

**BEFORE THE PUBLIC UTILITIES COMMISSION**

In the matter of the Public Utilities  
Commission Act 1990 (No. 26 of  
1990), as amended.

-and-

In the matter of the complaint by  
Farfan and Mendes Limited against  
the Guyana Electricity Corporation.

Pamadath J. Menon, A.A.	-	Chairman
Hugh George	-	Member
John Willems, A.A.	-	Member
Chandraballi Bisheswar	-	Member
Badrie Persaud	-	Member

This matter was heard on the 28<sup>th</sup> July, 5<sup>th</sup> August, 27<sup>th</sup> October and 1<sup>st</sup> December, 1998.

**DECISION**

The above complaint related to damage to the complainant's electrical equipment occasioned by the faulty supply of electricity on the part of the Guyana Electricity Corporation (G.E.C.) on two occasions.

2. On the 25<sup>th</sup> September, 1995, a complaint was made by Mrs. June Mendes, General Manager of Farfan and Mendes Limited of 45 Urquhart Street, Georgetown to the General Manager (ag) of the Guyana Electricity Corporation (G.E.C.) as well as to the Chairman of the Public Utilities Commission (P.U.C).

3. The nature of the complaint was that on the 7<sup>th</sup> July, 1995, and on the 11<sup>th</sup> September, 1995, respectively, due to faulty electricity supply on the part of the Guyana Electricity Corporation (G.C.E.), the company suffered loss and damage of valuable electrical equipment.
4. Copies of bills in support of the claim were submitted along with the letter of complaint. A request was made for adequate compensation to be made to the Company by the G.E.C. for the loss and damage that had been suffered.
5. This complaint was listed for hearing at public hearings of the Public Utilities Commission and evidence was led in the matter. Mrs. June Mendes and Mr. Dominic Mendes appeared before the Commission and they were cross-examined on their evidence in chief by Counsel for the Guyana Electricity Corporation (G.E.C.).
6. The record disclosed no evidence of any complaint having been made in respect of the incident on July 7, 1995, to the Guyana Electricity Corporation (G.E.C.). However, the record discloses that on the 11<sup>th</sup> September, 1995, a complaint was made to the G.E.C. about damaged appliances.
7. The record also showed that on the 11<sup>th</sup> September, 1995, a G.E.C. crew visited the scene and replaced a defective neutral transformer drop.
8. Counsel for the Guyana Electricity Corporation submitted thus at the Public hearing on the 27<sup>th</sup> October, 1998:

“... we have taken a position with respect to this claim, or at least part of this claim. We are prepared to discuss the possibility of resolution of the claim to the extent that damage resulted from an incident which took place on the 11<sup>th</sup> – the second of the two claims, Sir.” (p.4) of the transcript.

He went on to state as follows:

“Our position is, we are prepared at this point in time to discuss with Mrs. Mendes possible resolution of her claims as a result

of the allegation of the second problem. We have a problem with the first claim in that we have checked all our records and there is nothing within the records, or there is no evidence that there was any problem on the 7<sup>th</sup> July ...” (p.5) of the transcript.

9. On the 1<sup>st</sup> December, 1998, the Commission was reminded by Counsel for the G.E.C. of the Corporation’s position in relation to the claim by Farfan and Mendes Limited. He said:

“I had indicated to you that we were looking at the possibility of settling one part of the claim. I believe the claim by the Company with respect to the second incident – September 11, 1995, I believe.” (p.37) of the transcript.

10. There was an indication given by Counsel for the G.E.C. that they still need to present evidence ... and that he wished to examine two witnesses. (Pages 38 and 39 of the transcript.) But no witnesses were produced by the G.E.C.

11. The extent of the claim for damages in respect of the September 11, 1995 incident is in the order of some five hundred and twelve thousand, and fifty-one (\$512,051.00) dollars.

12. The claim for compensation for damage to equipment is made under Section 27(1) of the Public Utilities Commission Act 1990 (No. 26 of 1990), as amended (the Act). Under that provision the Commission may direct a public utility to:

“Pay to any consumer compensation for loss or damage suffered by the consumer on account of the failure of the public utility to comply with section 26.”

13. Section 26(1) of the Act provides that –

“Every public utility shall maintain its property and equipment in such condition as to enable it to provide, and make every reasonable effort to provide service to the public in all respects safe, adequate, efficient, reasonable and non-discriminatory and shall make all such repairs, change, alterations, substitutions,

extensions and improvements in or to such service as shall be necessary or proper for the accommodation and convenience of the public or as shall be necessary to incorporate, from time to time, advances in technology.”

14. By its decision dated 23<sup>rd</sup> May, 1996, the Public Utilities Commission held as follows:

“Having regard to all the circumstances and the evidence before us we are satisfied that very often the service provided by the G.E.C. is not safe.”

15. No evidence was produced by the G.E.C to show that the situation has changed or that at the time of the incident on the 11<sup>th</sup> September, 1995, the supply of electricity was adequate and safe. The opposite situation was shown. The evidence is that there was a defective neutral transformer drop which G.E.C. crew replaced on receipt of the complaint regarding the incident on 11<sup>th</sup> September, 1995.

16. On the facts presented in this matter and upon careful consideration of all the submissions made we make the following

### ORDER

(i) G.E.C. shall pay within thirty (30) days from the date of this Order \$512,051.00 to the complainant as compensation under Section 27 (1) of the Act;

(ii) G.E.C. shall pay within thirty (30) days from the date of this Order \$3,000.00 as costs of these proceedings.

Dated this 11<sup>th</sup> day of March, 1999.

(On Leave)  
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 PAMADATH J. MENON, A.A

CHAIRMAN

*Hugh K. George*  
HUGH GEORGE

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MEMBER

*J. P. Willems*  
JOHN WILLEMS, A.A.

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MEMBER

*Ch. Bisheswar*  
CHANDRABALLI BISHESWAR

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MEMBER

*Badrie Persaud*  
BADRIE PERSAUD

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MEMBER

