

Joint Select Committee on Land and Physical Infrastructure

Summary of Proceedings

Public Hearing Summary

Virtual Public Hearing

Wednesday December 17, 2020 at 2:15p.m.

Topic:

A Continuation Inquiry into the Measures for ensuring Water Security in Trinidad and Tobago.

Objectives of the Inquiry:

- 1. to examine the current strategies for ensuring water security and the effectiveness of these strategies;**
- 2. to determine the measures required for improving water security; and**
- 3. to determine the challenges with ensuring water security in Trinidad and Tobago.**

Committee Members:

The following Committee Members were present:

- i. Mr. Deeroop Teemal – Chairman
- ii. Mr. Nigel De Freitas – Vice Chairman
- iii. Mrs. Lisa Morris-Julian, MP - Member
- iv. Mr. Saddam Hosein, MP – Member
- v. Mr. Kennedy Richards, MP - Member
- vi. Mr. Anil Roberts - Member

WITNESSES WHO APPEARED:

Officials from the Ministry of Rural Development and Local Government

- Mr. Raymond Seepaul, Deputy Permanent Secretary
- Mr. Jerry David, Senior Disaster Management Coordinator

Officials from the Ministry of Planning and Development

- Ms. Joanne Deoraj, Permanent Secretary
- Ms. Camille Guichard, Assistant Director, Town and Country Planning Division
- Mr. Kishan Kumarsingh, Head, Multi-Lateral Environmental Agreements Unit

Officials from the Ministry of Public Utilities

- Ms. Nicolette Duke, Permanent Secretary (Ag)
- Ms. Beverly Khan, Deputy Permanent Secretary (Ag)
- Mr. Kenneth Kerr, Chief Climatologist (Ag)

Officials from the Water and Sewerage Authority

- Mr. Alan Poon-King, Chief Executive Officer
- Mr. Sherland Sheppard, Director, Operations
- Ms. Denise Leasing Pereira, Director, Programmes & Change Management

Key Issues Discussed with the Ministry of Rural Development and Local Government (MoRDLG)

The challenges regarding the coordination and effective execution of water trucking services

- i. There are challenges with providing water truck services to communities without a pipe borne water supply owing to inadequate funding, particularly during the dry season.
- ii. There is a good relationship between WASA and the Municipal Corporations and the co-ordination exercise between both entities for truck borne water is effective and reliable.

The proportion of water supply required on a regular basis versus emergency situations particularly during the dry season

- iii. The MoRDLG conducted a survey amongst all 14 Municipalities which revealed that the average truck borne water supply totals 63,800 gallons per day.
- iv. The actual supply of truck borne water required by the Corporations for approximately 5,000 households is 25.5 million gallons annually.

The reason for the deficit of truck borne water in rural communities and funding issues for water

- v. The working relationship between the Corporations and WASA provides for ease of access to pump borne water at the water stations and hydrants.

- vi. The challenge exists in accessing the quantum of water required for an adequate truck borne supply to communities.

Solutions envisaged by the MoRDLG to ensure that rural communities are adequately supplied with truck borne water

- vii. The MoRDLG, in its survey, requested that Corporations provide a dollar value in order to adequately assess the truck borne water supply required by communities and found that it would cost in the vicinity of \$11.6M to provide truck borne water to communities.
- viii. The Corporations included the required funding for an adequate truck borne water supply in their respective Draft Estimates.

Whether the purchase of water trucks by each Corporation has stopped

- ix. Municipal Corporations are independent bodies and reserve the right to acquire equipment including water trucks.
- x. Municipal Corporations can place the purchase of a water truck as a priority item under the Public Sector Investment Programme.

The sharing of water trucks amongst entities to supplement shortfalls

- xi. The whole-of-government approach to pool resources by sharing water trucks is made available at the MoRDLG and all the Corporations.
- xii. Emphasis is placed on the pooling of resources during emergency situations.
- xiii. The whole-of-government approach is not utilised to supplement the truck borne water service which affects several Corporations annually, particularly during the dry season.

Whether the plan to pool resources is ready for the upcoming dry season

- xiv. The MoRDLG understands the concerns for citizens who do not have access to an adequate supply of water.
- xv. The MoRDLG agrees on the need for a collaborative approach to be taken to treat with the truck borne water supply issue and the immediate need for prioritisation of said issue.

The number of water trucks per Corporation

- xvi. Based on information received from the Corporations in early 2020, the Corporations have a total of twenty-three (23) water tenders to service all fourteen (14) Corporations.

The instances when truck borne water is contracted

- xvii. The MoRDLG provides oversight and does not play a role in the financial aspect of truck borne water distribution.
- xviii. The Corporations receive disbursements for truck borne distributions from the Ministry of Finance. Funds are utilised based on the decisions of the respective Councils of the Corporations.

Whether the MoRDLG receives subventions for the Corporations.

- xix. Each Corporation submits their draft estimates to the MoRDLG for onward transmission to the Ministry of Finance.
- xx. Budgeted requests reflect the needs of the respective Corporations. Such requests are then sent to the Ministry of Finance through the MoRDLG.

Challenges faced by Corporations with obtaining funds to pay for water supply and trucks.

- xxi. The Corporations are experiencing severe challenges to obtain funds from the Ministry of Finance for the purchase of water trucks and truck borne water.

Key Issues Discussed with the Ministry of Planning and Development (MoPD)

The status of the MoPD's report on rivers, watersheds, waterways and flooding

- i. Since the public hearing held in the 11th Parliament, the MoPD met once with the entities responsible for water resources including the MPU, MoRDLG, WASA, MET Office.
- ii. The MoPD has been following-up and trying to keep the integrated approach to the development of water and the water security for Trinidad and Tobago.
- iii. The MoPD has been examining the synergies that are to be created in terms of financing and project development to meet the requirements.

The status of achieving Goal 6 of the UN's Sustainable Development Goals.

- iv. The MoPD has prepared the Voluntary National Review Report which contains information on Goal 6 of the SDGs.

The MoPD's approach to address the deterioration of water sheds and the quality of surface water

- v. The impact of climate change will worsen the existing level of contamination in the waterways resulting in an increase in the cost for water treatment.
- vi. The adaptation measures to reducing these risks is within the purview of the various agencies with responsibility for pollution control. The MoPD is the line Ministry with responsibility for pollution control.
- vii. The MoPD is currently engaging the various stakeholder agencies to develop a financial investment plan to treat with pollution control.
- viii. There is a challenge with differentiating contamination from climate change impacts with other activities such as upstream erosion, quarrying activities, etc.
- ix. There is a need to examine climate change factors via the pathways approach.

- x. The MoPD has begun to strategise the roll out of the Vulnerability Capacity Assessment Study and develop the financial investment plan to treat with issues identified in the study.

The role of the MoPD in relation to water security and climate change

- xi. The MoPD's Environment Policy and Planning Division addresses all environmental issues in Trinidad and Tobago. The work involves a combination of policy, securing financing and project execution for aspects of climate change.

The relevance of the Water Management Resources Authority and IWRM¹ Policy in order to establish clear and direct water sector policy for the country

- xii. The MoPD's analysis of water security takes various forms including water distribution. Security also relates to climate change, forest cover and non-revenue water.
- xiii. The MoPD has prioritised an integrated approach to deal with other aspects that impact on water security. In this regard, there are lead agencies such as MPU and WASA.
- xiv. The MoPD performs Monitoring and Evaluation for development initiatives.

Whether privatisation was discussed at any level as it pertains to the integrated approach to and analysis of water security, and if so to what extent.

- xv. The MoPD has no knowledge of discussions on privatisation of water resources.

The role of the MoPD in the planning approval process

- xvi. All development projects on State Lands are generally submitted to the TCPD².
- xvii. The TCPD is part of the Committee with responsibility for the development of housing.
- xviii. The role of the MoPD is that of a regulator and the TCPD works intimately with housing developers at the approval stage and not at the construction stage.
- xix. Generally, the TCPD interacts directly with state agencies including the HDC with respect to processing of planning permissions.
- xx. The TCPD endeavours not to impose on other state bodies, instead, the Ministry seeks to get the relevant permissions out to assist with the agenda of these state agencies.

Key Issues Discussed with the Water and Sewerage Authority (WASA)

The number of pipelines replaced and the respective costs

- i. Approximately 5km of pipeline has been replaced out of 243km of pipeline to be replaced.

¹ Integrated Water Resources Management.

² Town and Country Planning Division.

- ii. WASA approached the MPU to replace aging pipelines in phases. However, the main challenge has been obtaining the funding to replace said pipelines.

The volume of water wasted per day as a result of leakages

- iii. Unaccounted for water level, including leakages, amounts to an estimate of between 45 and 50%, which means 100-110 mg³ of water is wasted, out of the 230-240 mg produced from all sources on a daily basis.

The review of WASA's rates and tariffs

- iv. The last time an adjustment was made to WASA's rates and tariffs by the Regulated Industries Commission (RIC) was in 1993.
- v. The issue of a rates review is directed by policy. WASA acknowledges that its rates which dates back to 1993, is no longer applicable and should be subject to review.
- vi. There is a process for rates to be reviewed. The review of WASA's rates by the RIC is ongoing and the Authority continues to work with the RIC by providing the information required for the assessment, in keeping with the approved process.
- vii. The initial submission by WASA for a review of its rates commenced in 2007.
- viii. WASA prepared a Business Plan which was submitted to the RIC and there is an ongoing discussion regarding formatting of the Business Plan.

Whether there is any plan to privatise WASA

- ix. A Cabinet appointed sub-committee has conducted a review of the Authority and based on the outcome of that review the way forward will be charted.

Whether WASA has plans to reduce Service Centres to the public

- x. WASA's Service Centre in Couva was closed based on the Authority's review of customer interaction and cost cutting initiatives.
- xi. WASA is looking at alternative mechanisms of interaction with the public and has been using more social media platforms, such as WhatsApp and Facebook, as well as its webpage to facilitate payments and reduce personal interaction and possible infection during the COVID-19 pandemic.

WASA's current local and foreign debts

- xii. WASA's local and foreign debts totals TTD 4.2bn.

WASA's plan to improve the level of communication with the MoWT, the Corporations and entities with responsibility for road repairs

- xiii. WASA collaborates with the MoRDLG and MoWT with regards to road repairs.

³ Million gallons.

- xiv. In Point Fortin a high leakage pipe is currently being changed. WASA initiated a joint effort with the MOWT to decommission the old pipeline and install the new pipeline at that location.
- xv. Once there is a mix of new road works with old infrastructure beneath, the risk of a leak occurring within a day, week or month thereafter is possible, therefore necessitating an excavation on the newly paved surface.
- xvi. Collaborations exist, however there ought to be a common focus amongst entities via a development programme to have a particular road fixed.

Spending on increased water supply as opposed to fixing the distribution network

- xvii. WASA's water supply equation involves two sides, the supply and demand for water.
- xviii. The solution must take a comprehensive approach. If there is a localised/population problem, the supply must be increased, where transmission is inadequate this would also require an increase. Water management in terms of water pressure as well as conservation by users, is also controlled by the WASA.

The issue of staff cuts as a result of WASA's inefficiency

- xix. WASA anticipates that the findings of the review by the Cabinet appointed committee will determine whether staff cuts at the Authority are required.

Whether WASA recommended the privitisation partially or wholly to the Cabinet Committee

- xx. Privatisation within the water sector is a tool that can be used. The extent of the use of privatisation has to be determined.
- xxi. WASA currently implements one form of privitisation as some of its services are not available in-house.
- xxii. Certain areas of WASA's privitised operations may need to be increased or decreased. Privitisation can be applied in external areas such as water trucking, backhoes, it can also be applied to non-revenue reduction and other areas.
- xxiii. WASA has not made a recommendation of privatisation going forward.

Increasing the efficiency of WASA re: Point Fortin project

- xxiv. The intent is to complete the Point Fortin project by Monday December 21, 2020. The completion date for said project provides for road repairs.

The revenue WASA generates from customers supplied with water from DESALCOTT

- xxv. Water from DESALCOTT is confined to the Point Lisas Industrial Estate.
- xxvi. Approximately \$25M is received in revenue from customers supplied with water from DESALCOTT.

- xxvii. Water beyond that provided by DESALCOTT goes to the domestic customers and is based on the Annual Taxable Value of the property (ATV).
- xxviii. The domestic system is an unmetered system.

An incurred deficit with regards to water purchased from DESALCOTT

- xxix. WASA has incurred a deficit because 50-55% of the 40mg of water purchased from DESALCOTT goes to the domestic customers and the balance goes to the industrial estate.
- xxx. WASA's revenue from the industrial estate is sufficient to cover the production costs for water on the estate.
- xxxi. WASA's rate is \$12 per cubic meter within the industrial estate and \$3.50 per cubic meter to a commercial entity outside of the estate.

The impact of the closure of industries due to deficit situation with DESALCOTT.

- xxxii. Water from closed industries such as ArcelorMittal is distributed to domestic customers.
- xxxiii. WASA experiences reduced revenues as a result of water being redirected from industries to domestic customers without a commensurate increase in the collection of money.
- xxxiv. Overall WASA will be collecting less revenue with the closure of any plant in the Point Lisas Industrial Estate.
- xxxv. WASA continues to monitor the closure of plants and projects that the reduction in rate will be significant in terms of WASA's collection profile.

WASA's contract obligations with DESALCOTT

- xxxvi. WASA confirmed that a term of the contract is that it is required to take 40mg per day from DESALCOTT until 2036.

Whether the introduction of property tax will impact on WASA's rates

- xxxvii. WASA's rates are linked to the taxable value. WASA's rates will be amended accordingly if the property law is amended. Metered rates will apply for metered customers.

Update on the IDB initiative

- xxxviii. WASA has two loans under the IDB intervention; Loan 2600 and 2890 respectively.
- xxxix. The funding from Loan 2600 was utilised for a wastewater project in South-West Tobago (completed) and works at a Trincity wastewater plant (ongoing)
 - xl. Loan 2890 funds involved two components: (1) construction of the Malabar Treatment Plant (completed) and extension of collection system (completed); and (2) construction

of the San Fernando wastewater plant (90-91% complete, delayed with expected completion in 2021).

Whether the review of WASA rates includes the review of wastewater rates, taking into consideration the extensive wastewater works undertaken by WASA

- xli. WASA has done a Business Plan and will be in further communication with its line ministry.
- xlii. WASA's wastewater rate that currently applies 50% of the water rate would be applied as the wastewater rate.

WASA's standards with regard to the resurfacing of roads and the mechanisms in place to ensure compliance by in-house staff and contractors

- xliii. WASA has standards re: the resurfacing of roads. Part of its collaborative relationship with the RIC includes the formulation and agreement on those standards.
- xliv. The RIC's standard is two (2) days for temporary surface restored and permanent restoration within seven (7) days.
- xlvi. WASA acknowledges that it has not been meeting the RICs standard for road repairs, as in the past WASA did not have dedicated road restoration crews. However, this has changed and crews are now assigned to road restoration.

Key Issues Discussed with the Ministry of Public Utility (MPU)

Whether there are plans by the Government to privatise WASA.

- xlvi. The Cabinet appointed committee completed its work and its report was submitted to the Prime Minister on Friday December 11, 2020. The MPU awaits feedback on the report of the committee.
- xlvii. The MPU indicated that it is unaware of any attempts to privatise WASA.

The status concerning the IWRM policy.

- xlviii. The MPU has not received a response from the Cabinet regarding the IWRM policy.
- xlix. A note to Cabinet re: the IWRM policy was sent previously by the Ministry. The note was returned to the MPU as a result of the change in administration.
 - 1. The optimum proposal for the water sector is to have all regulators separate.

The adequacy of a \$500,000 allocation for Water Resource Management

- li. Officials indicated that the \$500,000 allocation will only fund the beginning of the project.

The definition of a drought and whether Trinidad and Tobago has ever experienced a drought during the past 10 years

- lii. A drought is period of very low rainfall and there are various types of droughts.
- liii. Droughts can be meteorological, agricultural hydrological or socio-economic depending on different factors, including time frames.
- liv. Meteorological droughts have been experienced over ten (10) years and were short-lived with a duration of up to 3 months.
- lv. A number of meteorological droughts have been experienced for instance in 2010, 2016 and 2019.
- lvi. Droughts will occur frequently and worsen owing to climate change which has been affecting agriculture and the water sector.

View the Hearing:

The hearing can be viewed on our YouTube page via the following link:

<https://www.youtube.com/watch?v=F6t9WxmDu68>

Contact Information:

You may contact the Committee's Secretary at jsclpi@tparliament.org or 624-7275 Ext. 2232.

Committees Unit

December 17, 2020