

GT&T: ORDER NO. 2/1999

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 letters addressed to the Public Utilities Commission by and on behalf of the Guyana Telephone and Telegraph Company Limited dated April 30, 1999, and April 22, 1999.

CHANDRABALLI BISHESWAR	-	Chairman, (ag)
HUGH GEORGE	-	Member
JOHN WILLEMS, A.A.	-	Member
BADRIE PERSAUD	-	Member

REPRESENTATION

The Guyana Telephone and Telegraph Co. Ltd - Mr. Godfrey Statia,
General Manager
Mr. Keith Massiah, S.C.
Mr. Deryck Jagan, S.C.
Ms. Dawn Holder-Alert

The Guyana Consumers' Advisory Bureau

- Ms. Eileen Cox, A.A.
Mr. Nigel Hughes

DECISION

On Tuesday, May 18, 1999, the Public Utilities Commission held, pursuant to its notice published on the 11th day of May, 1999, a public hearing in the Millenium Room of the Main Street Plaza Hotel, at 5:30 p.m.

2. The purpose of the public hearing was as follows:

“(a) To consider the letter dated April 30, 1999, addressed to Mr. W. Anthony Nurse, Secretary, Public Utilities Commission and signed by Mr. Godfrey S. Statia, Deputy General Manager – Regulatory and Business Affairs, Guyana Telephone and Telegraph Company Limited; and

(b) To address and determine the issue raised in a letter dated 22nd April, 1999, addressed to Mr. Anthony Nurse, Secretary, Public Utilities Commission and signed by Mr. Keith Massiah, S.C., Attorney-at-Law.”

3. The above-mentioned letters, together with letters dated 23rd April, 1999 and 29th April, 1999, were tendered and marked as exhibits A to D.

4. The Commission sought clarification from the Guyana Telephone and Telegraph Company Limited as regards the implication of the letters vis a vis the treatment with the Tarriff Notice filed on October 27, 1998.

5. Representations were made on behalf of the Guyana Telephone and Telegraph Company Limited by Mr. Massiah, S.C and Mr. Godfrey S. Statia, General Manager, External, in the main and to a lesser extent by Mr. Deryck Jagan, S.C.

6. In his representation to the Commission, Mr. Massiah, S.C. stated, inter alia, that the application dated October 27, 1998, was an amendment of the application dated December 31, 1997, and together they constitute a single indivisible application and not two separate and distinct applications. (Pages 5 and 6 of the transcript).

7. Mr. Statia, General Manager, External, confirmed that the position as set out at paragraph 6 above represented the company's position on the matter.

8. Representing the Consumers Group, Mr. Nigel Hughes sought the assurance from the Guyana Telephone and Telegraph Company Limited

“that they do not propose to bring these rates into effect until the Order Nisi had been determined and there was an absolute discharge.” (page 12 of the transcript)

9. Mr. Godfrey S. Statia in answer to a question from Commissioner Hugh George, informed the Commission thus ... “every letter that I have written to the Commission binds the Company. As for this same matter it was subject to our last Board meeting in which it was raised and they concurred with what I said to the Commission. So when you get a copy of our minutes you will see that they concurred with my letter of April 30.”

10. The Commission has considered all of the submissions and representations made by and on behalf of the Guyana Telephone and Telegraph Company Limited and the Consumer Group at the public hearing and in light of the above and bearing in mind that the subsisting temporary

rates as at the date of these proceedings and of this Order respectively, would continue in force, make the following Order:

Order

- (a) That no action will be taken by any party in relation to the Tariff of 31st December, 1997 and the 27th October, 1998 until after the hearing and determination of the Court proceedings 13-M of 1999;

- (b) That the status quo be maintained until the determination of the Court proceedings 13-M of 1999; this status quo being that the temporary rates by virtue of the Orders of the PUC made on the 27th January, 1998 and 27th March, 1998 respectively continue to remain in force until new rates are approved by the PUC.



Guyana Telephone & Telegraph Company Ltd

P.O. Box 10628, 55 Brickdam, Georgetown, Guyana, S.A.

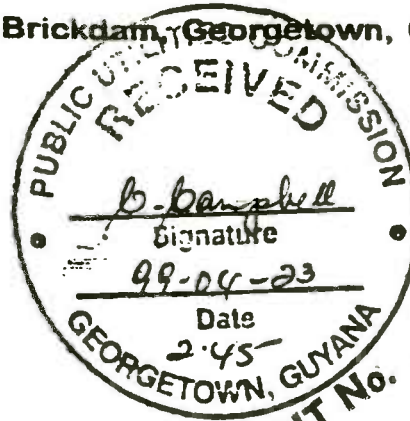


EXHIBIT No. _____
DATE _____

April 23, 1999

Mr. W. Anthony Nurse
Secretary
Public Utilities Commission
Public Buildings, Georgetown.

Dear Mr. Nurse,

Re: Reports of the PUC Staff Regarding Interim Rates: Tariff Notice Filed October 27, 1998

I refer to your letter of April 07, 1999 and subsequent letters and attachments of April 12, 1999 and April 19, 1999 on the above subject, all requesting responses by April 29, 1999.

As you are aware, at the Commission's hearing of August 13, 1998, Mr. Mc Caskey, Financial Analyst to the Commission promised to forward at Mr. Statia's request a copy of his computation outlining the formula used to arrive at his projection of GT&T rate of return (see page 29 of the transcript of that date). At least on two other occasions during subsequent hearings on Tariff Filing 1/1997, Mr. Statia reminded the Commission of this promise and requested a copy of the formula, but to no avail. Had the rate making formula been forwarded to the GT&T, its staff would have been able to compare the Commission's formula against that of the company, do adequate research and make initial submissions to the Commission in this regard.

Upon reading the report, it is the consensus at GT&T that a thorough review would be needed to comprehensively deal with all of the issues raised therein. This exercise necessitates considerable time and effort, and in light of the amount of work required, GT&T's staff would be unable to adequately address these issues within the time specified. Furthermore, GT&T appreciates that the Commission has finally outlined its formula and sees its response to the report as an opportunity to finally put the matters of rate making to rest.


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Consequently, GT&T is requesting an extension of one month within which to submit its response to the Commission.

Sincerely yours,


Godfrey S. Statia

Deputy General Manager - Regulatory & Business Affairs.

cc: Raymond Roopnauth - General Manager,
Sonita Jagan - Deputy General Manager (Finance),
Bill Humphrey - Vice President (ATN).



Guyana Telephone & Telegraph Company Ltd

P.O. Box 10628, 55 Brickdam, Georgetown, Guyana, S.A.

April 30, 1999

Mr. W. Anthony Nurse
Secretary
Public Utilities Commission
Public Buildings, Georgetown.

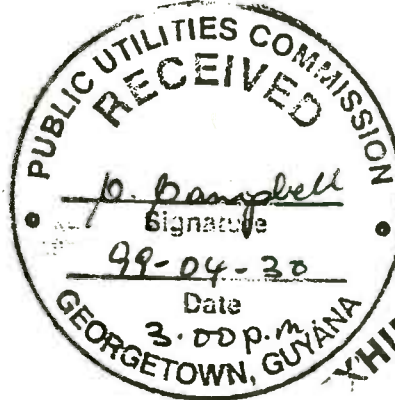


EXHIBIT No. _____
DATE _____

Dear Mr. Nurse,

Re: Report of the PUC Staff Regarding Interim Rates: Tariff Notice Filed October 27, 1998

I refer to my letter of April 23, 1999 on the above subject and subsequent discussions with yourself and the acting Chairman of the Commission, Mr. Chandraballi Bisheswar.

As discussed and agreed with both of you, GT&T by virtue of its request for an extension by its letter of April 23, 1999, waives its right to put into force the rates requested under Amended Tariff Filing 1/1997 that may come into force by operation of law until the said response is submitted by GT&T and scheduled public hearings held in accordance with the provisions of the law in a timely manner.

Your letter dated April 29, 1999 and received today (p.m) is hereby acknowledged.

Sincerely yours,

Godfrey S. Statia
Deputy General Manager - Regulatory & Business Affairs.

cc: Raymond Roopnauth - General Manager,
Sonita Jagan - Deputy General Manager (Finance),
Bill Humphrey - Vice President (ATN).

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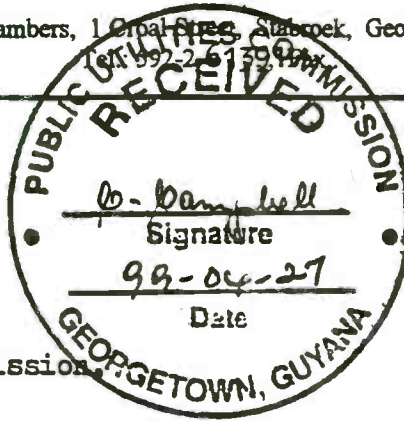
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Keith Stanislaus Massiah

O.R., S.C., L.L.B. (London)
Attorney-At-Law

"Denning's" Chambers, 1 Orpaal Street, Stabroek, Georgetown, Guyana.
(Tel: 592-261394)



22nd April, 1999.

Mr. Anthony Nurse,
Secretary,
Public Utilities Commission,
Parliament Buildings,
Brickdam.

EXHIBIT No. C
DATE.....

Dear Sir,

Reference is made to your Notice of 19th April, 1999, informing the Guyana Telephone and Telegraph Company, Ltd., (G.T.&T.) of the intention of the Public Utilities Commission to inquire on 5th May, 1999, and other days, into G.T.&T.'s application of 27th October, 1998, for an increase in the rates payable for telephone services. (Tariff Notice No. 1/1998).

Your Notice aforesaid does not refer to G.T.&T.'s application for an increase in rates made on 31st December, 1997, by way of Tariff Notice No. 1/1997, but it must be remembered that the application of 27th October, 1998, was an amendment of the application of 31st December, 1997, and together they constitute a single, indivisible, although bifurcated, application. It has to be stressed that they are not two distinct and separate applications, although they are physically two separate pieces of paper.

On 20th January, 1999, in proceedings 13 M of 1999, His Honour, Mr. Justice Carl Singh, issued an Order Nisi of Prohibition directed to Mr. P.J. Menon, the Chairman of the Public Utilities Commission, requiring him to show cause why a Writ of Prohibition should not be issued against him and the Public Utilities Commission prohibiting them from proceeding with the further hearing of the application of 31st December, 1997, on the ground of bias or a real likelihood thereof. That matter is still pending - His Honour has not yet decided whether to discharge the Order Nisi or make it absolute.

It is plain that any further hearing of the question of increased rates, in the context of this matter, would be in defiance of the Court's order and would constitute a contempt of court.

It is therefore unfortunate and difficult to understand that the Public Utilities Commission proposes to deal with the amended application which is bonded indissolubly to the original application, proceedings in relation to which are still before the Court for determination. It seems clear that to proceed with the amended application involves proceeding with the original application.

.. /

Public Utilities Commission

Public Buildings Brickdam Georgetown, Guyana
Tel: 72182, 73189, 73204 Fax: 592-2-73534

29th April, 1999

Mr Godfrey Statia,
Deputy General Manager -
Regulatory & Business Affairs,
Guyana Telephone & Telegraph Co. Ltd.,
79 Brickdam,
Georgetown.

EXHIBIT No. D
DATE

Dear Mr Statia,

Re: Report of the PUC Staff Regarding Interim Rates:
Tariff Notice filed October 27, 1998

I do hereby acknowledge receipt of your letter dated April 23, 1999, on the above captioned subject matter.

As you are aware on the expiration of the month requested, that is to say, 23rd May 1999, is the date on which the rates filed for in Tariff Notice 1-98 on October 27th 1998, will likely come into effect should the Public Utilities Commission not do anything required by law to determine and approve those rates.

The granting of the extension requested must be predicated on the premise that the Tariff Notice 1-98 dated October 27th 1998 will not be implemented by Guyana Telephone and Telegraph Company Limited as coming into force by operation of law.

Further the said rates will not be put into force by Guyana Telephone and Telegraph Company Limited without their being a scheduled public hearing mutually agreed to by all concerned parties and at which Public Hearing all relevant parties are given an opportunity to appear and are given a hearing in accordance with the provisions of the law.

Based on the foregoing the Public Utilities Commission has decided to accede to Guyana Telephone and Telegraph Company Limited request for an extension of one month to submit their response and which is now hereby granted and you are hereby given up to 29th May, 1999 to make such submissions.

2/...

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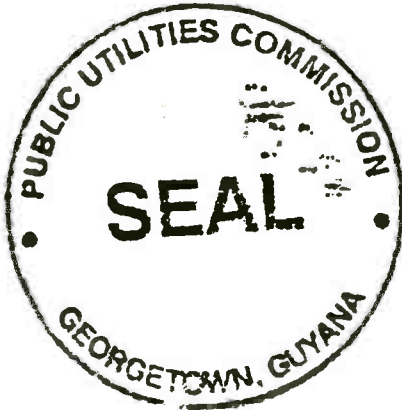
Your acknowledgement hereof within the next three days is anticipated.

Yours faithfully,



W. Anthony Nurse
Secretary

c.c Mr Raymond Roopnauth,
General Manager - GT&T.



22nd April, 1999.

Mr. Anthony Nurse,
Secretary,
Public Utilities Commission.

In view of these circumstances I should be grateful to hear from you urgently on this matter.

A copy of the Order of Mr. Justice Carl Singh, aforesaid, is put up herewith.

Kind regards.

Yours faithfully,

Keith Massiah
.....
KEITH S. MASSIAH, S.C.
ATTORNEY-AT-LAW.

Dated at Georgetown, Guyana.

this 21st day of May, 1999.

Ch. Bisheswar
.....
Chandraballi Bisheswar - Chairman (ag)

Hugh K. George
.....
Hugh George - Member

J. Willems
.....
John Willems, A.A. - Member

Mr. Badrie Persaud
.....
Mr. Badrie Persaud - Member

