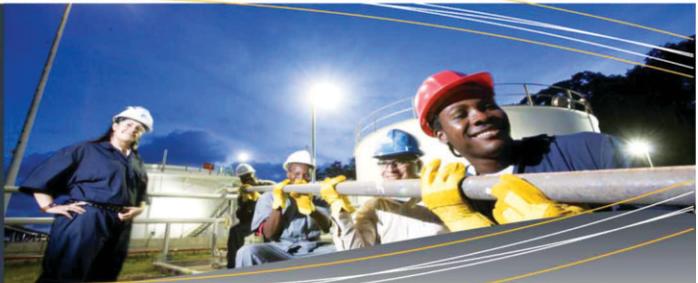
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