

# NEC successfully navigates pandemic

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It may appear that the downstream energy sector has not "caught a break" over the last few years.

Between rising production costs and depressed commodity prices, the Covid-19 pandemic could not have come at a worse time.

Despite this, one State energy enterprise appears to have not only navigated the pandemic, but also obtained recognition for its business continuity plans from the American Chamber of Commerce (AMCHAM).

Over the last year, the National Energy Corporation (NEC) implemented several measures and initiatives that mitigated the negative impact of the Covid-19 pandemic on its operations.

The company, known for its 40 plus years of facilitating gas and other energy-based projects in Trinidad and Tobago, also owns and operates significant marine infrastructure including a fleet of tugs and workboats with several deep-water ports and piers.

In speaking with *Express Business* last Friday, NEC president Dr Vernon Paltoo said operations at the company were obviously affected by the decline in energy sector output brought about by the pandemic, but despite reductions in commodity throughout its facilities and in particular Savonetta Piers at Point Lisas, the company has ensured availability of its vessels, ports and piers at all times during the pandemic.

He said essential personnel required to operate its marine infrastructure were regularly screened



National Energy Corporation president Dr Vernon Paltoo.

for the virus and placed on a sequestered shift system—a bubble—to ensure continuity of the company's commercial operations.

Paltoo confirmed that much of the negative impacts the company suffered were from global and local circumstances beyond the company's control.

"Like many other companies, National Energy has suffered supply chain disruptions as suppliers struggled to optimise production to meet their customer needs."

To address this challenge, Paltoo said: "We had to leverage our relationships with our local and international suppliers, and have enhanced our inventory management system to ensure that critical spares are readily available at reasonable costs."

While he was proud to state that the company was profitable in 2020, he admitted that there was a notable



Overhead of the Union Industrial Estate which is managed by the National Energy Corporation.

decline in profits for that year.

National Energy expects to release its 2020 audited financials during the month of May.

Despite being unable to facilitate visitors to its industrial estates and port facilities over the last year, Paltoo indicated that the recent launch of virtual tours of National Energy's ports and estates, have provided potential investors and customers with an opportunity to virtually visit and interact with the facilities.

He boasts that they have seen users from all over the world, including Guyana, US and countries in Europe and Asia, participating in the tours since its launch a few weeks ago.

## Making inroads in Guyana

Speaking of Guyana, Paltoo indicated that National Energy, on behalf of the NGC and its subsidiary companies, is taking steps to export its services to the region, with its main focus markets being Guyana and Suriname at this time.

In 2019, the company registered National Energy (Guyana) Inc in Guyana that is focused on marketing the services of the NGC entities in the Guyana and Suriname markets.

The Georgetown-based office was operationalised in January 2020 with relevant staff

seconded to the jurisdiction.

However, they returned to Trinidad last March prior to the closing of the borders.

Despite this setback the president indicated that the work has not stopped as there continues to be virtual engagement with stakeholders and interested parties in these markets.

Some of the services being offered by National Energy to the regional markets include Project Development, Port and Estate Development, Marine Logistics and Cross Border co-operation for project development.

He outlined that after more than a year, National Energy's administrative staff continues primarily to work from home with minimal impact to the company's ability to deliver on its mandate.

Paltoo shared the successes of leveraging technology during the Covid-19 pandemic.

"As a subsidiary of the NGC, the company has access to several cutting-edge technological software and platforms. One such mention was SAP Ariba which facilitates online/e-auctions for its tendering and procurement processes."

He noted that the reverse bidding feature of this software has saved the company in excess of TT\$10 million since its integration in January of 2020.

"The ttEngage portal which

was launched two years ago has proven to be extremely useful during the pandemic as it allows investors to register their projects, and facilitates an efficient approval process from more than 20 State agencies."

Looking into the future, and given the constraints around natural gas supply, the company has also been focusing on projects that require low or no gas volumes for their operations and can include derivative industries that utilise output from local petrochemical plants as feedstock. Additionally, he said the company is now also focused on its green agenda and a transition to renewable energy technologies and promotion of projects in energy efficiency.

It is currently supporting the Light source bpTT and Shell Solar Farm project in Bechin Castle, Couva. Paltoo said: "Just like we did in the 1970s where the State took equity stakes in projects that required significant foreign direct investment, we are currently negotiating the option for National Energy to take some equity ownership in this project on behalf of the people of Trinidad and Tobago." Concurrently, the company recently installed an EV charging facility supported by 320 solar panels at the soon-to-be opened Preysal Service station being completed by its sister company NGC CNG.

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