

ABSTRACT

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The Regulatory Experience in a Small Open Economy: A Case Study of the Regulation of Electricity in Trinidad and Tobago

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Although economic regulation has been widely studied in the advanced industrial economy, relatively little research has been done in this area in Trinidad and Tobago. Since Trinidad and Tobago has been regulating its public utilities for over thirty (30) years and is about to exchange this system for an entirely new one, some appraisal of the existing framework seems timely. This thesis examines this regulatory experience, with respect to electricity, in light of the prevailing theories of regulation and it also focuses on the how well the regulatory process has worked in Trinidad and Tobago.

All the required materials for the case study were obtained from the Public Utilities Commission of Trinidad and Tobago. Since this study is restricted to electricity, the findings and policy recommendations may not necessarily apply to the other utilities, namely water and telecommunications.

The evidence suggests that the Public Utilities Commission Act and the Trinidad and Tobago Electricity Commission Act were not seriously deficient. The research further revealed that those aspects of the Acts that were lacking could be easily amended. The end result is that with the appropriate amendments these Acts could continue to be the vehicle to regulate the public utility of electricity in Trinidad and Tobago. This implies that simply changing the law without strengthening the institution may not result in an improvement in the regulatory environment.

Keywords: Anne-Marie Mohammed; Trinidad and Tobago; economic regulation; public utilities; electricity.