August 21, 2024

The Chief Executive Officer Fair Trading Commission Good Hope Green Hill ST MICHAEL

Attention: Mr. Brian Reece, Director of Utility Regulation

Dear Madam

Re: Force Majeure Exemption - Hurricane Beryl July 2024

The Barbados Light & Power Company Limited (BLPC) hereby submits its Application for Force Majeure exemption for specific Standards of Service targets in relation to Hurricane Beryl which affected Barbaos on July 1, 2024.

Yours faithfully,

BARBADOS LIGHT & POWER COMPANY LIMITED

Adrian Carter

MANAGER REGULATORY AFFAIRS

Attch.



APPLICATION BY THE BARBADOS LIGHT & POWER COMPANY LIMITED (BLPC) FOR FORCE MAJEURE EXEMPTION FOR SPECIFIED STANDARDS OF SERVICE PURSUANT TO SECTION 36 OF THE FAIR TRADING COMMISSION ACT, CAP 326B (FTCA) AND RULES 25 AND 26 OF THE UTILITIES REGULATION (PROCEDURAL) RULES, 2003 (URPR) OF THE LAWS OF BARBADOS.

A. APPLICATION

- 1. The BLPC hereby applies to the Fair Trading Commission (the Commission) for force majeure exemption for the Standards of Service related to:
 - a. Guaranteed Standards of Service targets for:
 - i. GES1: Fault Repair Customer's Service
 - ii. GES2: Fault Repair Distribution System
 - iii. GES3: Voltage Complaints
 - iv. GES6: Connect or Transfer of Service.
 - b. Overall Standards of Service targets for
 - i. OES5: Call Centre Answering
- The Application for force majeure exemption is made pursuant to Section 36 of the Fair Trading Commission Act, CAP326B (FTCA) and Rules 25 and 26 of the Utilities Regulation (Procedural) Rules, 2003 (URPR) and the provisions made for exemptions in Commission's Decision on The Barbados Light and Power Company Limited Standards of Service 2023 – 2025 (BLPCSOS).

B. CONCISE STATEMENT OF FACTS (Rule 26 of the Rules)

3. The BLPC is a vertically integrated electric utility company which was established on May 6, 1955 and continued, under the <u>Companies Act</u>, Cap 308 of the Laws of Barbados. Its registered office is at Garrison Hill, St. Michael, Barbados. Pursuant to the Electric Light & Power Order, No. 3, set out in the Third Schedule of the <u>Electric</u> <u>Light and Power Act</u>, Cap 278 of the Laws of Barbados, the BLPC was granted the right



to supply energy for all public and private purposes for forty-two years from August 1, 1986.

- 4. The BLPC currently operates generating plants from three (3) locations (Spring Garden, St. Michael, Seawell, Christ Church and Trents, St. Lucy) using a mix of technologies including solar photovoltaic, diesel and gas turbines to produce electricity. Electricity is transmitted and distributed across 3,000 kilometers of distribution and transmission lines and eighteen (18) substations dispersed across the island.
- 5. The BLPC is required to manage the grid to ensure the electricity network meets constantly changing demands of investors that supply services to the grid and customers that are supplied from the grid. The BLPC therefore has an obligation to maintain a safe, efficient and reliable network.

C. GROUNDS FOR THE APPLICATION

- 6. On Monday 1 July, 2024, Barbados was affected by hurricane Beryl which resulted in flash flooding due to heavy and excessive rainfall, high winds and cloud to ground lightning strikes. This system was deemed a category 3 hurricane at the time the eye passed south of Barbados.
- 7. The severe weather associated with the hurricane impacted the electricity network and resulted in several electricity outages that impacted our customers across the network.
- 8. The safety of our customers and employees, along with the integrity of our infrastructure are of paramount importance to us. As such, immediately after the event BLPC mobilized its teams to restore service to as many customers as possible.
- 9. Even though our teams worked tirelessly to restore service to every customer that was affected, it was beyond BLPC's reasonable control to restore all customers within the timeframe set within GES1 and GES2.
- 10. Additionally, on that day, BLPC received an inordinate amount of voltage complaints which would have warranted field visits by BLPC to investigate. However, in the



circumstances, our teams were unable to complete all of the visits necessary to satisfy the requirements of GES3.

- 11. The resources normally dedicated to meet the requirements under GES6, had to be diverted to restore electricity to existing customers that were impacted by the hurricane and as a result this standard was not achieved.
- 12. Further, due to the particularly large volume of calls to our Call Centre by customers who were making service reports or enquiring about their electricity supply, this impacted the achievement of the target under OES5. The normal daily call volume to our Call Centre averaged 500 daily prior to the weather system, compared to the volume of over 15,000 during the restoration period.
- 13. The first feeder outage was recorded around 2:00 am on the 1 July 2024, and during the passage of the hurricane, a total of thirteen (13) of the sixty-one (61) feeders across the island were impacted.
- 14. Approximately 35,000 customers were without electricity supply by the time the operational all clear was given by the Department of Emergency Management at around 11:00 am on 1 July 2024.
- 15. The technical assessment conducted following the issuance of the technical all clear, revealed the weather system caused significant damage to the distribution network in the form of downed and broken poles, broken crossarms and broken transmission and distribution lines.
- 16. The BLPC dispatched its crews following its technical assessments to undertake the remedial work necessary to restore electricity to its customers.
- 17. Restoration was completed for approximately 30,300 of the 35,000 customers affected by 7:00 am on 2 July 2024 and by the end of day 4 July 2024 all customers were fully restored.
- 18. BLPC acknowledges its responsibility to our customers and is committed to providing the highest standard of service possible. However, in the face of such an extraordinary



weather system, we respectfully request an exemption from bearing any penalties, payment of compensation under the Standards of Service, or any other sanctions that may result from the disruption of our electricity service due to the passage of hurricane Beryl on July 1, 2024.

- 19. The specific impact of the event on the Standards of Service is outlined in Table 1 below. Specific standards affected were:
 - a. Guaranteed Standards of Service targets for GES1, GES2, GES3, GES6.
 - b. Overall Standards of Service targets for OES5.
- 20. The Commission in Section 5 of its Decision of The Barbados Light and Power Company Limited Standards of Service 2023 2025 (BLPCSOS), stated that the Standards of Service do not apply where conditions outside of the control of the BLPC make it impossible to meet the targets.
- 21. Section 5 of the BLPCSOS Decision lists at "(g) landslides, lightning, hurricanes, floods, storms.... or any other natural disaster of overwhelming proportions" as conditions under which a force majeure exemption may be granted from the Standards of Service.
- 22. The hurricane on 1 July 2024, gave rise to conditions similar to conditions stated at *(g)* noted in paragraph 21 above and resulted in BLPC's inability to meet some of the Standards of Service targets.
- 23. The BLPC considers its request for exemption from the Standards of Service targets it has specified to be reasonable and should be granted, given that the impact of hurricane Beryl constitutes a force majeure event as outlined in the BLPCSOS.



Table 1: Force Majeure Request for Standards of Service

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SERVICE CATEGORY	REGULATORY TARGET	REASON
GES 1: Fault Repair - Customer's Service	Within eight (8) hours of receipt of complaint.	Hurricane Beryl – 1 July, 2024
GES 2: Fault Repair - Distribution System	Within eight (8) hours of loss of service	Hurricane Beryl – 1 July, 2024
GES 3: Voltage Complaint	Visit within twenty-four 24 working hours of receipt of complaint.	Hurricane Beryl – 1 July, 2024
GES 6: Connect or transfer of service	Within twelve 12 working hours	Hurricane Beryl – 1 July, 2024
OES5: Answering of Billing and Trouble Calls	85 % of calls answered by a representative within 1 minute	Delays in answering calls occurred due to the high volume of calls querying outages from hurricane Beryl.

D. STATUTORY PROVISIONS UNDER WHICH THE APPLICATION IS BEING MADE (Rule 26(1) (c) of the Rules)

- 24. Section 36 of the Fair Trading Commission Act, CAP.326B (FTCA) provides that the Commission may on Application or on its own motion vary or rescind any decision or order made by the Commission.
- 25. Section 36 of the FTCA states specifically that: "The Commission may on application or on its own motion review and vary or rescind any decision or order made by it and, where under this Act a hearing is required before any decision or order is made, such decision or order shall not be altered, suspended or revoked without a hearing."



- 26. Rule 25 of the Utilities Regulation (Procedural) Rules, 2003 (URPR) provides that a proceeding before the Commission shall be commenced with the filing of an Application and Rule 26 sets out what each Application should contain.
- 27. The BLPC's Application may result in the alteration of the Barbados Light and Power Company Limited Standards of Service 2023 2025 (BLPCSOS) Decision of the Commission issued 21 December 2022.
- 28. The BLPCSOS Decision identifies conditions under which exemptions from the Standards of Service may be granted.
- 29. This Application, made pursuant to Section 36 of the FTCA and Rules 25 and 26 of the Utilities Regulation (Procedural) Rules, 2003 (URPR) as well as the exemptions conditions outlined in the BLPCSOS Decision forms the statutory basis on which the Commission may act in relation to granting the BLPC's request.

E. NATURE OF ORDER BEING SOUGHT

- 30. The BLPC requests that it be granted force majeure exemption for the targets related to:
 - a. Guaranteed Standards of Service targets for GES1, GES2, GES3, GES6.
 - b. Overall Standards of Service targets for OES5.
- 31. The BLPC be exempted from the payment of compensation related to the breach of the Guarantee Standards of Service referred at paragraph 31.
- 32. The force majeure exemption is to be applied for the period 1 July through to 14 July 2024.

F. PERSONS AFFECTED BY THE APPLICATION (Rule 26 of the Rules)

33. Pursuant to Rule 26 (4) of the Rules, the Applicant advises that it is impractical to set out all the names and addresses of each customer affected by the Application because they are too numerous. However, the persons affected can generally be described as customers of the Applicant that fall within our customer



classes or tariff groups. These customers are affected because the Applicant supplies service to them.

DATED THIS 21st DAY OF AUGUST, 2024

SIGNED BY:

ADRIAN CARTER THE APPLICANT'S REPRESENTATIVE AND DULY AUTHORIZED OFFICER

APPLICANT'S ADDRESS: THE BARBADOS LIGHT & POWER COMPANY LIMITED

GARRISON HILL

ST. MICHAEL BB11000

BARBADOS

TELEPHONE NUMBER: (246) 626-4300

Application by The Barbados Light & Power Company Limited for Force Majeure exemption for specified Standards of Service