



The PUC aims to ensure that regulated utilities offer efficient service to consumers at a reasonable cost without compromising their financial and operational integrity.

PUC

**PUBLIC UTILITIES
COMMISSION**

**ANNUAL REPORT
2019**



ANNUAL REPORT 2019

Apology

The onset of COVID-19 has prevented the presentation of this Report within the statutory required time of March 30 as prescribed by section 85 of the Public Utilities Act No. 10 of 1999



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Introduction

This report contains the twenty-ninth Annual Report for the Public Utilities Commission of Guyana.

Brief

The PUC is a body corporate, which was established by the Public Utilities Commission Act No. 26 of 1990. The Act was repealed and replaced with the current Act No 10 of 1999 and its amendments which encompasses all aspects of regulating the Electricity, Water and Telecoms sectors within the State of Guyana.

The PUC Act Section 5 of No. 10 of 1999 allows for the appointments of a Chairman and four Commissioners. As of 2019, the following persons comprise the Commission: -

- Ms. Dela Britton - Chairman
- Mr. Rajendra Bisessar - Member
- Dr. Leyland Lucas - Member
- Ms. Verlyn Klass - Member

Mission

- To ensure that regulated utilities offer efficient service to consumers at a reasonable cost without compromising their financial and operational integrity.

Vision

- To create an environment in which there is

universal access to service in the public sector, as well as high quality of service which are effective and beneficial to all stakeholders

Objectives

- To establish and enforce rules and procedures for the regulation of public utilities, commensurate with internationally accepted standards.
- To provide an environment for the provision of safe and adequate service for consumers at a reasonable cost and to ensure the financial integrity of the providers.
- To investigate and resolve complaints filed on behalf of or against any public utility.

Functions of the Commission

- To act in a regulatory, investigatory, advisory, enforcement capacity and the legislation makes provision for any other functions as the Commission in its regulatory capacity may deem just.
- To review and approve Development and Expansion plans.
- To establish and monitor rates.
- To conduct investigations into the standards of service of the utilities under its purview.
- To facilitate interconnection and access between or amongst utilities.

Editorial Board

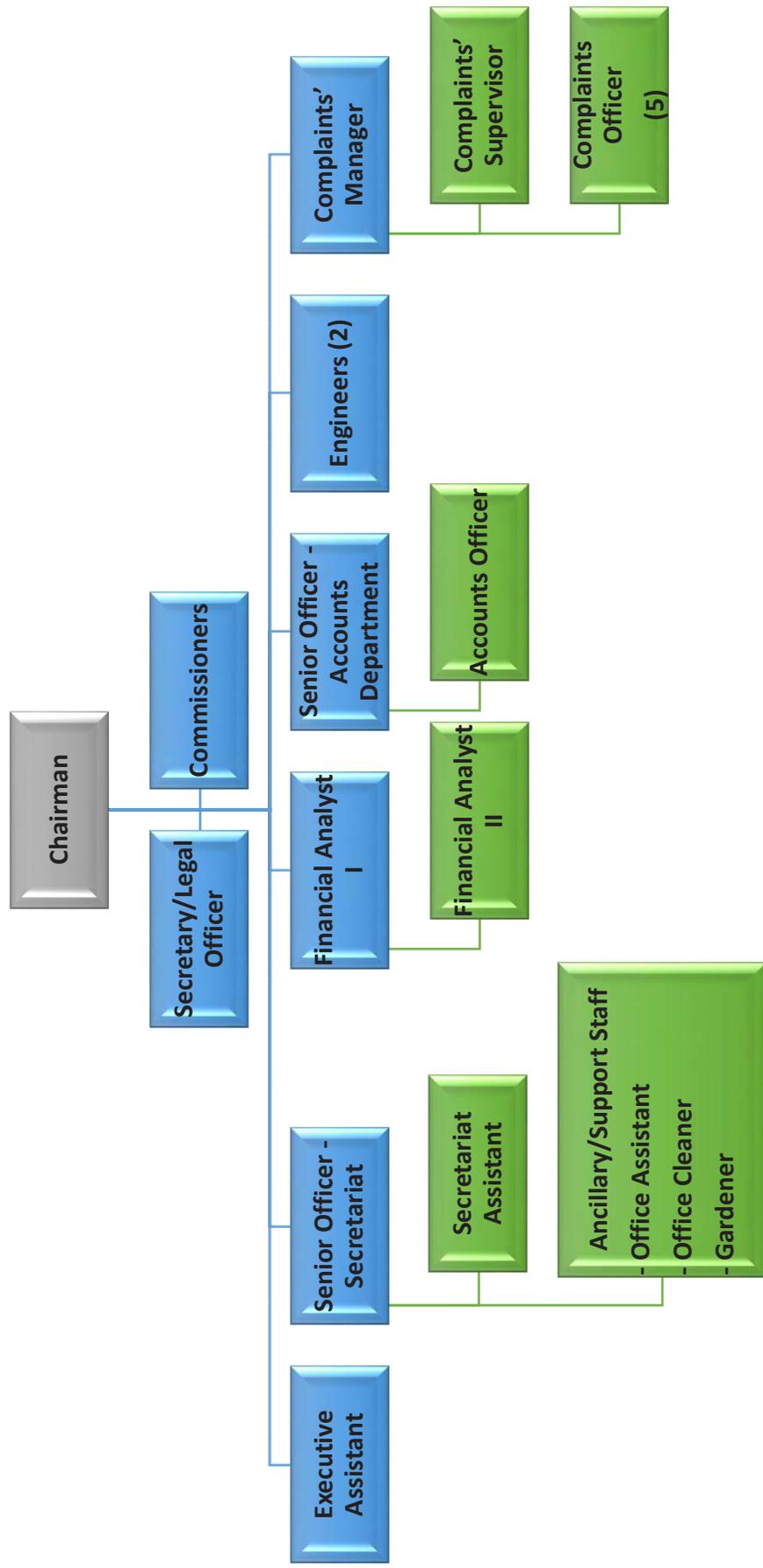
- Mr. Vidiahar Persaud - Secretary/Legal Officer
- Mr. Moorsalene Sankar - Financial Analyst I
- Ms. Yogwattie Sookram - Financial Analyst II
- Ms. Destra Bourne - Complaints Manager

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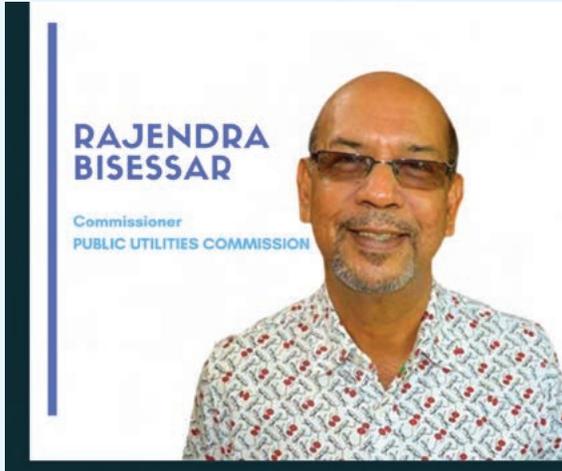
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ORGANISATION CHART 2019

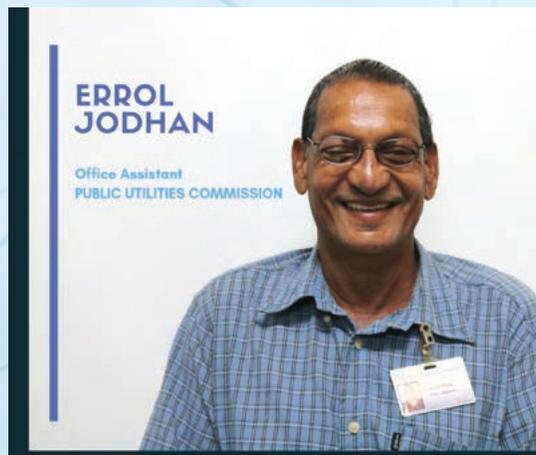


Staff

Board of Commissioners



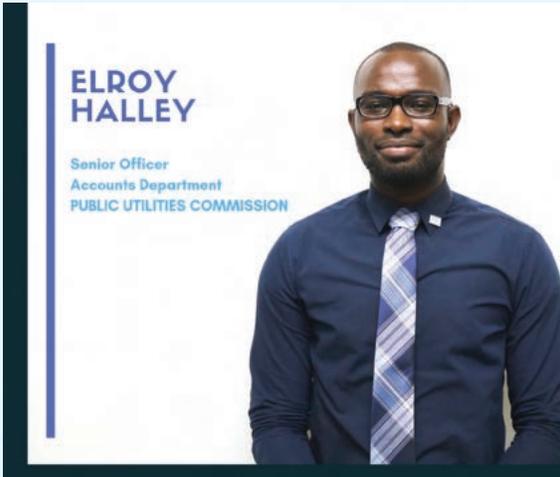
Secretariat



Finance Division



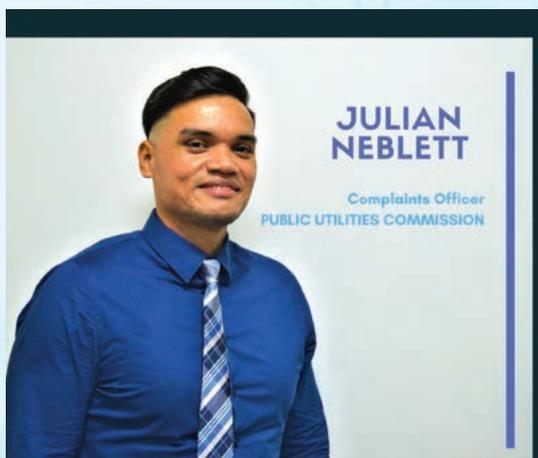
Accounts Division



Engineer



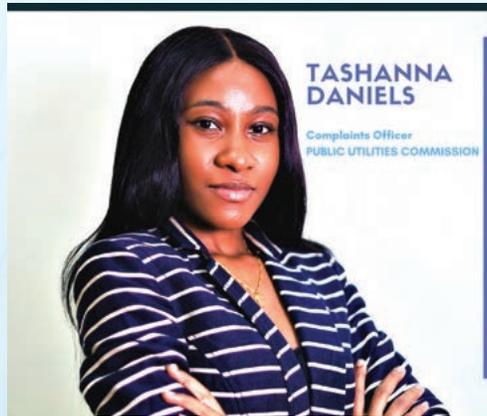
Complaints Division - Georgetown



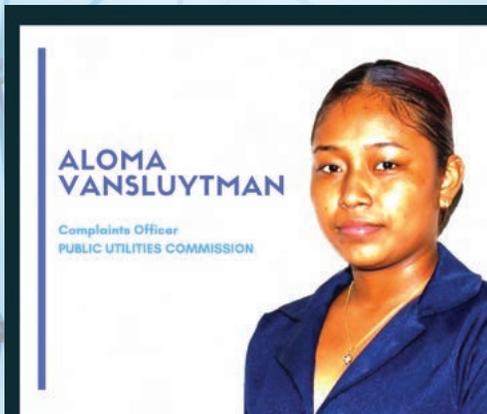
Complaints Division - Berbice



Complaints Division - Linden



Complaints Division - Essequibo



From the desk of *The Chairperson*



Dela Britton,
Chairman - Public Utilities Commission

The watch words of 2019 were “accountability” and “visibility” of PUC Guyana. Admittedly we had experienced a number of challenges, however, with singular resolve we forged ahead to intensify our efforts to expand our consumer and public relations base.

In January 2019, PUC Guyana seized on the opportunity to serve as Co-sponsors for the 35th CANTO (Caribbean Association of National Telecoms Operators) Annual General Meeting which saw a number of industry thinkers descending on Guyana to engage in wide ranging discussions on innovative regulatory issues.

In July 2019, we partnered with the Guyana Animation

Network (GAN), an organization which is committed to utilizing its resources to provide access to artistic, creative and technology to foster skills especially amongst young adults.

Our commendable public education activities led by the Complaints Division during the year included our presence in the print and electronic media to educate the populace which resulted in an immediate spike in the number of consumers who filed complaints against the regulated utilities

The PUC Act prescribes that the Commission shall consist of a Chairman and 4 Commissioners, however for several months the work of the Commission was impeded until the induction in May 2019 of two(2) new Commissioners who bring a wealth of experience to the organization. Verlyn Klass, Dean in the Faculty of Engineering and Technology and Dr Leyland Lucas, the Dean of the School of Entrepreneurship and Business innovation, both of the University of Guyana. Together with Commissioner Rajendra Bissesar have added informed voices to the Commission which afforded us the ability to advance our mandate of ensuring that regulated utilities offer efficient service to consumers at a reasonable cost without compromising their financial and operational integrity.

Our relationship with the utilities under our purview namely Guyana Telephone and Telegraph Company (GT&T); Digicel; Guyana Power and Light Inc(GPL) and Guyana Water Inc(GWI) was greatly enhanced by our continued collaborative efforts to reduce the backlog of complaints. PUC Guyana is in the continuous process of devising innovative ways to monitor of the sectors and provide general regulatory oversight. The intervention and mediation efforts of the Commission saw the quiet resolution of an inter utility dispute.

Visits to the GPL and GT&T proved invaluable as the Commission witnessed first-hand the technical aspects of operations which immediately bolstered our inhouse deliberations. It is expected that the visit to GWI will be facilitated in 2020.

The worldwide reliance including the Guyana market on mobile data continued to grow exponentially in 2019. The sales for mobile data for both GT&T and Digicel increased by 57%; data usage for GT&T increased by 1 billion megabytes whilst Digicel

showed an increase of 1.1 billion megabytes.

In August 2019, the actual production of water for the Guyana Water Inc (GWI) stood at 108,000,000 cubic meters and it was expected to achieve the mark of 156,000,000 cubic meters by the 31st December 2019. The second tranche of the PUC issued 2018 GWI order rates became effective in October 2019 and the Commission continues to monitor the Company's performance in this regard.

As compared to 2018, GPL's active accounts for both residential and non-residential rose by 1,213 to 202,020 and there was a slight decrease of system losses of 0.1% as against its 2018 reading – which now stands at 27.6%.

The Utilities made fewer rate applications which triggered the statutorily required public hearings in 2019.

The Guyana Power and Light Inc, by its License is required to submit to PUC on a yearly basis its operating standards and Performance Targets (OSPT) which details its performance during the previous year. This presentation is statutorily required to be conducted by a Public hearing in the month of March. However, the absence of a complement of Commissioners made this difficult and as such was delayed until June 2020.

The Commission in its written OSPT decision complemented the company on its achievement in the areas where its targets were achieved and in its continued rollout of installation of Advance Metering Infrastructure (AMI) meters which aided the Company to reduce its system losses and combat some of its monitoring deficiencies.

The Commission, however issued a strong rebuke to the Company for its failure to improve its services in the face of our imposition of a monetary penalty of 5 % of the total value of dividends in 2018. The Commission mandated in its 2019 decision that timely submissions of its quarterly OSPT Reports should be supplied in order for the Commission to properly monitor the achievements of GPL.

In September 2019, the Commission had received a complaint from a GT&T's landline customer, which alleged that the company, had unilaterally changed his tax invoice without prior notification. The complainant indicated that the change resulted in the exclusion of the substantive billing information as contained

in previous bills. The Company had directed him to access the detailed information online, which proved difficult as he did not possess the facility.

The Commission took the unique stance by entering into a public hearing on its own motion and in the name of the Complainant. The Commission after considering spirited presentations from all stakeholders issued Order 2 of 2019, (detailed review can be found in the Finance Division portion of this Report) which required GT&T to firstly dispatch detailed paper bills and to notify consumers of the option to revert to paperless bills; further the company was required to ensure that its billing platform from which such paperless billings are accessed is maintained and experience minimal latency with alternative modes of delivery of a paper bill should the platform fail; lastly each customer who had received bills via the new format effective May 2019 and who were desirous of receiving detailed tax invoice will receive such bill free of cost. Ongoing discussions continue as to the proper roll out of the paper bills regime.

The expansion of our reach to cover the length and breadth of Guyana whether by establishing brick and mortar offices using technological infrastructure to reach every consumer became a reality in 2019. Based on the feedback and the number of complaints received, an informal feasibility study was conducted and the Commission found it opportune to establish a Linden Office which opened formally by then Minister Catherine Hughes, Minister of Public Telecommunications in October 2019.

At the invitation of Federal Communications Commission, Chairperson of the PUC visited its Washington, DC Headquarters and gained invaluable insight into FCC's initiatives with special emphasis on the operations of office of Engineering and Technology; Number Portability; Price Cap. The Commission is currently reviewing the FCC models with a view to implementing aspects of initiatives.

In November 2019, PUC assumed the Chair of Organization of Caribbean Utility Regulators (OOCUR) and signaled its willingness to host the 2020 Annual Conference which will provide a platform to discuss a range of regulatory issues against the backdrop of Guyana's pending liberalization of its Telecoms Sector.

The Commission successfully collaboration with CANTO and other stakeholders in its search for a Consultant to examine the existing Cost Allocation

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Model as presented by GT&T for review. The thrust of the consultancy which is still extant involves the examination of the accuracy, consistency and general issues of cost and profitability of the Company and to make recommendations on its use as a model.

As part of its long term projections to provide 24 hour service and provide a wider platform for engagement, PUC Guyana has continued to work on upgrading its Facebook page and Website which is anticipated to be launched in the first quarter of 2020. This will be our foray into the digital space by posting across social media in addition to webinar services on relevant regulatory issues.

The staff of PUC Guyana remains our most valuable

asset and throughout 2019 emphasis was placed on the importance of capacity building and personal development.

The work of the Commission and indeed the production of this document would be impossible without the efforts of four person dedicated editorial Team of PUC staff members.

As PUC Guyana strides towards 2020 with the goal of becoming a globally recognized leader in the world of regulation serving both the Guyanese consumer and utilities, we in similar vein look forward to the pending liberalization of the Telecoms Sector; to initiating our internship programs; launch of Office of Economic Research and hosting of OOCUR conference.



Finance Division

The Finance Division is tasked with the responsibility of analyzing financial statements, data, and trends. This Division serves in an advisory capacity to the Commission on matters of rate setting and other issues connected with and incidental to rate setting or any other matters which would enhance the work of the Commission.

ELECTRICITY SECTOR

REVIEW OF OPERATING STANDARDS AND PERFORMANCE TARGETS (OSPT) FOR 2018:

On the 4th October 2010, the license granted to Guyana Power and Light Inc. (GPL) for the supply of electricity by the Government of Guyana, was expanded to include the mandatory obligations to inform the Commission by way of public hearing of its Operating Standards and Performance Targets (OSPT). Express provision in the legislation dictates that the public hearing should be conducted no later than the 30th of March in each calendar year in relation to the previous year's performance. The spirit and intent of the service standards which are designed to challenge GPL to improve its efficiency and quality of service, which would in turn prove beneficial to all stakeholders.

During the public hearing eight service standards with pre-determined targets are examined in order to determine whether GPL has achieved its targets. The service standards are as follows.

1) Customer Interruption (System Average Interruption Frequency Index (SAIFI) & System Average Interruption Duration Index (SAIDI))

(i) System Average Interruption Frequency Index

(SAIFI): - This index is used as an indicator by power utilities to calculate the average number of outages a customer may have experienced during a determined period. The formula for the calculation of SAIFI is:

$$\text{SAIFI} = \frac{\text{Total Number of Customer Interruptions}}{\text{Total Customers Served}}$$

(ii) System Average Interruption Duration Index (SAIDI): - This index is used as a reliability indicator by power utilities to calculate the number of hours or minutes a customer experiences power outage over a defined period. The formula for calculating SAIDI is:

$$\text{SAIDI} = \frac{\text{Total Customer Hours of Interruptions}}{\text{Total Customers Served}}$$

2) Voltage Regulation

This standard requires GPL to maintain $\pm 5\%$ of nominal voltage in stable conditions and $\pm 10\%$ of nominal voltage after system disturbances.

Forensic examination of previous OSTPs indicated that GPL has consistently maintained that monitoring the voltage delivered to each customer is impractical. As an alternative to voltage regulation the company has imposed upon itself a maximum of 30 days to address all voltage complaints received by the company.

In a five- year reporting period, 2014 to 2018, the average 97% of all voltage complaints were completed within the stipulated time frame.

In its 2015–2019 Development and Expansion Plan, GPL posited that it intends to install 70,230 Advanced Metering Infrastructure (AMI) meters by the end of 2019 in an effort to reduce commercial losses. The Advance Metering Infrastructure (AM) programme

has proven to greatly assist GPL as it records voltage delivered to consumers as part of its voltage regulation standard.

3) Meter Readings

The objective of this standard is to minimize estimated electricity consumption for billing purposes whilst ensuring that monthly reading and the reduction of the attendant discrepancies are addressed. In this standard GPL undertakes to:

- a) Read 97% of maximum demand bills based on \ actual meter reading
- b) Read 90% of non-maximum demand bills based on actual reading

4) Issuing of Bills

This standard seeks to ensure that there is timely dispatch of bills. It allows the customers to receive their electricity billing within an expected time frame; the strict timeline seeks to improve the company's liquidity as a consequence of timely payments. In this standard GPL undertakes to:

- a) Issue non-maximum demand bills within ten days of the meter being read.
- b) Issue maximum demand bills within seven days of the meter being read.

5) Accounts Receivable

This standard ensures that GPL collects its billings in a timely manner in order to benefit from the improved cash-flows. In this standard GPL commits to a thirty-day credit period.

6) Accounts Payable

The purpose of this standard is to ensure that creditors are paid in a timely manner in order to constrict the practice of contractors who tend to withhold the release of supplies and services as a result of non-payment. In this standard GPL commits to satisfy its indebtedness to its creditors within twenty- six days from the date of invoicing.

7) System Losses

System losses refer to the generated electricity for which no revenue is received by the company. System losses are generally broken down into a) Technical Losses and b) Non-Technical Losses. Technical losses are losses which occur mainly through the distribution and transmission system.

Non-Technical Losses (Commercial Losses) are losses which the company incurs mainly as a result of electricity theft. The standard sets system losses at 26.6% of dispatched power for 2018.

8) Average Availability

The average availability is computed by a ratio of [declared capacity and available hours] to [installed capacity and hours in the period]. In this standard GPL commits to not less than 80% of average available.

During the first quarter of 2019, the Commission was not properly constituted as it did not have the full complement of Commissioners. As a consequence, the Commission was not in a position to satisfy its statutory obligations to initiate the required OSPT hearing. The Commission upon the appointment of two Commissioners then held a public hearing at Cara Lodge Hotel, Georgetown on 20th June 2019.

After a review of the standards and targets the Commission was of the view that the company had failed to meet some of its Operating Standard and Performance Targets as provided for in its Development and Expansion Plan.

By its Order 1 of 2019, the Commission determined that:

"..... notwithstanding the fact that the System Average Interruption Frequency Index (SAIFI) and System Average Frequency Duration Index (SAIDI) were not met for the reporting year there has been a marked improvement on its previous year performance as it relates to these standards."

The Commission further stated that:

"...it wishes to signal to the company that its inability to achieve all of the standards as set out in the company's 2016-2020 Development and Expansion Program, does not auger well for the efficiency of the company vis-à-vis its customers. Whilst the Commission has decided not to impose a penalty at this time it will continue to closely monitor quarterly the operations of GPL in 2019 with a view to ensure that there is compliance with all the standards and targets and it intends to take a no tolerance stance with respect to GPL's less than stellar quality of service reviews."

DIVISION'S COMMENTS REGARDING GPL'S SYSTEM LOSSES

System losses represent a significant cost to the company. The table below shows that there has been a modest and steady decline in system losses since the reporting year 2017. This may be attributed to the company's improvements in its distribution and transmission systems and its proactive loss reduction Division.

Details	2017	2018	2019
Net Loss Megawatt hours	232,204	226,629	236,024
% of Total Losses	29.58	28.19	27.63

The Commission by its Order 1 of 2019 commended the company for its rollout of some 30,000 Advance Metering Infrastructure (AMI) meters which was central to the reduction of commercial losses. The continued roll out of these meters may prove to continue the steady reduction of commercial losses.

FINAL RETURN CERTIFICATE: (FRC)

Both the license granted to Guyana Power and Light Inc. for the supply of electricity and the Electricity Reform Sector Act (ESRA), were issued in October 1999. Each document had mandated that the Commission is to receive the Interim Return Certificate (IRC) by the 28th January each year and the Final Return Certificate (FRC) by the 30th of April each year.

The FRC is calculated in accordance with the format as prescribed in GPL's license and it is designed to determine the profits the company is allowed to earn and whether the company would be entitled to increases or decreases to its existing tariffs.

Briefly the company's profits are calculated as follows: By a determination of

(a) the company's allowable Rate of Return. This is generally between 5-6% and it is dependent on the capital mix between the equity capital and the debt capital,

(b) the approved asset base upon which the profits are to be calculated. The allowable profit is the multiple of the asset base times the rate of return.

(c) if, therefore, the allowable profit is less than that which the company is entitled to, then the company may at its sole discretion increase its tariffs to cover this deficit. If it is greater then the company would be required to reduce its tariffs.

GPL had adopted a policy of absorbing the losses and not passing the losses to the consumers through increased tariffs. Losses are then transferred to a Revenue Foregone Account (RFA) and for which the Commission's approval is necessary.

The RFA is a debtor's account and it represents the amount GPL's consumers collectively owe to the company. The Company, however, has the option to recover any amount and at any period of time from the RFA. This is done by increasing tariffs over and above the rate of return to which it is entitled to in its license and include the amount released from the RFA as a notional expense in its financial statement.

The dire eventual consequences of this policy remain. Whilst the customers may enjoy a measure of respite in the short term, the practice of deferring increased rates to later periods effectively denies the company immediate cash flows which is a prerequisite for improving services. In the long term, this policy could impact negatively on consumers through the delivery of deteriorating services.

GPL's January 2020 Interim Return Certificate shows a deficit in earnings in 2019 of approximately \$3.277 billion. To recover this deficit, an increase in tariffs of approximately 11.37% was required from February 2020. Precedence has shown that as a result of the company's recurring policy, the amount of \$3.277 billion would be transferred to the Revenue Foregone Account.

NON-SUBMISSION OF DEVELOPMENT AND EXPANSION PROGRAM

Section 17 (b) of GPL's license states in part:

" The licensee, GPL, shall, no later than sixty days prior to the end of each financial year, submit three copies of its annual development and expansion program and a current version of its five year development and expansion program, as approved by the licensee's board of directors ..."

GPL has failed to submit to the Commission, its five-year Development and Expansion (D & E) programs for the periods 2019-2023, and 2020-2024. Section 17(1) of the license makes provision for consequential breaches. Non-receipt of the D&E Plans has impacted negatively on the work of the Commission, as the Commission relies on the Development and Expansion plans to monitor:

- GPL's operating and performance targets,
- Projected capital expansion programs,
- Maintenance programs projected to be executed during the year.

Further, failure to submit financial information to the Commission within prescribed time frames has seriously hampered the work of the Commission.

CONCLUSION

The price of fuel and the reluctance of the company to implement the fuel surcharge mechanism when prices increase above the 3% threshold may have hindered some of the company's developmental programs. However, to its credit the company has reduced its system losses from a high of 40% in 2005 to its current 28%. These losses will be cushioned by

financial assistance from international donors and will ensure some buoyancy to the company.

The Commission is cognizant of the fact that the company's decision not adjust tariffs which allows it to earn a profit consistent with its license, will limit the company's liquidity and may create a degree of uncertainty in its future planning. The

significance of the delivery of cheap power cannot be over emphasized. It is cheap power together with other factors which makes a nation competitive in international trade. GPL is therefore encouraged to adhere to the tenets of its mission statement, "to support the sustainable development of Guyana through the provision of reliable, affordable and quality energy services to all our customers".

Office of Economic Research



At page 11 of our Annual Report in 2018, we reported that:

"In accordance with Section 22, Part V of the PUC Act 1999, the Commission approved the establishment of an Office of Economic Research. The establishment, staffing and possible content of this office was undertaken by a Consultant with vast relevant expertise. The Commission had anticipated that the Office of Economic Research would have become functional in the latter half of 2019."

The Office will serve in an advisory capacity to the Commission and it will be tasked with the acquisition

and compilation of information pertaining to the utilities under the Commission's purview and conduct research on the economic climate whilst monitoring the regulatory trends in Guyana and other countries. As we move into a competitive telecommunications landscape, this Office will play a vital role as the information gathered and reports compiled will serve as a catalyst for the enhancement of an efficient and modern Public Utilities Commission.

The anticipated launching did not materialize during this reporting period. We, however, remain optimistic that the Office of Economic Research will become functional in the third quarter of 2020.



Telecommunication Sector

SERVICE PROVIDERS IN GUYANA

The Guyana Telecommunication Corporation, by virtue of Order No. 11 of 1967, was wholly owned by the Government of Guyana and that ownership continued under Public Corporation Act No. 21 of 1988. On June 18, 1990 by an agreement between the Government of Guyana and Atlantic Tele-network Inc (ATN) of the USA, the Government agreed to sell to ATN and ATN agreed to purchase from the Government shares representing eighty percent (80%) of the issued share capital of GT&T, a private limited company to be incorporated by the Government. GT&T acquired the assets and liabilities of the Guyana Telecommunication Corporation. The Government eventually sold its remaining 20% shares to a foreign investor.

Under its licence, GT&T is obligated to provide certain services throughout its licensed area. The services include public telephone, radio telephone (except private radio telephone systems), pay station telephone services, national and international voice, and data transmission (amongst some defined services). GT&T was granted exclusive rights for provision of the land line and the international gateway. The exclusive license was for a period of twenty years, renewable on an exclusive basis for a further period of twenty years at the option of GT&T. In 2010 GT&T exercised the renewal option and under the terms of the agreement GT&T is entitled to a

minimum rate of return of 15% on capital dedicated to public use. This in essence means that the total profits generated from GT&T operations should in any one year be equal to 15% of the the total cost of GT&T's capital investments required to provide the services.

In February 2001 Cel*Star Guyana began its operations in Guyana. Cel*Star was granted a licence by the Government of Guyana for the provision of cellular both voice and data. In 2007, Digicel entered the Guyana market and acquired as a going concern the operations of Cel*Star. Digicel has since expanded rapidly and is now the largest mobile network.

Telecommunications has expanded in Guyana exponentially with approximately 90% of the population accessing services from at least one of the service providers. The geographical spread extends to most of the service areas, including the hinterland areas of Guyana. However, service quality in the hinterland areas is not as robust as that of the coastland and it is not uncommon for residents in the hinterland areas to climb trees in order to receive a signal.

TELECOMMUNICATIONS SECTOR ACT

The Telecommunications Act was assented to in the year 2016, the eagerly anticipated effective date of implementation will herald in a new era for the

telecoms sector, with open and competitive markets which will in effect dismantle GT&T's monopoly on its landline and international operations.

Additionally, liberalization will cause the Commission to migrate to a unique regulatory stance from the current rate of return regulation to a price cap regulatory regime, which will allow the Commission to set prices for dominant services and the service provider to set prices for non-dominant services.

GT&T'S COST ALLOCATION METHODOLOGY (CAM)

In 2018, the Commission reported that it had not approved GT&T's CAM which was submitted to the Commission in 2018. In the latter part of 2019, the Commission engaged the services of an independent Consultant to conduct a forensic examination on GT&T's existing Cost Allocation Model for consistency with other models and tenets as it relates to costs and profitability of the company.

The Commission is hopeful that the recommendations and successful outcome of this consultancy will aid the development of a cost allocation model with effective pricing strategies which will become a useful tool as Guyana evolves into a dynamic and competitive telecommunication sector.

ORDER 2 of 2019

In June of 2019, the Commission received a complaint indicating that the Guyana Telephone & Telegraph Co. Ltd, had unilaterally changed his tax invoice without prior notification for the landline service. The complainant indicated that the change resulted in the exclusion of the substantive billing information which was contained in previous bills. The issue was raised with GT&T, and the complainant was informed that the omitted information could be viewed online. The complainant, further in his complaint stated that he had no access to online facilities and that GT&T was in effect forcing him to seek such facilities. He also noted that he was not aware of the PUC approving this change of billing format.

The Commission entered into a public hearing in September 2019 to address this complaint against GT&T, taking into consideration that more than one consumer would have been affected by this change. The Commission after hearing the presentations from all stakeholders presented at the hearing, issued Order 2 of 2019, mandating GT&T to:

- dispatch paper bills to consumer which shall

- include the Call Party Pay and overseas call details;
- Customers who were issued paperless bills in May 2019, be notified in their November 2019 to option to revert to paper bills;
- The option to cancel online billings and resume paper billings be clearly stated on GT&T's online portals,
- the company shall ensure that its billing platform from which such paperless billings are accessed is updated and experience minimal latency. Further, should the platform fail during A BILLING CYCLE, each paperless bill customer should be informed and bills in hardcopy to be dispatched;
- Each customer who had received bills via the new format effective May 2019 and is desirous of receiving their detailed tax invoice, shall receive same free of cost as requested;
- Customers are required to pay a fee of \$300 for a copy of lost/ damaged bill and who were already issued a hard copy bill.

OVERVIEW OF THE TELECOMMUNICATION SECTOR

Mobile

When compared to 2018, the combined number of active mobile sets for GT&T and Digicel increased by approximately 2.5% at the end of 2019. However, despite the increase in mobile handsets in 2019, paid mobile minutes of use fell by approximately twenty-six million minutes for the period. A feature of mobile minutes of use is the promotional minutes which is offered to customers by both service providers. The Commission noted that during 2019 both mobile operators, GT&T and Digicel were proactive in their free minute promotions. In addition, as a complement to their mobile data plans, the companies had offered free minutes and free text messages.

In 2019, promotional minutes on both networks amounted to approximately 300 million, amounting on average to consumers receiving 0.6 of a promotional minute for every paid minute of use. The Commission is of the view that the offer of free minutes may have been a contributory factor to ensuring that consumers continue to use their mobile services for calls and remain on the network. The bundling of free minutes with data plans may have made these plans attractive, since there was an increase in subscribers' numbers to the mobile data service.

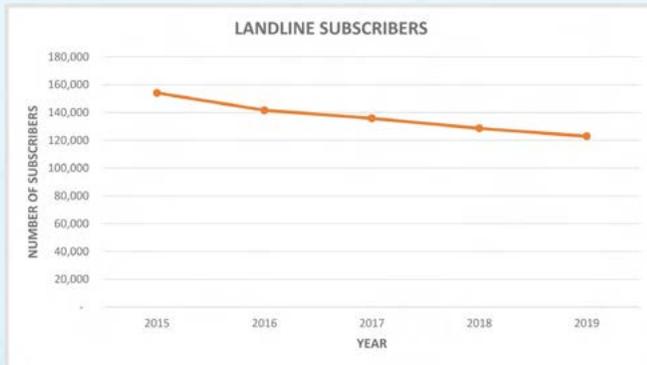
During the reporting year, the combined sales of megabytes of the two service providers increased by approximately 54% over the previous year, from

approximately 3.7 billion megabytes to 5.8 billion megabytes. This suggests that consumers are making greater use of data services at the expense of landline.

Landline Services

Subscribers

The number of active landline services continue to decline year on year, declining by approximately 6% over the previous year. The graph below shows the movement of landline subscribers over the just concluded five-year period of 2015 to 2019.



The number of subscribers fell from 154,057 to 122,890, representing a decrease of 20% over the five-year period. The Commission is of the view that the landline quality of service, migration and affordability may have been contributing factors to this decline. Admittedly, the Commission has not conducted an independent survey, however, from the analysis of reports received from the service providers, we have noticed, that the trend seems to suggest a preference to retain the mobile service as opposed to retaining both the landline and mobile.

The Commission has taken note of a decline in minutes of use of approximately 17% over the previous year 2018, from approximately 484 million to 405 million. The decline in landline minutes over the years have been attributed to the access to Over the Top Technology such as WhatsApp, Skype, Facetime and Facebook, coupled with the prevalent use of mobile phones and its accompanying SMS feature.

International Calls

With the introduction of Over the Top Technology such as WhatsApp and Skype, which allows for voice calls and messages over the internet, using data has challenged GT&T's international operations. As a result, there has been a steady decline in minutes of use on both inbound and outbound networks year

on year. In 2019, inbound minutes declined by 20% when compared to 2018, or by approximately 5.2 million minutes of use; and outbound minutes fell by 24% when compared to 2018, or by approximately 3.6 million minutes of use.

Internet Services

Digital Subscriber Line (DSL)

The number of DSL subscribers declined in 2019 when compared to 2018. The decline, however, was not significant, which may be attributed to either a reluctance to switch to GT&T's Fiber to the Home (FTTH) service or other contributing factors for which the Division has no independent knowledge.

At the beginning of January 2019, the company adjusted DSL rates as follows:

DSL SERVICES	OLD PRICES	NEW PRICES
	\$	\$
Consumer Bronze	6,299	6,599
Consumer Bronze Legacy	6,299	6,599
Consumer Silver	8,899	9,199
Consumer Silver Legacy	8,899	9,199
Consumer Gold	9,999	10,299
Business Bronze	11,399	11,799
Business Silver	16,999	17,399
Business Gold	19,399	19,799

The aforementioned DSL rate increases did not severely impact the number of subscribers as the decline during the year was negligible and may be attributed to subscribers moving to the GPON network.

Giga-Byte Passive Optical Network (GPON)

GPON is a Passive Optical Network, which utilizes fiber optic cable as well as optical frequencies. It has a speed of approximately 1.25 gigabits per second in the upstream direction and a downstream rate of 2.48 gigabits per second. This service provides a more reliable and faster internet access when compared to the DSL service, which runs off the company's copper line network.

GPON services increase year on year by 29%, which amounted to a total of 24,323 subscribers at the end of December 2019. Effective January 1st, 2019, the Guyana Telephone and Telegraph Company increased installation fee from \$12,000 to \$15,000, which has not impacted negatively on the widening subscriber base.



Guyana Water Inc.

ORDER NO. 2 OF 2018

In 2018, the Commission had approved most of the adjusted rates as sought by the Guyana Water Incorporated (GWI); but it had ordered a phased approach to implementation. The first phased increase was effective from 1st of October 2018 and the second, effective from 1st October 2019. This graduated increase was an attempt to alleviate the financial burden which had been placed on consumers especially those in the lower financial bracket.

On the 1st day of October 2019, GWI implemented the second tranche of increases. The increases from 1st October 2019 are detailed below:

CUSTOMER TYPE	1 st October 2018		1 st October 2019	
	Fixed charges- per month \$	Consumption charges \$	Fixed charges- per month \$	Consumption charges- \$
Meter residential consumer	250	86 per m ³	500	112 per m ³
Un-metered residential consumers	250	1,100 per month	500	1,450 per month
Metered pensioners	Nil	74 on the 1 st 10 M ³ and 86 per M ³ thereafter	Nil	74 on the 1 st 10 M ³ and 112 per M ³ thereafter
Un-metered pensioners	Nil	740 per month	Nil	740 per month
Metered commercial consumers				
Un-metered commercial & industrial consumers:	250	2,200 per month	500	3,000 per month
Small commercial & industrial	250	5,700 per month	500	8,000 per month
Large Commercial	250	13,000 per month	500	15,000
Large industrial	250	21,000 per month	500	24,000 per month

As a condition precedent to the granting of the increased rates for the various categories, GWI is mandated by the Order 2 of 2018 to achieve certain targets over a predetermined period and to report its performance thereon to the Commission bi-annually, commencing from the 1st January 2019. The targets and reporting formats have remained unchanged and to date GWI has complied with the Order.

GWI'S OPERATING PERFORMANCE 2019:

Collections

Collections from consumers continue to improve, as the company strives to meet the collection rates as set by the Commission in Order 2 of 2018, which requires that the company should collect 96% of its billed sales by the end of 2020. In 2019 collections increased by approximately 29% over 2018.

Metering

Order 2 of 2018 directed that the Company meters no less than 12,000 unmetered consumers in 2019. There have been marked improvement in the rate of metering in 2019. For the year under review the company metered over 12,000 unmetered consumers.

Non -Revenue Water

Non – revenue water is water produced for which there has been no corresponding revenues. This vexing issue has been the bane of the company's operations from its inception with resulting losses in excess of 60% of water extraction.

By virtue of Order 2 of 2018, the Commission has given the company approximately seventeen years to reduce non-revenue water from its present level to

15% of water extracted; and for 2019 the company is required to reduce non-revenue water by 2.5% over the previous year.

The company has actively sought to implement measures to combat these losses by ensuring that all its unmetered consumers are metered and repairs to any leaks throughout its transmission system are executed in a timely manner. However, a reduction of 2.5% in the context of global production and distribution proves somewhat difficult to measure during this initial period.

Operating results

The tariffs approved by the Commission for the years 2018 and 2019 will not immediately return the company to profitability. However, should there be sustained acceleration of its metering and non-revenue water programs, there will be a marked growth in revenues.

CONCLUSION

From its inception, GWI has been the recipient of significant funding both from International Donor Agencies and the Government of Guyana. The company's capitalization programs have benefitted significantly through these loans. To its credit, the company has consistently expanded its services to un-served areas, a prerequisite towards achieving universal service and access. Commendable as this is, aggressive metering of un-metered services and sustained reduction of non-revenue water are the twin pillars which will ensure the company's long-term viability. GWI is now poised to move forward and it is hoped that the Company could achieve landmarks which would be beneficial to all stakeholders.



Engineering Division

The Engineering Division is tasked with the responsibility of examining and reporting on technical trends and to collaborate with the Complaints Division on technical challenges faced by consumers.



OPERATING STANDARDS & PERFORMANCE TARGETS (OSPT)

The OSPT of the Guyana Power & Light Inc. (GPL) is examined annually through the index of Operating Standards & Performance Targets. The Commission is under a statutory obligation to conduct an annual review through a public hearing, no later than the 30th of March for the preceding year with a view to examine GPL's standards and corresponding achievements.

The eight (8) operating standards and performance targets are:

1. Customer Interruptions
2. Voltage Regulation
3. Meter Readings
4. Issuing of Bills

5. Accounts Receivable
6. Accounts Payable
7. Losses
8. Average Availability.

The Engineering Division reports on the following Operating Standards and Performance Targets for the year 2019.

- Customer Interruptions (SAIFI and SAIDI)
- Voltage Regulation
- Losses
- Average Availability

The 2019 targets, which formed the basis of the analysis were obtained from GPL's Development and Expansion Plan 2016 – 2020. The three quarters are tabulated and shows the performance of the company over the three quarters.

OSPT			2018 Targets	2018 Achievements	2019 Targets	2019 Achievements	
Standards		Units	Annual		Annual		
1	Customers Interruptions	SAIFI	No.	70	106	68	115
		SAIDI	Hrs.	80	112.6	80	113
2	Voltage Regulation	% of Nominal Voltage (stable)	%	± 5		± 5	
		% Variance after Syst. Disturb.	%	± 10		± 10	
3	Losses	Total Losses	%	27.9	28.5	23.8	27.8
		Technical	%	15.2	14.45	12.8	14.5
		Non-Technical	%	12.7	14.05	11	13.3
4	Average Availability		%	80	85.8	80	84

Customer Interruptions

The indices used for monitoring customer interruptions are the System Average Interruption Frequency Index (SAIFI) and System Average Interruption Duration Index (SAIDI).

(iii) System Average Interruption Frequency Index (SAIFI):

- This index is commonly used as an indicator by all power utilities to calculate the number of outages a customer will experience. Example - if a feeder (power line used in transferring electrical power from substation to the distribution transformers) which supplies ten thousand (10,000) customers and there were three (3) outages for the month and the number of customers who were affected was six thousand (6,000); then the failure rate is $[3 \times 6000] / 10000 = 1.8$ interruptions per customer.

Therefore, the formula for calculation is: -

$$\text{SAIFI} = \frac{\text{Total Number of Customer Interruptions}}{\text{Total Customers Served}}$$

The target projected for 2019 was 68; meaning that on average a consumer should expect no more than 68 outages for 2019 as compared to 2018 target of 70.

At the end of 2019, the average number of outages per customer was 115 as compared to 106 for 2018. GPL failed to meet the 2019 target.

(iv) System Average Interruption Duration Index (SAIDI):

- This index is commonly used as a reliability indicator by power utilities to calculate the number of customers who may experience a power outage.

Example - if a feeder supplies ten thousand (10,000) customers and there were three (3) outages for the month and each outage lasted for one (1) hour each and it affected six thousand (6,000), seven thousand (7,000) and nine thousand (9,000) customers respectively; then the index will be $[1 \times 6000 + 1 \times 7,000 + 1 \times 9,000] / 10,000 = 2.2$ hours per customer.

Therefore, the formula for calculation is: -

$$\text{SAIDI} = \frac{\text{Total Customer Hours of Interruptions}}{\text{Total Customers Served}}$$

The SAIDI target for 2019 was 80 hours of power interruptions, an average of 20 hours per quarter which was the same for 2018.

At the end of 2019, the average duration of outages

was 113 hours, as compared to 112.6 hours for 2018. Again, GPL failed to meet the 2019 target.

The determinant factors for the failure of the SAIFI and SAIDI targets include:

- i. Aged components in many parts of the transmission network such as primary distribution wires, fuse cutout (used to disconnect power from the transmission line and the distribution transformer).
- ii. Lack of redundancy during maintenance and rehabilitation work, this occurs when there are planned maintenance and the network is de-energized, there is no other parallel network to energize affected consumers.
- iii. The inability to remedy unforeseen failures. A prime example was the damage to the 69kV submarine cable between Vreed-en-Hoop to Kingston power station which caused significant imbalance on the Demerara Berbice Interconnected System (DBIS) which resulted in the reduction of available power for distribution on this network. The rehabilitation of the cable required resources which included the recruitment of external expertise.

Details of the number of consumers affected by the damage of the 69 KV line should be presented at the GPLs OSPT hearing.

Voltage Regulation

This standard requires GPL to maintain $\pm 5\%$ of nominal voltage in stable conditions and $\pm 10\%$ of nominal voltage after system disturbances.

GPL has maintained that it is difficult to monitor the voltage delivered to each customer, as such an alternative to voltage regulation, GPL has introduced its own standard. It has given itself a maximum of 30 days to address all voltage complaints received by the company.

The company has set an ambitious target of 100% completion of all voltage complaints to be solved in the period of thirty (30) days; the target of 92.14% was achieved. This failure was due to resources constraint.

GPL, in its 2015–2019 Development and Expansion Plan, stated that it intends to install 70,230 Advanced Metering Infrastructure (AMI) meters during that period which should aid in reducing commercial losses and also aid in identifying voltage levels within distribution networks.

System Losses

The losses projected for 2019 is 23.8% taken from the

GPL’s Development and Expansion Plan 2016 – 2020 this represents a decrease over the 2018 target which was set at 27.9%.

At the end of 2019, the average losses were 27.8 % (14.5 % technical and 13.3 % non-technical). In 2018 GPL set a target of 27.9% (15.2% technical and 12.7% non-technical) and they achieved a total loss of 28.7 (14.5% technical and 14.2% non-technical); for 2019 they had planned to reduce technical losses by 2.4% and non-technical losses by 1.7%; this was not achieved.

Average Availability

The average availability is computed as a ratio of declared capacity and available hours to installed capacity and hours in the period. The 80% target for 2018 remained the same for 2019. GPL reported an average availability of 88.31% at the end of 2019.

In the year 2018 the company’s availability achievement was 85.8% and for 2019 it was 84%, which indicated a decline in 2019. This decline may have been attributed to the lack of the full capacity of the Vreed-en-Hoop power station which was not fully connected to the Demerara Berbice Interconnected System (DBIS).

For a protracted period of time the Essequibo Coast has experienced prolonged power outages which affected the residential and business consumers. To combat this GPL in April 2019 has commissioned a 5.5 MW Wartsila generating plant at the Anna Regina power station to boost the demand by consumers in that region. This addition to the generating plant has greatly improved in providing the consumers with a constant supply of power.

The company commissioned another 5.5 MW Wartsila generating plant at Canefield generating station in March 2019 and this increased power to the Demerara Berbice Interconnected System (DBIS). These installations will improve the indices of future Average Availability factors for the Operating Standard Performance Targets (OSPT).

As a result of the increase in the number of generating sets to the GPL’s generating assets and the availability of generated power, previously affected areas now experience a constant supply of power.

TECHNICAL REVIEWS

The Engineering division continues to review technical

complaints from GPL consumers. Allegations of impropriety levied against consumers for meter tampering and meter bypass by the company were filed at the Commission. The tampering of the measuring device (electrical meter) is subject to illegal entry into the meter which occurs when the altering of the bearing screws changes the rotational speed of the disc in contrast to the consumer usage. The other consumer interference is referred to as bypassing the meter, this occurs where electrical cables are used to connect to the GPL service line and the consumer main switch, thus, denying the electrical meter from recording the consumer usage.

Technical Complaints (GPL Consumers) Reviewed during 2109	Closed Files in Favor	
	GPL	Consumer
106	37	7

Table showing the number of technical complaints reviewed.

Meter tampering and bypass in general continue to affect the company’s ability to achieve its target for non-technical losses.

GPL in an effort to combat tampering has introduced the Public Utility Upgrade Program (PUUP) in 2017. The Public Utility Upgrade Program (PUUP) is funded by the Inter-American Development Bank (IDB) and the European Union (EU). The objective of this program is to aid GPL in improving management and administration skill set, system planning, infrastructure upgrades which will allow loss reduction to be consistent with their Development and Expansion programs.

Smart meters with newly designed duplex and triplex concentric cables were procured by the company during the establishment of the Public Utility Upgrade Program (PUUP). Concentric cables of this model are intended to deter persons from connecting to the cables directly in an attempt to bypass the meters. However, these smart meters may not be fool proof as the Commission has noted that the meters are susceptible to internal tampering where the internal laminations are either removed to alter the accuracy, or the internal current coils are shunted thereby, creating a bypass. These meters are also susceptible to tampering as consumers allegedly enter these meters and remove the internal current laminations which aid in reducing the electromagnetic flux to the electronic sensors, thus, limiting the recorded usage by the consumer.



The Telecommunications Sector

Landline Installation

In July 2014, Guyana Telephone and Telegraph Company (GT&T) had applied for new rates and a variation of rates for their land line offerings. Consequently, Orders 2 of 2017 and 4 of 2017 were issued and rate changes were approved by the Commission which dictated that from the effective date of the Order no less than 350 new land line services are to be installed for every consecutive three months period.

The following table below represents the number of installed lines for the period August 2017 to January 2020.

August 2017 to January 2020		
Applications Received	Services Installed	Outstanding
21,561	6,344	15,217

Table: Shows the Total Applications Received and Installed Land Line Service.

As the company continues to install the targeted amount of fixed lines, the demand for fixed line services continues to increase.

From our analysis it would appear that consumers continue to demand access to internet service which is affordable, and consumers are now choosing to enjoy this service via a cable link to their premises.

In the later part of 2017, the company introduced the

Fibre to the Home (FTTH). The Fibre to the Home uses the passive optical technology where a signal is transmitted by light rays via a fibre cable. This internet service technology which is signalled to replace the existing copper network and from all observations and reports it has taken precedence over the copper line network as reflected from the numbers of outstanding applications.

Fix Line Fault Repair

By Orders 2 and 4 of 2017, the Commission directed that GT&T submit quarterly reports on the average time required to resolve residential and business consumers faults on their fixed lines. The majority of faults reported during 2019 involve consumers who experienced no dial tone to their instrument. For the period January 2019 to December 2019 there were a total of 60,611 reported faults and 58,148 were remedied which amount represents 96% of cleared faults reported; when compared to 2018, there was a total of 68,597 reported faults, 12% more than 2019 and 67,276 were remedied which represents 98% of cleared faults.

Tables 1 and 2 illustrates that for the periods in 2018 and with the exception of August to October 2018, there were more reported faults when compared to the same period in 2019. This may be attributed to the fact that GT&T has sought to maintain its copper line infrastructure in an improved manner than the previous reporting year.

Period	Reported Faults	Cleared Faults
Jan 2019	4,556	4,382
Feb 2019 to Apr 2019	13,094	12,631
May 2019 to Jul 2019	17,296	16,396
Aug 2019 to Oct 2019	16,744	15,979
Nov 2019 to Dec 2019	8,821	8,760
Total	68,597	67,276

Table1: Shows the Reported and Cleared Faults in 2019

Period	Reported Faults	Cleared Faults
Jan 2018	5,693	5,336
Feb 2018 to Apr 2018	17,158	16,847
May 2018 to Jul 2018	18,928	18,728
Aug 2018 to Oct 2018	16,455	16,044
Nov 2018 to Dec 2018	10,363	10,321
Total	68,597	67,276

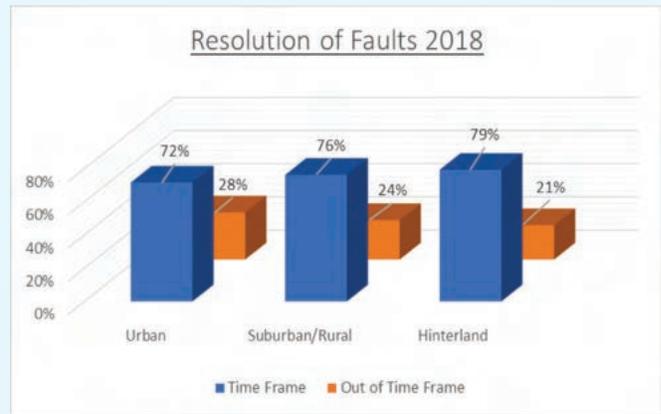
Table2: Shows the Reported and Cleared Faults in 2018

Time Frame in Remedying Faults

By virtue of Order 4 of 2017 the Commission had mandated that fault repairs to land lines be remedied in the following time frame.

- Urban Areas (townships): 5 working days
- Suburban/rural Areas: 8 working days
- Hinterland Areas: 20 working days

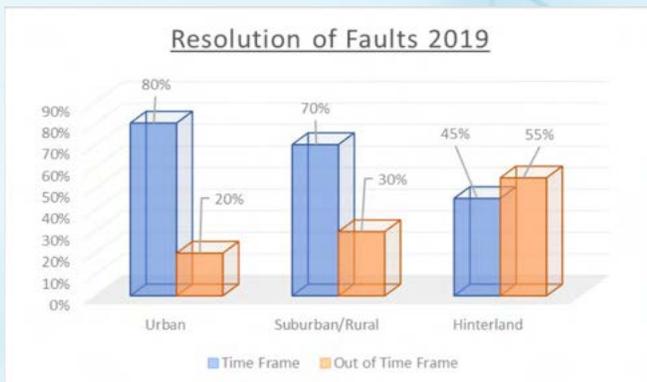
The bar graphs below represent the time frame for resolving and remedying reported fixed line faults. As shown in the graph provided for suburban, rural and hinterland areas GT&T's response time in clearing and closing faults in those areas is inconsistent with the dictate of the Orders 2 & 4 of 2017.



Bar Graph showing the Time Frame in Remedying Land Line Faults in 2018

As it relates to time frame for 2019 the urban areas, 80% of the faults were remedied within the prescribed time frame. Whilst the resolution of faults in the rural areas indicates that 70% of the faults were resolved in the prescribed time frame. The company has 20 working days to remedy faults in hinterland areas, but the graph indicates that 55% of the reported faults could not be remedied in the prescribed time frame.

When comparing this resolution time frame for 2019 to 2018 GT&T has responded to faults in 2018 in a timely manner for the suburban and hinterland areas. The urban areas show some improvement as against the 2018 reporting year. The lag in 2019 for the suburban and hinterland areas may indicate that the deployment of technical personnel may not have been executed in a timely manner.



Bar Graph showing the Time Frame in Remedying Land Line Faults in 2019





The Water Sector

WATER QUALITY STANDARDS

Section 90 of the Water and Sewerage Act 2002 provides for a licence which was granted to the Guyana Water Inc. to the supply of water and sewerage services, which is produced and distributed by the water utility.

It is expected that the water and sewerage service meets the World Health Organization (WHO) water standards as seen in table where the contents such as pH, turbidity, iron, aluminium, colour and chlorine in water by all water producing utilities should achieve the water quality level as seen in the table.

WHO Values	pH	Turbidity (NTU)	Iron (mg/l)	Al (mg/l)	Colour (TCU)	Chlorine (mg/l)
	6.5 - 8.0	≤ 5.0	< 3.0	≤ 0.2	< 15	5.0

Table showing WHO water quality levels

The Commission as part of its mandate constantly compares water quality data submitted by the Guyana Water Inc. (GWI) to ensure the following standards pH, turbidity, iron content, aluminium content, colour and chlorine in water produced and supplied to consumers are WHO compliant.

In applying WHO's guidelines for drinking water and in conjunction with service standards of GWI's Licence, treated water, is required to meet the following standards:

Parameter	Target
pH	6.5 – 8.5
Turbidity	≤ 5 NTU
Iron	≤ 0.5 mg/l
Aluminium	≤ 0.2 mg/l
Colour	≤ 15 Hazens
Chlorine	≤ 0.5 mg/l

pH

pH is one of the most common water quality tests performed and it indicates acidity of drinking water. The water utility is required to disinfect drinking water until it reaches the pH acceptable level for consumption.

Turbidity

Turbidity in water gives it a cloudy appearance and this is caused by microscopic particles in the water.

The importance of the level of turbidity should not be understated as high levels can prevent the passage of sunlight to the water and can increase water temperature, hence, the development of algae growth in the storage reservoir. To reduce turbidity in water, filtration such as reverse osmosis which is very effective, and the water becomes crystal clear must be conducted by the utility.

Iron

Iron in drinking water remains a concern for water utilities. When the rainwater infiltrates the soil, it dissolves the geological formation of iron and this seeps into the aquifers which is an underground layer of water-bearing permeable rock which serves as the source of ground water for wells. A small amount as little as 0.3 mg/l may cause water to turn a reddish-brown color.

The iron content in the water when in its insoluble form then exposed to oxygen becomes a reddish-brown substance in water. This substance is visible when the water is settled in a container or on surfaces.

Aluminum

Aluminum levels in drinking water supplies averaged 0.01 mg/liter but should not exceeded 0.2 mg/liter. The utility may remove the excess aluminum content from the water by flocculation which is a process where aluminum salt and aluminum sulphate is applied to the water thereby forming aluminum hydroxide. The aluminum hydroxide is settled, and it is then removed by filtration.

Colour

Drinking water should be colourless at all times. This colour in water is removed by filtration staged designed by the GWI. The most common source of color in water is caused by the decaying of organic matter that render the water to a yellowish “tea colour”. Colour is mostly found in surface water,

although ground water may contain some color if the aquifer flows through a layer of buried vegetation of a river.

Chlorine

Chlorine is a disinfectant agent used to remove waterborne diseases which may be present in the water. The chlorine kills the spread of waterborne disease such as cholera, typhoid and bacteria which commonly grow in water supply reservoirs and the water mains.

After the water is disinfected the level of chlorine must remain minimal.

A pH of less than 8 and turbidity below 5 will usually be required for there to be effective disinfection with chlorine.

The following represents an analysis of GWI treatment facilities

Region 2 & 3

	pH	Turbidity (NTU)	Iron (mg/l)	Chlorine (mg/l)
Target	6.5 - 8.0	≤ 5.0	< 0.5	0.5
Treatment Facility	GWI Results			
Lima Plant	7.36	4.04	0.32	0.28
Fellowship Plant	7.81	2.70	0.09	0.40
Pouderoyen Plant	6.82	1.02	0.21	0.00
Vergenoegen Plant	7.36	4.73	0.45	0.26

The above table shows the Regions 2 and 3 treatment facilities at Lima, Pouderoyen, Fellowship and Vergenoegen produced potable water which meets the targets as set for pH, turbidity, and iron. The water from Lima, Fellowship and Vergenoegen plants each contain a chlorine residual, which is the amount of free chlorine which remains in the water after the initial application of chlorine and which should be less than 1.0 mg/l.

Region 4

	pH	Turbidity (NTU)	Iron (mg/l)	Al (mg/l)	Chlorine (mg/l)
Target	6.5 - 8.0	≤ 5.0	< 0.5	≤ 0.2	0.5
Treatment Facility	GWI Results				
Better Hope Plant	8.30	0.17	0.05		2.00
Mon Repos Plant	8.4	0.34	0.04		NCR
Friendship Plant	6.45	28.40	1.43		-

At Better Hope and Mon Repos – pH was above the

limits, turbidity at Friendship was significantly over the limits and the chlorine which remains in the water at Better Hope plant was above the limits.

	pH	Turbidity (NTU)	Iron (mg/l)	Al (mg/l)	Chlorine (mg/l)
Target	6.5 - 8.0	≤ 5.0	< 0.5	≤ 0.2	0.5
Treatment Facility	GWI Results				
Eccles Plant	6.30	18.70	1.97		NCR
Covent Garden	6.05	33.70	2.28		0.03
Grove Plant	6.77	4.98	0.79		NCR

The facilities at Eccles, Covent Garden and Golden Grove on the East Bank of Demerara struggle to keep turbidity within the 5.0 NTU limit. Notwithstanding the fact that the iron content for those areas did not meet the 0.5 mg/l target, the values were still within a WHO 3.0 mg/l guideline value.

	pH	Turbidity (NTU)	Iron (mg/l)	Al (mg/l)	Chlorine (mg/l)
Target	6.5 - 8.0	≤ 5.0	< 0.5	≤ 0.2	0.5
Treatment Facility	GWI Results				
Shelter Belt Plant	4.78	5.49	0.33	1.326	1.90
Sophia Plant	7.01	0.45	0.20		0.00

At the Shelter Belt plant in Georgetown, it was noted that pH, Turbidity, Aluminium, and chlorine were not in line with the targeted range as shown in the table above. This is probably as a result of the stages in the filtration and the need for more disinfection with chlorine is needed.

Regions 5 & 6

	pH	Turbidity (NTU)	Iron (mg/l)	Chlorine (mg/l)
Target	6.5 - 8.0	≤ 5.0	< 0.5	0.5
Treatment Facility	GWI Results			
Cotton Tree Plant	6.67	2.26	0.19	0.20
New Amsterdam Plant	6.27	0.32	0.12	0.47
Port Mourant Plant	6.55	0.73	0.22	0.87
No. 56 Plant	6.56	0.20	0.06	0.94
Queenstown Plant	6.61	0.23	0.10	0.13

At Cotton Tree, New Amsterdam, Port Mourant, No.56 and Queenstown - pH, turbidity, iron, and chlorine (residual) were within limits, except for New Amsterdam, where the pH was marginally below the 6.5 limit.

This was probably due to the stages in the filtration and more disinfection with chlorine is needed.

Regions 7 & 10

	pH	Turbidity (NTU)	Iron (mg/l)	Al (mg/l)	Colour (TCU)	Chlorine (mg/l)
Target	6.5 - 8.0	≤ 5.0	< 0.5	≤ 0.2	< 15	0.5
Treatment Facility	GWI Results					
Bartica Plant	7.57	13.60	0.33	0.316	20	0.03
Mackenzie Plant	4.09	2.07	0.29	2.904	10	0.19
LPC Plant	4.25	6.82	0.27	5.004	6	0.42
Amelia's Ward Plant	5.15	4.05	1.14			0.08
Wisroc Plant (Old)	4.52	2.96	0.29	0.294	11	0.12
Wisroc Plant (New)	4.36	1.92	0.42	0.334	10	0.08

Wisroc old facility produced water within limits for turbidity, iron, colour, and chlorine. The other facilities did not meet the limits.

Conclusion

GWI has shown that its many treatment facilities continue to be affected by abnormal levels of pH, turbidity, iron and aluminium when compared the WHO levels. The Commission will expect this will not be the continuing trend and expects a marked improvement for 2020.



Complaints' Division

OVERVIEW

The Public Utilities Commission has been empowered by the PUC Act No. 10 of 1999 to investigate unresolved consumer complaints of the utilities under its purview.

In an effort to ensure that we cater for a wide consumer base, and provide an efficient service to our customers, the Commission has established offices in Georgetown, Berbice and as at October 2019 established its Linden office.

A feasibility study as a precursor to the establishment of a fourth office in Essequibo was conducted in the latter part of 2019.

All of the Commission's offices linked via a Virtual Private Network technology which allows for seamless collaboration with our offices and stakeholders.

The Division is the primary driver in our vision to reach and sensitize consumers on the work of the Commission and their rights and responsibilities.

COMPLAINTS RECEIVED

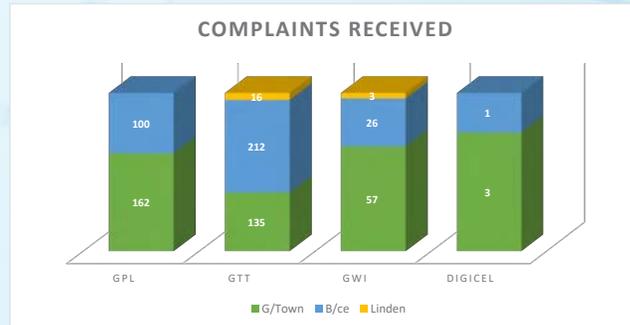
As at December 31, 2019, 715 complaints were

received and processed by the Commission. Save and except for Digicel, the complaints received for all utility service providers, increased during the period under review (2019) when compared to the previous reporting period 2018. The total number of complaints received (715) increased by 27% when compared to the 563 complaints received in 2018. Interestingly, whilst the complaints received by our Georgetown office has reduced by 10%, complaints received by our Berbice office increased by 102%. This may have been attributed in part to the Commission's public awareness drive in that region.

Complaints received by consumers of GPL has increased by 6% from 248 in 2018 to 262 in 2019 whilst the complaints filed against GT&T increased by 52% from 239 in 2018 to 363 in 2019. The bulk of the increase was attributed to GT&T consumers in East and West Canje, East Bank and Corentyne Berbice.

Complaints filed against GWI have increased by 25% from 69 in 2018 to 86 in 2019, the bulk of this increase was derived from consumers in New Amsterdam, Berbice. We have noted that complaints received against Digicel have reduced by 75% for the year 2019.

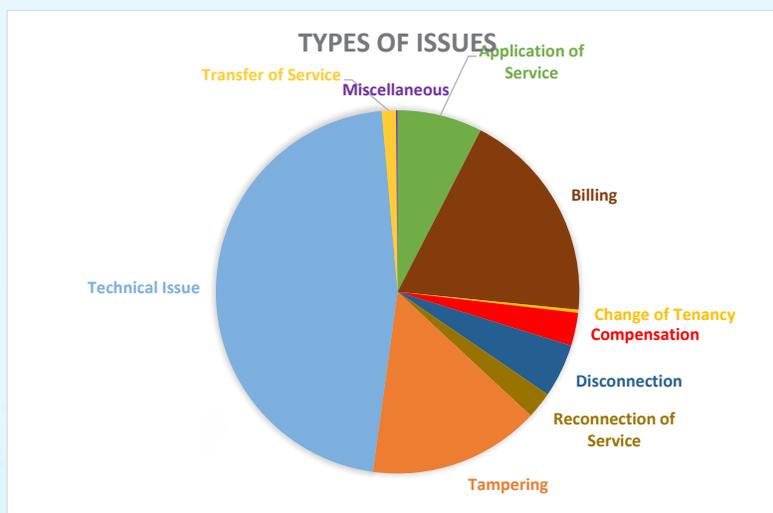
The graph below shows the complaints received for each of the utilities for the year 2019.



ISSUES REPORTED

ISSUES	UTILITY										TOTAL
	GPL		GT&T			GWI			DIGICEL		
	G/Town	B/ce	G/Town	B/ce	Linden	G/Town	B/ce	Linden	G/Town	B/ce	
Application of Service	13	5	11	12		8	3		2		54
Billing	45	10	45	2	1	22	7	3	1		136
Change of Tenancy	2										2
Compensation	17	1	2			1					21
Disconnection	4		12			11	7				34
Reconnection of Service	3	1	3	3		3	4				17
Tampering	35	71					3				109
Technical Issue	43	11	61	187	15	12	2			1	332
Transfer of Service			1	8							9
Miscellaneous		1									1
Total	162	100	135	212	16	57	26	3	3	1	715

PUC ANNUAL REPORT 2019
TYPES OF COMPLAINTS



Technical issues represented 46% of complaints filed with the Commission for 2019 whilst billing issues represented 19%; tampering issues 15%; application for service 8%; claims of wrongful disconnection represented 5%, compensation for damages to equipment 3%, issues with the reconnection of service 2% and transfer of service 1%. The remaining 1% represents issues regarding change of tenancy and other miscellaneous issues.

Complaints filed against GT&T for technical issues with respect to the landline service represents 37% of all complaints received, whilst 15% represents tampering issues with the GPL's service, 8% for billing issues against GPL; 7% for technical issues against GPL, 7% for billing issues against GT&T and the remaining 1% for issues regarding change of tenancy at GPL and other miscellaneous issues.

COMPLAINTS BY REGIONS

ISSUE	UTILITY	Reg. 2	Reg. 3	Reg. 4	Reg. 5	Reg. 6	Reg. 7	Reg. 10	TOTAL
Allegation of Tampering	GPL	1	10	24	3	68	-	-	106
	GWI	-	-	-	-	3	-	-	3
Sub total		1	10	24	3	71	0	0	109
Application for New Service	Digicel	1	-	-	-	-	-	1	2
	GPL	-	1	12	-	5	-	-	18
	GT&T	-	2	6	-	12	-	3	23
	GWI	-	4	1	-	3	-	3	11
Sub total		1	7	19	0	20	0	7	54
Billing Issues	GPL	-	7	37	1	10	-	-	55
	GT&T	-	7	36	1	2	1	1	48
	GWI	2	7	13	-	7	-	3	32
	Digicel	-	-	1	-	-	-	-	1
Sub total		2	21	87	2	19	1	4	136
Change of Tenancy	GPL	0	0	2	0	0	0	0	2

PUC ANNUAL REPORT 2019

Claims of Compensation	GPL	0	1	16	1	0	0	0	18
	GT&T	-	1	-	-	-	-	1	2
	GWl	-	-	1	-	-	-	-	1
Sub total		0	2	17	1	0	0	1	21
Claims of Wrongful Disconnection	GPL	-	1	3	-	-	-	-	4
	GT&T	-	1	11	-	-	-	-	12
	GWl	-	3	6	-	8	-	1	18
Sub total		0	5	20	0	8	0	1	34
Reconnection of Service	GPL	-	1	2	1	-	-	-	4
	GT&T	-	-	3	1	2	-	-	6
	GWl	-	1	2	-	4	-	-	7
Sub total		0	2	7	2	6	0	0	17
Technical Issues	GPL	-	8	31	5	10	-	-	54
	GT&T	-	10	37	4	186	1	25	263
	GWl	-	3	6	-	2	-	3	14
	Digicel	-	-	-	-	1	-	-	1
Sub total		0	21	74	9	199	1	28	332
Transfer of Service	GT&T	0	0	1	0	8	0	0	9
Miscellaneous	GPL	-	-	-	-	1	-	-	1
Total		4	68	251	17	332	2	41	715

Approximately 81% of all complaints received stemmed from the Regions (4 & 6) where the Commission's operating centres are located. The table below indicates from which areas in regions 4 and 6 the complaints stem.

Table showing complaints received in region 4 and 6.

AREAS	COMPLAINTS RECEIVE
REGION 4	
Georgetown and Greater Georgetown	128
East Coast Demerara	75
East Bank Demerara	48
Total Complaints for Region 4	<u>251</u>
REGION 6	
Upper Corentyne	29
Central Corentyne	202
New Amsterdam	32
East Bank Berbice	14
East Canje, Berbice	43
West Canje, Berbice	11
Total Complaints for Region 6	<u>331</u>

PUC ANNUAL REPORT 2019

The Commission in October 2019 opened its office on Republic Avenue, McKenzie, Linden, Region 10. As at December 31, 2019, nineteen of the 41 complaints received from consumers in this region were received by our Linden office.

The Commission is continuously studying trends and avenues to extend its reach to the Essequibo Coast and its surrounding islands and locations.

METHODS OF FILING COMPLAINTS

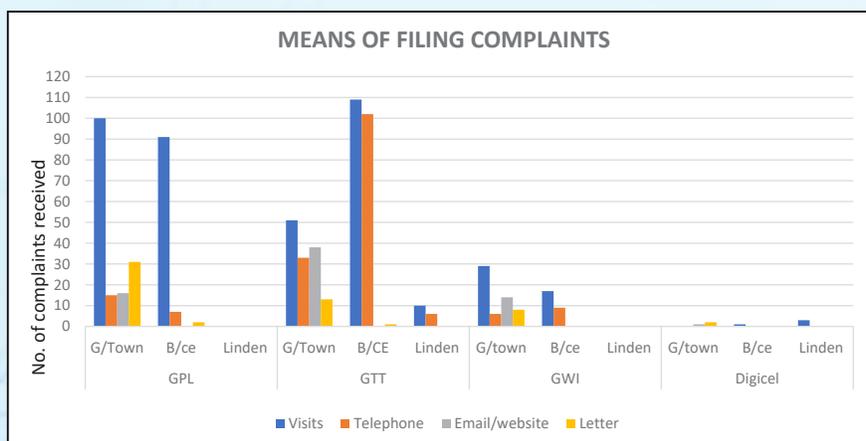
Consumers who are desirous of redress on their unresolved issues are encouraged to contact the Commission via any of the methods identified below.

- Post or hand delivered letter of complaint to the Commission
- Via E-mail at complaints@puc.org.gy
- Visit to our offices:

Lot 106 New Garden Street, Georgetown – Telephone: 226-7042 or 227-2182

Lot AV Free yard Port Mourant, Corentyne, Berbice – Telephone: 336-6077 or 336-6192 Lot 97-98 Republic Avenue, McKenzie, Linden – Telephone: 444-4025 or 444-4065

- Via the Commission’s website www.puc.org.gy. This website will soon be replaced by www.pucguyana.com to facilitate online filing and complaints@pucguyana.com.



In 2019, 57% of all complaints filed were via visits to our offices where our friendly staff assisted the complainants to complete and file their complaints; 25% were filed via telephone; 10% electronically (website/electronic filing) and 8% via post.

RESOLUTION OF MATTERS

	GPL		GT&T			GWI			DIGICEL		Total
	G/Town	B/ce	G/town	B/ce	Linden	G/town	B/ce	Linden	G/town	B/ce	
In favour of consumer	58	10	51	145	5	25	14	1	0	0	309
In favour of utility	27	28	23	0	0	10	2	0	1	0	91
Complaints rejected/No action taken	3	0	0	0	0	0	0	1	0	0	4
Complaints withdraw	1	0	1	0	0	0	0	0	0	0	2
Enquiries	6	5	8	1	0	2	6	0	0	1	29
Total resolved 2019	95	43	83	146	5	37	22	2	1	1	435
Received in 2019 and are unresolved	67	57	52	66	11	20	4	1	2	0	280
Unresolved from Prior years	40	6	30	13	0	28	0	0	0	0	117
Total unresolved as at December 31, 2019	107	63	82	79	11	48	4	1	2	0	397

In 2019, four hundred and thirty-five (435) matters, representing 61% of the 715 matters received, were resolved.

Of the 435 resolved matters, 71% were resolved in the complainants' favour whilst 21% were resolved in the utilities' favour. 7% of the resolved matters were matters for which the complainants had approached the Commission prior to their service providers to discuss their issues. These complainants were informed of the process which dictates that they are required to approach their service providers prior to proceeding to file with the Commission. The remaining 1% represents complaints rejected and withdrawn. The following explanations represent the complaints which were deemed rejected

1. The complainant had informed the Commission in writing that he was desirous of a security deposit refund, but the complaint was rejected as he was required to exhaust these issues at the utility level prior to engaging the Commission.
2. The refusal of the issuance of a service as the certificate of inspection was in the name of a deceased third party. The Commission informed the complainant of the necessity to obtain the permission of the Administrator of the Estate of the deceased prior to any name change at the utility end.

Three complaints were withdrawn by the complainants as the matters were resolved during the currency of their matter before the Commission.

As it relates to our efforts to reduce the backlog and bottlenecks, fruitful discussions were held with the utility companies to have the unresolved complaints expedited in the new reporting period.

GT&T indicated that they intend to respond to all matters which were received before June 2019 on/ before the 15th day of April 2020 and the company has demonstrated its commitment to the dispatch of current matters in a timely fashion.

Collaborative meetings between GPL and the Commission are scheduled to be held in 2020 in an effort to resolve pending complaints.

GWI has responded to a number of the backlogged matters and by all indications are committed to resolving their matters.

All complaints to GT&T are submitted and responses

received via an escalation process, which enables the Commission to submit complaints and receive GT&T's responses to these complaints via the company's electronic platform.

CREDITS AWARDED

Credits represent the quantum which is paid to customers' account by the utility company in order to reduce or correct an incorrect debit amount.

Credits are applied to consumers' accounts as a result of the rectification of an incorrect billing (overbilling) of the account; rebates of payment made for periods without service; or compensation for any action by the utility which amounts to a breach of its Customer Service Standards.

Rebates are partial refunds to customers subsequent to full price billing for a service which was only partially received.

GPL's Customer Service Standards 2015-2016 provides for the conditions which the company is required to follow.

- i. the timeframe to connect a new service after all conditions precedent for eligibility have been met.
- ii. timeframe to respond to fault repairs calls and replacement of a meter which is improperly registering. If the company is found to have breached these timeframes it is then required to credit the consumers account with specified amounts. For instance, if the company fails to install a residential consumer service, where no primary or secondary network is required, and for which all the requisite documents were submitted, and fees paid within the specified timeframe. The company is then required to credit the customer \$2,000 for each day the standard is breached to a maximum of \$40,000.00. This amount is applied to the account after the service has been installed.

The companies which bill their customers' accounts for the entire billing period but fall short of adequately providing the service for the said period are required to either bill only for the period the service was provided or bill for the entire period and apply rebates for the out of service periods.

GT&T is required to credit their customers' account with the amount billed to the account during the out of service period provided that the out of service period is beyond the allotted period to rectify the issue.

PUC ANNUAL REPORT 2019

PUC's Order 4 of 2017 directed GT&T to rectify faults, save and except for force majeure, reported in Urban areas (townships) within 5 working days, Suburban/rural areas within 8 working days and hinterland areas within 20 working days.

is required to ensure that consumer's accounts are properly credited. It is as a result of the diligent advocacy of this Division that the value of \$20,267,810 in the form of credits and rebates were received by consumers who filed their complaints during the reporting year 2019.

During the complaints review process the Commission

Below represents the credits and rebates received from respective utilities.

Utilities	Georgetown office	Berbice office	Linden office	Total
DIGICEL	\$ -	\$ -	\$ -	\$ -
GPL	\$ 17,689,808.00	\$ 650,131.00	\$ -	\$ 18,339,939.00
GT&T	\$ 396,963.63	\$ 1,133,084.03	\$ 83,295.72	\$ 1,613,343.38
GWI	\$ 292,541.00	\$ -	\$ 21,987.00	\$ 14,528.00
TOTAL	\$18,379,312.63	\$ 1,783,215.03	\$105,282.72	\$20,267,810.38

The successful collection of a total of \$72,216,542 in credits during the reporting year 2019 which included settlements pending from previous years was garnered for consumers.

Public Relations

During the year 2019 PUC embarked upon a continuous aggressive Public Relations campaign.

The general thrust of Public awareness campaigns of the Commission is to inform consumers of the regulated utility companies of their rights and responsibilities and the general role of the Public Utilities Commission.

POP-UP PUC OFFICES

In 2019, the Commission held Pop-up offices in Georgetown, Linden, New Amsterdam, and Vreed-en-Hoop. During all of our Pop-up offices consumers of the regulated utilities were provided with the opportunity to interact with our Complaints Officers and to engage in on the spot ventilation of their concerns. Ninety-eight (98) consumers seized upon the opportunity to seek redress with utilities.

During the year under review the five Television and eight radio interviews were conducted which garnered ample interest and information regarding our activities. Media interviews were also conducted during our pop-up offices at the CCAC expo, Water Street in the vicinity of Republic Bank, McKenzie Linden and New Amsterdam pop-up offices.

Linden

On March 22, 2019, the PUC held its first pop-up office at the Shopping Plaza Tarmac, Republic Avenue Linden. During the event three (3) formal complaints and four (4) enquiries were received against GWI. One (1) complainant took the opportunity to follow up on a matter previously filed with the Commission. Two (2) complaints and two (2) enquiries were received against GT&T.

All complaints received during our Linden Pop-up office are considered closed except for one matter which has been flagged for hearing.

The turnout in Linden was not overwhelming however, the feedback the Commission received from the residents indicated that there was an urgent need to expand our reach to Region 10. On the 7th October 2019, the Commission opened its 3rd office at 97-98 Republic Avenue, McKenzie Linden.

Georgetown

On April 15, 2019, the Commission held its second Pop-up Office in the vicinity of Republic Bank, Water Street, Georgetown. During the event nine (9) formal enquiries were received and three (3) complaints were filed. Four (4) enquiries were made regarding GT&T's service whilst three (3) were made as it relates to GPL's service and two (2) regarding GWI's service. Two (2) complaints were filed against GT&T and one (1) against GWI.

All complaints received during the Georgetown exercise, with the expectation of two (2) pending matters, were resolved.

New Amsterdam

On May 16, 2019, the Commission's third pup up office was held in New Amsterdam Berbice. During this event three (3) complaints and six (6) enquiries were made against GPL, eleven (11) complaints and eleven (11) enquiries were made against GT&T, six (6) complaints and twelve (12) enquiries against GWI and one (1) enquiry against Digicel was made.

Two (2) complaints received against GT&T and one (1) against GPL remains pending.

This pop-up office had the largest consumer turnout for 2019, the singular contributing factor may have been the widespread promotion which appealed to the Berbice consumers.

Vreed-en-Hoop

On October 21, 2019, the Commission took its pop-up shop to Vreed-en-Hoop where we interacted with consumers of the regulated utilities. Four (4) complaints were filed against GPL and one (1) against GWI.

All matters except one complaint filed against GPL were resolved and remains pending.

CCAC Mini Expo

The Competition and Consumers Affairs Commission (CCAC) held a mini expo on March 22, 2019 on Main Street Avenue in Georgetown. Notwithstanding the theme of the expo was 'Trusted Smart Products',

PUC as a stakeholder of CCAC was invited. We took the opportunity to interact with consumers of the regulated utilities. The consumers were informed of the role of the PUC. During the event, eight (8) formal enquiries (GT&T-5, GPL -2 and GWI – 1) were received and three formal complaints were filed, one against GT&T and 2 against GPL. Brochures and souvenirs were distributed.

All complaints received during this exercise were resolved.

The event was a resounding success as customers of the various participating companies interacted with members of the Commission.

GOVERNMENT AND MINISTERIAL OUTREACH

On March 27, 2019, the Commission participated in the Government and Ministerial outreach, which was held at the Square of the Revolution, Georgetown. Consumers of the regulated utilities took the opportunity to file complaints against the regulated utility companies. Two (2) formal complaints against GT&T and four (2) enquires, two (2) against GWI and two (2) against GT&T were received. We had two (2) on the spot follow ups on existing matters which were filed with the Commission against GT&T.

EXPRESSION DESIGNS FASHION SHOW

On June 28, 2019. The Commission sponsored a poetry reading and fashion event. A presentation on the role of the PUC was made by Ms. Jamelia Bancroft, a Complaints Officer. The Commission's presence at this activity was part of the Commission's aim to reach and inform the 18-25 demographic group of consumers. Participants of the event sought clarification on the work of the Commission and the process of filing complaints.

ANIMATION SUMMER CAMP

The Public Utilities Commission is cognizant of the contribution of Animation in the technology and education space. In its continued effort to reach a different demographic, the Commission sponsored a segment of the 2019 Guyana Animation Network Inc Summer Camp which was launched on July 12, 2019. Similar to all other outreach ventures in 2019, the Commission took the opportunity to make a brief presentation on the work of the Commission.

CALENDARS

The Commission is in the process of finalizing its 2020 calendars. The aim of the dissemination of calendars serves as a token of our appreciation to our stakeholder, complainants and vendors whilst simultaneously educating the beneficiary on the role of the Commission, consumer rights and useful tips.

POSTER DISTRIBUTION

Impactful PUC posters were designed and strategically placed at various locations from Rosignol to Georgetown, Georgetown to Timehri, Vreed-en-Hoop to Parika and in McKenzie Linden. We wish to express our gratitude to Ms. Monique Welch, Supervisor of our Berbice office who installed posters at selected locations from Rosignol to Eldorado Village on the West Coast of Berbice. Mark Gobin our Complaints Officer who placed posters in Linden and Oslin Williams – an independent contractor who placed our posters in communities from Mahaicony to Georgetown, Vreed-en-Hoop to Parika, Vreed-en-Hoop to Stanleytown and Georgetown to Timehri. Mr. Williams provided the Commission with comprehensive insight and reports on the comments garnered from the public during his distribution drive.



PUC
PUBLIC UTILITIES COMMISSION





Having problems with CPL, GWI, Gtt or Digicel

-Just Bring-

- *Utility Bills
- *Reference Number(s)
- *Supporting Document(s)

MAY 16TH 8:30AM - 4:30 PM
IN FRONT OF THE NEW AMSTERDAM MARKET

105 New Garden Street Georgetown, Georgetown
Tel # 226-7042/227-2182
Preston@puc.org

We are located at: Lot 4-F Free Yard, Port Mourant, Corentyne Berbice
Tel # 336-6077/ 336-6192
Website: www.puc.org.gy



Public Utilities Commission

Are you having any of these issues with GWI, GTT or Digicel:

- ✓ Billing Issues
- ✓ Technical Issues
- ✓ Disconnection of Service
- ✓ Reconnection of Service
- ✓ Tariff Issues
- ✓ Any Other Issues

We are here to help!

PUC BRINGS ITS OFFICE TO YOU
@ Shopping Plaza Tarmac, Republic Avenue, Linden

Walk with your utility bills, reference number and other documents

FRIDAY 22ND MARCH, 2019
8AM-5PM

592-226-7042/227-3293
WWW.PUC.ORG.GY

Have unresolved complaints with



CONTACT THE
PUBLIC UTILITIES COMMISSION

www.puc.org.gy



G/TOWN: 226-7042 | 227-2182 | **B'CE:** 336-6077 | 336-6192
LINDEN: 444-2045 | 444-2046 | **ESSEQUIBO:** 624-6000

PUC

PUBLIC UTILITIES COMMISSION

BRANCH OFFICE OPENING!! ON 7TH OCTOBER, 2019

@ 97-98 REPUBLIC AVENUE,
MACKENZIE, LINDEN.
2nd FLOOR OF THE LEN BUILDING

PUC REGULATES:

Digicel  **gtr+**
do more

All our services are **FREE**

TEL # 444-2045 OR 444-2046





As we continue to evolve as a body, we intend to explore other innovative avenues to extend our reach to consumers and stakeholders. The posters distribution drive will extend to central Georgetown, McKenzie, Wismar and on the Essequibo coast. We will continue to broadcast our advertisement on television and radio in every region. Our Facebook page Public Utilities Commission Guyana will be launched in March 2020. We intend to live stream programs and activities to reach a wider audience.

We are determined in our resolve to become more accessible to every consumer at every corner of Guyana

CONCLUSION

2019 was a remarkable year for the Commission with 61% of complaints resolved; a more robust public awareness campaign and a new office to provide service to customers in Linden and surrounding areas. As we prepare to open our doors in Essequibo, we look forward to meeting all the challenges ahead.

We are laser-focused on 2020 with a higher resolution rate in shorter periods through greater collaboration with the utility companies and service to all of our complainants on our radar.

Accounts Division

In keeping with section 64 of the Public Utilities Commission Act No. 10 of 199, the Commission receives its funding through assessment fees levied on Utilities under its purview, namely, the Guyana Power and Light Inc, the Guyana Telephone and Telegraph Co. Ltd and U-Mobile (Digicel) Guyana Inc.

Interest income from its financial assets held in financial institutions, totaling one hundred and fifty million Guyana dollars (G\$150,000,000) and nine million Guyana dollars (\$9,000,000) respectively, also form part of the Commission’s funding.

The Accounts Division is tasked with the responsibility of ensuring that monies are expended properly and in accordance with the Government of Guyana Fiscal Policies.

The Accounts Division has two staff members, a Senior Officer and Clerical Officer. One of the core functions of the unit is the management and documentation of the Commission’s financial resources, which include (this list is not intended to be exhaustive) budgeting, procurement, collections of fees and payment to vendors.

The Commission recorded another successful financial year by efficient management and execution of its financial resources mandate by providing regulatory oversight to the Utilities under its purview.

The Financial statements below indicate a net deficit of thirty million three hundred and thirty eight thousand one hundred and sixty five Guyana dollars (G\$30,338,165) for the year under review, this was

as a direct result of the Commission’s increased employment costs in keeping with the Government approved salary increases. The upgrading of the Commissions information Technology Systems also was a factor for the deficit.

The Division has functioned more efficiently after upgrade to its accounting software, new accounting policies and procedures manual which in turn resulted in the improved the monitoring of its spending and other assets. Greater collaboration was achieved amongst the Accounts Division and other Divisions of the Commission via the collaborative features of the Microsoft 365 Office software.

Staff members engaged in different Public Awareness Activities during the year such as the Linden Outreach, 2019 Animation Summer Camp, appearances on different media platforms in order to assist in the promotion of the brand of the Commission.

For the future, the Division hopes to modernize its operations by exploring the use of different software and platforms which will facilitate remote work; the improvement of payment modes to staff, creditors and suppliers.

The Division was exposed to internal and external training sessions in the areas such as Understanding Personality Types, Change & Conflict Management and Procurement during the year.

The following is the Unaudited Financial Statements for the year ending 31 December 2019.



Financial Report 2019

PUBLIC UTILITIES COMMISSION Statement of Financial Position As at 31 December, 2019

	2019 G\$	2018 G\$
ASSETS		
Non-Current Assets		
Property/Plant/Equipment	116,666,704	111,690,772
Total Non-Current Assets	116,666,704	111,690,772
Current Assets		
Receivables	698,764	729,143
Prepayments	693,680	273,754
Cash and Cash Equivalents	326,598,833	349,925,871
Total Current Assets	327,991,277	350,928,768
TOTAL ASSETS	444,657,981	462,619,540
EQUITY AND LIABILITIES		
EQUITY		
Retained Earnings	442,092,982	460,431,147
Revaluation Reserves	286,320	286,320
Total Equity	442,379,302	460,717,467
Current Liabilities		
Payables	384,317	-
Accruals	1,894,362	1,902,073
Total Current Liabilities	2,278,679	1,902,073
TOTAL EQUITY AND LIABILITIES	444,657,981	462,619,540

PUBLIC UTILITIES COMMISSION
Statement of Profit and Loss
For the year ended 31 December, 2019

	2019	2018
	G\$	G\$
Income		
Assessment Fees	150,000,000	150,000,000
Other Income	-	265,193
Interest Earned	9,246,322	9,369,060
Total Income	159,246,322	159,634,253
Expenses		
Employment Cost	139,116,841	127,416,142
Training Conference and Official Visits	5,727,655	5,574,044
Administration Expenses	22,724,362	19,154,439
Utility Charges	4,190,380	4,859,312
Legal Fees	300,000	750,000
Security Charges	4,718,574	4,595,625
Rent Charges	1,700,000	1,409,720
Repairs and Maintenance	1,539,317	1,523,307
Bank Charges	272,163	229,000
Depreciation	9,060,571	10,471,630
Rate and Taxes	234,624	243,086
Total Expenses	189,584,487	176,226,305
Net Deficit	(30,338,165)	(16,592,052)

PUBLIC UTILITIES COMMISSION
Statement of Changes in Equity
For the year ended 31 December, 2019

	Retained Earnings	Revaluation Surplus	Total Accumulated Fund
	G\$	G\$	G\$
Balance as at 1 January, 2018	477,038,199	286,320	477,324,519
Prior Year Adjustments	(15,000)		(15,000)
Net Deficit for the period	(16,592,052)	-	(16,592,052)
Balance as of 31 December, 2018	<u>460,431,147</u>	<u>286,320</u>	<u>460,717,467</u>
	G\$	G\$	G\$
Balance as at 1 January, 2019	460,431,147	286,320	460,717,467
Revaluation Gain	-	12,000,000	12,000,000
Net Deficit for the period	(30,338,165)	-	(30,338,165)
Balance as of 31 December, 2019	<u>430,092,982</u>	<u>12,286,320</u>	<u>442,379,302</u>

PUBLIC UTILITIES COMMISSION
Statement of Cash Flows
For the year ended 31 December, 2019

	2019	2018
	G\$	G\$
Cash Flow from Operating Activities		
Net Deficit	(30,338,165)	(16,592,052)
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>		
Depreciation	9,060,571	10,471,630
(Increase)/decrease in accounts receivable	30,379	(450,910)
Increase/(decrease) in accounts payables	384,317	(1,578,931)
(Increase)/decrease prepayments	(419,926)	303,104
Increase/(decrease) in accruals	(7,711)	643,118
Net cash and cash equivalents from operating activities	(21,290,535)	(7,204,041)
 Cash flows from Investing Activities		
Purchase of equipment	(1,286,073)	(1,590,792)
Purchase of furniture	(750,430)	(467,500)
Net cash used in investing activities	(2,036,503)	(2,058,292)
 Net increase/(decrease) in cash and cash equivalents	(23,327,038)	(9,262,333)
Cash and cash equivalents at beginning of period	349,925,871	359,188,204
Cash and cash equivalents at end of period	<u>326,598,833</u>	<u>349,925,871</u>





GEORGETOWN (Region 4, County of Demerara)

Lot 106 New Garden Street, Queenstown, Georgetown, Guyana

Tel: (592) 226-7042 **Fax:** (592) 227-3534

PORT MOURANT (Region 6, County of Berbice)

Freeyard, Port Mourant, East Berbice-Corentyne, Guyana

Tel/Fax: (592) 336-6077