

Managing Risk

The Barbados Light & Power

Risk Categories

- Business Risk
- Environmental Risk
- Financial Risk

Business Risk

■ Utility plant

- Substantial investments
- Long lives (30 years)
- Technology changing rapidly

■ Rules Changing

- Re-regulation
- Competition
- Greenhouse gas emissions (controls or fuel use restrictions??)

Managing Business Risk

■ Diversify Plant

- Investigate new technologies (Micro-turbines)
- Reduce dependency on one plant type

■ Diversify Fuel Mix

- New fuels (gas)
- Renewables (Wind Energy, Solar)

■ Probabilistic modelling

Environment Risk

- Hurricane
 - Design to cater to hurricane
 - Operational precautions (Hurricane Plan)
- Flood
 - Design to cater to flood
 - Operational
- Storm Surge
- Earthquake

Hurricane Insurance

- BLPC unable to obtain insurance since Hurricane Andrew
- Established Self-Insurance Fund
- Established Line of Credit (US funds)
- Conducted Damage Assessment

Reducing the Risk

- **Generating Stations**
 - Multiple locations
 - Hurricane resistance
 - Elevated foundations (Flood)
- **Conversion of substations to indoor**
- **Underground transmission**

THANK YOU!

