



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
MINISTRY OF ENERGY AND ENERGY INDUSTRIES

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01 June 2018

Mrs. Jacqui Sampson- Meiguel
Clerk of the House
Office of Parliament
Levels G-9, Tower D
The Port-of-Spain International Waterfront Centre
1A Wrightson Road
Port-of-Spain

Dear Mrs. Sampson- Meiguel

Re: Sixteenth Report of the Public Accounts Committee on the Examination of the Audited Financial Statements of the Trinidad and Tobago Electricity Commission for the financial years 2012 to 2015

I refer to your letter dated 14 May 2018 on the subject matter at caption.

I hereby submit the Ministry's written response to the following recommendation stated in the Report for the consideration of the Committee:

1. Status of debt owed to the National Gas Company (NGC)

The Commission owes NGC approximately TT\$3.790 billion. NGC was the only supplier the Commission was unable to pay on time because of insufficient cash reserves. The Commission therefore defers its payments to NGC in order to meet other liabilities. Officials from T&TEC stated that a proposal to settle the debt to NGC was being considered by the Ministry of Public Utilities, T&TEC's Board and NGC. Also, a Business Plan was submitted to the Regulated Industries Commission (RIC) in consideration of the Commission's costs to supply customers which if accepted, should allow T&TEC to meet all its payments including future payments to the NGC.

Recommendation:

T&TEC should continue engaging in discussions with the Ministry of Public Utilities, the Ministry of Energy and Energy Industries and the Ministry of Finance in finding a solution for the payment of arrears to NGC and submit a report to the Parliament on the initiatives taken to clear its debt by August, 31 2018.

Response:

The MEEI agrees with the recommendation that T&TEC should continue engaging in discussions with the Ministry of Public Utilities, the Ministry of Energy and Energy Industries and the Ministry of Finance in finding a solution for the payment of arrears to NGC. These discussions should include the NGC. The MEEI also agrees that a report should be submitted to Parliament on the initiatives taken to clear its debt by a deadline agreed to by the parties. The MEEI will continue to give its full support to the resolution of this situation.

Sincerely,



Mrs. Penelope Bradshaw- Niles
Permanent Secretary (Ag)