

GW I APPLICATION TO PUC FOR CHANGE OF RATES

PUC HEARING ON MONDAY, FEBRUARY 12, 2018

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12 Feb 2018
11:30 p

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STATUS: Residential; Metered; Pensioner
ACCOUNT NO.: 1026524

GENERAL MATTERS:

A. Presumably this application for change of rates is aimed at garnering more funds for GWI's coffers.

Question:

Will GWI be providing PUC with, for example,:

1. An estimate of running expenses for (say) the next five (5) years?
2. An estimate of how much money these new measures, if implemented, will garner?
3. Any other similar information that PUC considers pertinent to its **private** deliberations on this application?

B. There seems to be, among consumers, some dissatisfaction with the quantity and quality and efficiency of GWI's service based on the existing rates and ancillary charges.

Question:

What assurances can GWI give - and PUC accept - that if GWI gets more money, the quantity and quality and efficiency of GWI's service will be at least satisfactory (in the opinion of PUC) based, partly, on feedback from consumers?

C. Presumably GWI is serious about the statement on its human resources (top of page 2).

Question:

Does the GWI assurance there given cover recruitment and retention and training and re-training of staff in relation to any compulsory retirement age and any anticipated competition, for human resources, from the imminent oil and gas sector?

D. Presumably PUC will grant GWI at least some of the changes applied for.

Question:

Does GWI anticipate that taps in any (named) area under its control will deliver water absolutely safe for drinking without any further treatment?

SPECIFIC MATTERS:

Water Tariff: Unmetered Residential (page 3):

Questions:

1. Did GWI research into the average consumption of residential customers include all areas served by GWI, or Georgetown alone?
2. In doing its research in Georgetown (for example) did GWI study the incidence of installation of overhead black tanks for storage of rain water as an alternative or a complement to water supplied by GWI?
3. Are there any projections as regards how (especially with climate change) these extending efforts to install black tanks could impact the GWI bottom line?
4. Would GWI please provide an anticipated or planned time-line for its intended increase in its metered coverage to 100%?
5. What is the GWI argument in applying for a change in the Monthly Consumption Charge to **\$1,500** per month and not to a slightly lower or slightly higher amount?
6. Would GWI be prepared to re-examine the relativity (from the standpoint of dollars per cubic meter of water used) between this monthly charge and that applied for in respect of Metered Residential customers?

Water Tariff: Pensioner Metered Consumer (page 3):

Questions:

1. Could GWI please clarify what the statement means? GWI identifies two sub-categories of pensioners. Which category is deemed: "Qualifying Pensioner"?
2. How many metered old age pensioners are there in (a) Georgetown; (b) other coastal areas?
3. When were these figures last updated?
4. When next does GWI plan to update these figures?

Water Tariff: Non-Residential Customer (page 4):

Questions:

1. Are schools liable to pay?
2. If so, how are they categorized?

Ancillary Charges (page 6):

Questions:

1. Would GWI be prepared to re-cast this Table to show which Charges are new, which Charges are existing (and the current prices charged) and the charges now being applied for?
2. No. 11: Would GWI please explain this?
3. Nos. 12, 13 and 14: Would GWI please explain each of these?
4. Nos. 17 to 25 and No. 27: Would GWI please explain each of these and say what measures are taken in respect of such things as damage caused by vehicular and such like accidents, and passing (stray) animals, especially where meters are now moved from within yards that householders control, on to the parapets?
5. Nos. 26, 28, 29 and No. 31: Would GWI please explain each of these and say how it arrived at each exact figure, including any (obvious) relativities?

Glossary of Terms (page 8):

Pensioner:

Question:

1. Would GWI please explain how it determines that the person rents or occupies the property at which he/she resides?

Guyana Water Incorporated
Application for Change of Rates

Attachment No 2

Response to Questions Raised by Mr George Cave

General Matters:

- A. On the issue of the running expenses over the next 5 years, the details of this is contained in the Strategic Plan, a copy of which has been submitted to the PUC. The expected income estimates from this proposal are also contained in a subsequent submission to the PUC.

- B. GWI remains committed to the provision of service in accordance with our Vision and Mission Statements. In addition, GWI has been conducting Customer Satisfaction Surveys via its Customer Call Centre to measure the level of satisfaction among its customer base throughout the country. Most of the complaints that have been received and linked to dissatisfied customers stems from delays to respond to fault reporting. The increase in tariff, will mean an increase in revenue which will allow GWI to cover its operational cost for payment to additional personnel required for increase in responsiveness to complaints.

- C. GWI is constantly in pursuit to ensure competencies are cutting edge. Our human resource is vital to the effective and efficient functioning of our organization, therefore, training and retraining is necessary to ensure that competencies and full potentials are realized.

- D. The water produced by GWI is 100% microbiologically safe for consumption.

Specific Matters:

- 1. Research into our Domestic Consumption Monitor (DCM), included areas from across all coastal regions served by GWI.

- 2. GWI is not comfortable with the idea of mixing the rain water collected from the roofs and guttering of a house with that of GWI's water. There is bound to be sediments collected from the roofs and gutters that can cause GWI's water to become contaminated. Rain water can be used for other domestic purposes except for drinking and cooking.

- 3. Dealt with, in some measure, in (2) above.

- 4. The submitted Strategic Plan covers the intended timelines for increasing the metered coverage.

5. GWI has conducted a financial analytical review and determined that the \$1,500 amount is adequate to meet the financial requirements at this time.
6. We are unsure of the meaning of this enquiry. However, the financial analysis has demonstrated that this amount is adequate at this time.

Water Tariff: Pensioner Metered Consumer (page 3):

1. A pensioner can be defined as a person who reaches the age of 65. The pensioner must be the GWI account holder in order to be qualified to be placed on the "Pensioner Tariff". It must be noted that pensioners in Georgetown are currently paying \$112 per cubic meter of water consumed. If the proposed tariff is approved, this will see pensioners across the country paying only \$74 per cubic meter of water consumed.
2. The table below lists the breakdown of pensioners by regions:

REGIONS	COUNT
REG4-ECD	3,001
HINTERLAND	9
REG10-LINDEN	1,349
REG2	1,477
REG3	4,100
REG4-EBD	1,807
REG4-GT	4,695
REG5	2,193
REG6	4,247
REG7-BARTICA	244
Grand Total	23,122

3. The figures presented above are as at January 31, 2018.
4. Updates occur on a daily basis.

Water Tariff: Non-Residential Customer (page 4):

1. Yes.
2. All schools will be charged the applicable non-residential rate.

Ancillary Charges (page 6):

1. The request for the comparison between current and proposed charges has been included in the re-submission to the PUC.
2. A request for a Stay of Disconnection allows a customer, at whose residence a disconnection is about to be effected, to request a “stay” until time would permit them to make a payment at the nearest payment location.
3. The Line Transfer fees are applicable when a customer requests that their service line be moved from one part of the property to another.
4. The ancillary charges at No 17 – 25 and 27, are meant to deal with tampering, willful damage to a water meter, water wastage, willful damage to the company’s infrastructure, the charge for if a compliance or audit is requested, the charge to be levied if a tendered cheque is returned and the charge for any other administrative activity.
5. The charges proposed for the inspections with respect to the sewerage system are meant to recover some of the expenses to be incurred in the fulfillment of the mentioned activities.

Glossary of Terms (page 8):

Pensioner:

1. The determination of rental or ownership is contingent upon submission of a tenancy agreement or certificate of transport/title or other similar legally binding document.

GW I APPLICATION TO PUC FOR CHANGE OF RATES

PUC HEARING ON WEDNESDAY, FEBRUARY 21, 2018

Reno
via
Reno
February
21

NAME: George CAVE
STATUS: Residential; Metered; Pensioner

GENERAL MATTERS:

- A. My grateful thanks to GWI for its responses at pp. 5-7 of its 89-page February 19, 2018 further submission to PUC in respect of its application for change of rates. Some of the responses do not answer the specific question that I asked (e.g., my D on my page 2 and the GWI's D on its page 5). The responses, however, taken as a whole, have sufficient meat to give me a reasonable notion of the position at GWI.
- B. I note the impressive data and statistics that GWI has in its Presentation at Session 1 and in its February 19, 2018 document. Coming from a background in language, I am cautioned by the 3-term statement in general use that ends with: "And then there are statistics." Those versed in dealing with balance sheets, after studying the material now presented, may well have comments that may help assuage some of my unease over whether **"if GWI gets more money, the quantity and quality and efficiency of GWI's service will be at least satisfactory (in the opinion of PUC) based, partly, on feedback from consumers"** (my page 1.)
- C. As regards Question 6 on my page 2, I apologize that the GWI officers **"are unsure of the meaning of this enquiry."** The point at issue arises again in the comparative spread sheet that GWI now gives in respect of Water Tariff. I have no wish to pursue this particular matter further.
- D. Could GWI (Item 4 on page 7 of its February 19, 2018 application please **"say what measures are taken in respect of such things as damage caused by vehicular and such like accidents, and passing (stray) animals, especially where meters are now moved from within yards that householders control, on to the parapets?"** (My Question 4 under "Ancillary Charges."

- E. On page 24 of *Kaieteur News* of Tuesday, February 20, 2018, there is a news report under the headline: **“No need for water rate increases if outstanding sums are collected – Senior GWI official.”**

Questions:

1. Assuming that there is some degree of accuracy in that newspaper report, and assuming that the response allegedly given to the Public Accounts Committee should be taken in conjunction with the Findings and Recommendations section of the letter dated 10th January, 2017 to GWI from Maurice Solomon & Company, Chartered Accountants in respect of the audit of the GWI 2015 accounts (Customer Database, Bad Debt Recovery and Provision for Doubtful Debts, and GWI’s approved “debt write off” policy), would GWI please explain its position at this point in time?
2. Would the PUC please obtain the transcript of the occurrence at the PAC hearing and study it to determine its official relevance to the consideration of the current GWI application for change of rates?
3. In the interest of all the parties concerned, should not these PUC hearings be adjourned *sine die* so as to give GWI time to put its house in further order, having regard to the revelation(s) at the hearing of the Public Accounts Committee (PAC) of Parliament? GWI could then decide what changes in rates (if any) it then wishes to apply for.

February 20, 2018