

## PUBLIC UTILITIES COMMISSION

ORDER NO 1/2026

**In the matter of the Public Utilities Commission reviewing the Guyana Power and Light Inc. (GPL) Operating Standards and Performance Targets for 2025.**

### CORAM

Dr. Nanda Gopaul - Chairman  
Ms. Verlyn Klass - Commissioner  
Mr. Maurice Solomon - Commissioner

### IN ATTENDANCE

Mr. Vidiahar Persaud - Secretary/Legal Officer

### APPEARANCES

#### Guyana Power and Light Inc. :

Mr. Kesh Nandlall - Team Leader, Executive Management  
Mr. Bharat Harjohn - Deputy Chief Executive Officer- Strategic Operations  
Ms. Shaun Hamlet - Divisional Director-Transmission and Distribution  
Ms. Rhonda LaFargue - Divisional Director- Customer Services  
Mr. Parsram Persaud - Divisional Director- Loss Reduction

The Licence to supply electricity for public purposes, originally granted to the Guyana Power and Light Inc. (GPL) on October 1, 1999, was amended and issued effective October 4, 2010 to include a number of new regulatory requirements. As a result of this amendment, beginning in 2011, GPL was required to submit its Operating Standards and Performance Targets (OSPT) to the Minister for approval on both an annual and five-year basis in their Development and Expansion Programme.

Additionally, paragraph 16 of GPL's Licence was amended to prescribe *inter alia* that the Operating Standards and Performance Targets for each one-year period, included in every approved Development and Expansion Programme, shall constitute the standard and quality that the Licensee shall provide in accordance with section 25 (2) of the PUC Act; shall thereby be binding upon the Licensee; and shall be enforceable by the Commission as provided for in subparagraph (iv) .

By March 30 in each calendar year, the Commission is required to review GPL's performance for the previous calendar year in comparison with the Operating Standards and Performance Targets in effect for such calendar year, and it shall determine whether the company would have failed to meet the Operating Standards and Performance Targets in any material respect. These standards and targets are set out under the following headings:

1. Customer Interruptions
2. Voltage Regulation
3. Meter Reading
4. Issuing of Bills
5. Accounts Payable
6. Accounts Receivable
7. System Losses
8. Average Availability

If the Commission in its review, finds that GPL has failed to meet its Operating Standards and Performance Targets, it may impose monetary penalties upon the company in an amount not to exceed 25% of the total value of the dividends payable to the Licensee's shareholder(s) for such calendar year in accordance with the Licence and applicable Law.

In determining the amount of any monetary penalty to be imposed on the company, the Commission is required to take into account the extent to which the Licensee has failed to meet its Operating Standards and Performance Targets during the previous calendar year and the impact of any such failure(s) upon GPL's customers.

On the 27<sup>th</sup> of March 2026 the Commission held its public hearing at the Herdsmanston Lodge, Georgetown, to review the eight standards and targets as set out in GPL's approved Development and Expansion Programme 2025-2029 and as contained in the *Table 5: Corporate key Performance Indicators (KPIs)*.

## GPL's Operating Standards and Performance Targets for 2025

### 1. Customer Interruptions:

#### *a. System Average Interruption Frequency Index (SAIFI)*

This indicator measures the number of outages experienced by an average customer during the year. For 2025, GPL established a target of 85 customer interruptions and the average customer experienced 86 interruptions at the end of the year. The target was not achieved.

GPL indicated in its presentation to the Commission that the factors that affected the achievement of this target included: compromised transmission pole structures due to soil erosion, feeder trips, internal faults, generating plant shutdowns, vehicular accidents impacting transmission and distribution infrastructure and external interference from contractors' equipment.

#### *b. System Average Interruption Duration Index (SAIDI)*

The SAIDI standard measures the total duration of outages experienced by an average customer during the year. For the year 2025, GPL was required to maintain a target of 80 hours. GPL, however, reported that in 2025 the total duration of outages per customer was 84 hours. The target was not achieved.

Similar to its reporting on the SAIFI standard, the company attributed the variance largely due to external factors, inclusive of vehicular accidents and contractor-related incidents. GPL indicated that to address the issues and improve system reliability, it intends to implement several corrective measures in 2026. These initiatives included the integration of advanced technologies such as drones and smart monitoring systems to enhance fault detection capabilities.

The company reported to the Commission that it plans to intensify maintenance programmes, deploy alternative pole structures such as fibre glass, metal and concrete and continue protection coordination efforts across the network to incorporate greater redundancy within the system and minimize the impact of faults.

In addition, GPL highlighted a number of projects undertaken during the reporting period. These included the installation of capacitor banks across the Demerara-Berbice Interconnected System (DBIS), expansion and the upgrading of sections of the distribution network, the electrification of new communities and the installation and replacement of transformers. Collectively, these

initiatives are expected to strengthen network performance, improve voltage stability, and contribute to a reduction in the frequency and duration of outages in future periods.

Whilst GPL is to be commended for all additional measures to be undertaken by the company as it relates to its SAIFI and SAIDI targets, the Commission is disappointed that the company did not achieve its targets in the year 2025.

## **2. Voltage Regulation:**

The voltage regulation standard requires GPL to maintain voltage levels within  $\pm 5\%$  of the nominal value under normal operating conditions and within  $\pm 10\%$  following a system disturbance. This standard is intended to ensure that customers receive a stable and reliable supply of electricity across the network.

For the year 2025, GPL reported that voltage regulation was assessed across 9 feeders, an improvement from previous years where monitoring was limited to approximately four to five feeders. These nine feeders were distributed across 8 substations and collectively represented approximately 28% of the customer base.

The methodology employed by GPL involved the installation of meters at both the start and end points of those selected feeders. These meters recorded voltage levels, enabling the company to determine voltage drops along the length of each circuit. In addition to periodic readings, continuous (daily) measurements were also utilized, which allowed GPL to observe variations in voltage levels throughout the day and identify patterns in system performance.

The power company indicated its intention to expand monitoring coverage through ongoing system upgrades, including the implementation of Advanced Metering Infrastructure (AMI) and enhancements to its control centre operations which will boost monitoring capabilities. These developments are expected to facilitate a more comprehensive, system-wide monitoring, with the capability to assess voltage performance at the customer level.

GPL further noted that improvements in voltage regulation were supported by operational interventions such as adjustments to transformer tap settings and other corrective measures implemented in response to observed voltage drops.

Based on the results obtained from the monitored feeders, as presented by GPL, it achieved the voltage regulation standard for 2025 on the selected feeders. Whilst this is commendable, the Commission reiterates that the required standard as set out above should be measured across the network so that all consumers can benefit from a stable supply and the company, the regulator and the public be able to gauge its performance countrywide.

### **3. Meter Reading:**

Maximum Demand (MD) customers are large electricity users whose billing structure reflects both the energy consumed (kWh) and the highest level of power demand recorded during a billing period. These customers are classified under tariff categories C and D (Commercial and Industrial). Non-Maximum Demand customers are billed on energy consumption (kWh) and fall within tariff categories A and B (Domestic and Small Businesses).

For the 2025 review period, the performance targets for meter reading were 97% for MD customers and 90% for non-MD customers. GPL did not achieve either of these targets.

The company reported that it achieved 93% for MD customers, reflecting a marginal improvement from 91% recorded in 2024, yet below the target. For non-MD customers, GPL reported an achievement of 85%, consistent with its 2024 performance and below the target.

In explaining its performance, GPL indicated that with respect to its MD customers, it prioritized targeted re-reading of accounts previously subjected to estimated billings and replaced defective meters to facilitate future actual readings. Regarding non-MD customers, the company's strategy incorporated the replacement of over 12,000 meters with AMI capability, enabling remote readings by drive-by or walk-by. Notwithstanding, these initiatives GPL cited constraints related to the availability of skilled labour as an impediment to executing the required activities that contribute to the achievement of the targets.

GPL has projected, that in 2026 an additional 20,000 AMI compatible meters will be installed. The company has anticipated that expanded remote reading capabilities, combined with targeted re-reading programmes for accounts with estimated readings and enhanced public engagement regarding digital services will improve the company's overall meter reading performance.

The Commission acknowledges GPL's explanations but notes, with grave concern, the prolonged and recurrent failure to achieve the meter reading targets, since the 2011 commencement of these

performance reviews. The sole exception occurred in 2018, when GPL marginally attained the 90% for its non-MD customers. The Commission believes that the challenges cited by GPL should be effectively addressed in 2026 to ensure conformity with the established standards from 2026 onwards.

#### **4. Issuing of Bills:**

The 2025 targets for the issuance of bills were 7 days for Maximum Demand (MD) customers and 10 days for non-Maximum Demand customers.

GPL did not achieve its target for the issuance of bills to MD customers. GPL reported that bills for MD customers were issued within 9 days, exceeding the targeted timeframe. Conversely, GPL surpassed the target for non-MD customers with bills issued within 7 days.

GPL attributed its non-compliance with the MD billing target to challenges associated with conducting meter re-reads which extended beyond the billing cycle by a number of days. The company indicated that it has developed a better system to improve its timeframe.

The Commission takes this opportunity to emphasize that timely billing is a fundamental component of customer service and therefore expects GPL to implement the necessary corrective measures to improve its billing performance for MD customers consistently and within the targeted timeframe.

#### **5. Accounts Payable:**

This standard required GPL to settle its debts with creditors within 26 days. GPL reported that on average, it took 33 days to settle its obligations. The standard was not met.

The company attributed the delay primarily to the increased volume of payables associated with the deployment and operation of the power ships, recognizing, if applicable, the delayed settlement is helpful under cashflow constraints.

The Commission acknowledges the company's progressive response in addressing increased demand via these power ships. However, it notes that although a 33-day average represented a relatively narrow variance from the standard, prolonged delays can negatively impact the company's creditworthiness. Cashflow management should be a priority when ensuring that operational expansions do not compromise the company's commitment to the standard.

## **6. Accounts Receivable:**

This standard commits GPL to collect in full, bill payments within a 30-day period. GPL reported that it took on average 59 days to receive these payments. This standard was therefore not met.

The company indicated that several adjustments were made in relation to the treatment of accounts entries which invariably affected the receivable days. The most notable change was the accounting of government funds and their overpayments in the income statement as opposed to previous entries in the balance sheet. Additionally, during the latter part of the year, streetlights were not billed on a timely basis, which prompted this line item to be recognized as revenue and treated in the income statement. To a lesser extent, policy measures to not disconnect consumers may have also contributed to the target not being met.

While these accounting adjustments and delayed payment timelines alluded to a normalization period, the resulting 59-day lag risks liquidity challenges that could eventually compromise service reliability. It is advised that in future reporting the company separate: (1) supplemental funding accounting entries from regular consumer debtors and (2) normal supplemental funding receivables from unbilled revenue generated during the consumption period. This should give a better insight into the target's achievability. Stricter enforcement mechanisms must also be utilized to restore the 30-day standard and preserve the welfare of both utility and consumers.

## **7. System Losses:**

The standard for system losses was set at 22.43% of dispatched power. The company reported that system losses were recorded at 25.43% for the year. The standard was not met.

A direct reason for the failure was not provided. The company, however, informed the Commission of its loss reduction initiatives during 2025 which included meter replacements, conductor and system upgrades and network maintenance that would have contributed to a reduction in the system loss percentage. GPL further noted that year-on-year achievability is impacted by increased net generation which retains a level of system loss on existing infrastructure.

At the public hearing, the Commission questioned the disaggregation of technical and commercial losses, for which, the company reported its current methodology is dated and only models new and

existing technical projects to predict system losses, leaving commercial losses to be calculated as the difference.

The Commission remains cognizant that system losses represent billions of dollars in lost revenue. To ensure more accurate oversight the Commission recommended that in future reporting, the company should separate its technical and non-technical losses as prescribed in its licence, alongside the respective targets. The Commission finds it unacceptable that, since 2011, this standard has been achieved on only four (4) occasions especially given the critical nature of system losses to the financial health of the company. The Commission requires the company to accelerate its loss reduction efforts to align with these targets as a matter of urgency. This acceleration is essential to ensure that the forecasted increase in generation is accompanied by corresponding increases in revenues, thus, making the company a more viable entity.

#### **8. Average Availability:**

The Average Availability standard measures the proportion of available generation capacity relative to the installed capacity over a specified period. Average Availability is intended to assess the reliability and adequacy of generation resources within the system and is calculated as the available capacity-hours divided by installed capacity-hours.

For the year 2025, GPL was required to achieve an average availability target of 80%. At the end of the reporting period in 2025, GPL achieved a commendable average availability of 84%.

### **Decision**

For the period under review, the Guyana Power & Light Inc. met 2.5 of the 8 targets that it had set for the year 2025. Whilst there was success in generation availability, voltage regulation (on selected feeders) and partial success with the issuance of bills (to non-MD customers), the widespread failure across reliability and financial indicators remains a primary concern to the Commission, as it should also be for the power company.

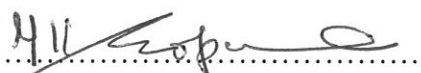
The Commission places on record its grave concern with the company's performance for 2025 specifically system losses and accounts receivables. While factors beyond the company's control were noted during the hearing, the company has an overarching responsibility to enhance its infrastructure and its maintenance efforts in order to combat these challenges when delivering quality service to consumers.

The Commission would like to commend the efforts taken by the company in monitoring voltages by increasing the number of tested feeders. This, however, is not indicative of its entire customer base and as such efforts should be focused on network-wide monitoring capabilities.

In the interest of fostering a culture of performance accountability, the Commission advocates for a forward-thinking approach in 2026 as it relates to (1) the successful integration of advanced technologies to detect faults and monitor losses, (2) sourcing and optimization of skilled labour and (3) cashflow and time management. It is imperative that with the planned improvements to the grid, the company remains cognizant of the high level of expectation of quality service by consumers and the obligation to translate investments to tangible benefits and improved reliability.

The Commission, having considered carefully all reasonable factors that affected GPL's performance has determined that while the company did not strictly meet its obligations, there were improvements in customer experience when compared to the previous year and that this merited leniency by the Commission.

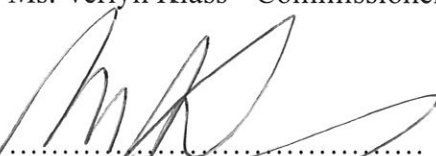
The Commission has taken note of mitigating circumstances during this transient period of the economy with labour shortages and with several major ongoing projects. The Commission expects that, upon completion of the network enhancing projects, there would be improvements in the OSPTs and the achievement of all the standards and targets for the year 2026 and onwards.



Dr. Nanda Gopaul - Chairman



Ms. Verlyn Klass - Commissioner



Mr. Maurice Solomon - Commissioner



Dated this 29 day of April 2026.