

**BEFORE THE PUBLIC UTILITIES COMMISSION**

In matter of a Notice of Change of  
Tariff for the Guyana Water Inc.

**PRESENT**

**Public Utilities Commission**

- |                       |   |              |
|-----------------------|---|--------------|
| Ms. Dela Britton      | - | Chairman     |
| Dr. Leyland M. Lucas  | - | Commissioner |
| Dr. Nanda Gopaul      | - | Commissioner |
| Ms. Verlyn Klass      | - | Commissioner |
| Mr. Rajendra Bisessar | - | Commissioner |

**In attendance:**

- |                      |   |                         |
|----------------------|---|-------------------------|
| Mr. Vidiahar Persaud | - | Secretary/Legal Officer |
|----------------------|---|-------------------------|

**Guyana Water Inc**

- |                      |   |  |
|----------------------|---|--|
| Mr. Shaik Baksh      | - | Managing Director                                      |
| Mr. Nigel Niles      | - | Executive Director, Corporate Services                 |
| Mr. Jaigopaul Ram    | - | Executive Director, Business Development               |
| Mr. Marlon Daniels   | - | Executive Director, Customer Services and<br>Relations |
| Mr. Ramchand Jailall | - | Executive Director, Hinterland Services                |
| Mr. Aubrey Roberts   | - | Executive Director, Projects                           |
| Mr. Carlos Rodgrues  | - | Head, Transmission & Distribution                      |
| Ms. Twidale Trim     | - | Legal Officer  |

**Representatives – Consumers**

- |                  |   |                               |
|------------------|---|-------------------------------|
| Mr. Patrick Dial | - | Guyana Consumers' Association |
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By application dated the 13<sup>th</sup> day of April 2021 the Guyana Water Inc (GWI) in accordance with section 41 of the Public Utilities Commission Act, No. 19 of 2016, filed with the Commission a

Notice of Change of Tariff for a reduction by 5% of the tariff on water charges. The justification for the application is in keeping with the approved 2021 National Budget in which the National Assembly confirmed the approval of the Government's intention to reduce water tariff charges.

Adhering to the provisions of the PUC Act of 2016, the Commission entered into a Public Hearing on the 28<sup>th</sup> day of April 2021. The intent of the hearing, conducted via the Zoom platform, was to ascertain whether the proposed reductions are just and reasonable and further, to assess the financial impact of such reduction on the development and operational activities of the Guyana Water Inc.

The Guyana Water Inc.'s presentations were made by its Chief Executive Officer Mr. Shaik Baksh and Mr. Jaigopaul Ram, the Executive Director for Business Development.

During the presentation, the Applicant informed the Commission that the proposed 5% reduction was confined to water tariffs and did not touch and concern the ancillary, fixed or sewage charges. The company noted that it is cognizant that the 5% decrease would lead to an anticipated loss in revenues. However, the initiative will alleviate some of the financial burden on its 172,381 consumers. Additionally, the company informed the Commission that there were several key programme areas in its strategic plan for 2021 to 2025, which would assist the company in addressing its loss of revenue due to the reduction of tariffs. This includes access to water; leakage management; level of service; treatment plants; rehabilitation of the Georgetown networks; the reduction of non-revenue water and the roll out of a metering programme. As it relates to the metering programme, it was indicated that it is projected that the company will meter 90% of all consumers by 2025. The aforementioned projects will be funded by the Government of Guyana and by loan. In its presentation, the company further stated that it intends to implement several strategies to address the company's collection of revenue, noting that with the onset of the COVID-19 pandemic, disconnection of defaulting consumers had in essence ceased. The company reported that there was also a significant reduction of outstanding new service applications than previously obtained. Further, the company stated that the Government of Guyana had satisfied the substantial debt which was owed by the company to the Guyana Power and Light Inc. as of August 2020.



Further to the concerns raised by the Commission, the company stated that the sanitization of the GWI database in order to remove 'ghost' and duplicated consumers is an ongoing exercise and which has resulted in a decline in the consumer count. The company continues to collaborate with the relevant Government authorities in order to verify its pensioners' database.

During its presentation, the Guyana Water Inc. informed the Commission of its readiness to implement the proposed changes in tariffs without any adverse effects on the accuracy of its Billing System.

The representative of Guyana Consumers' Association joined the meeting via telephone and signaled the Association's support for the company's proposed 5% reduction in water tariffs.

#### **DECISION**

In arriving at its decision, the Commission having considered the aforementioned submissions, and should the application be granted by virtue of its 2021 metering programme, Guyana Water Inc. will be properly positioned to recover its losses in revenue which stands at approximately \$202 million per year or an average of \$16.8 million per month. The procurement of 42,000 meters and its imminent rollout by the last quarter in 2021, will greatly aid in this regard. Lastly, commitments from various funding agencies, including the Government of Guyana to facilitate its investments activities has influenced the Commission's favorable position in granting this application and the Guyana Water Inc. is to be commended for its efforts.

#### **ORDER**

The Commission hereby grants its approval for 5% in the reduction in water tariffs as set out in Appendix A retroactive to 4<sup>th</sup> March 2021.

- (1) The Commission further wishes to reiterate its position as contained in its Order 2 of 2018 that Non-Revenue Water be reduced on an incremental basis as set out on page 6 of the said Order.
- (2) That the metering of all unmetered consumers, ensuring 100% metering across the consumer database, be completed by December 31, 2024 or such time as may be practicable to do so.

(3) That the Guyana Water Inc submit to the Commission on a quarterly basis, its progress reports of its achievements as set out in numbers (1) and (2) above.

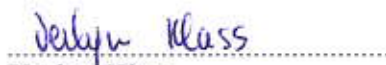
Dated this the 30<sup>th</sup> day of April 2021.

  
Dela Britton  
CHAIRMAN

  
Rajendra Bisessar  
COMMISSIONER

  
Dr. Leyland M. Lucas  
COMMISSIONER



  
Verlyn Klass  
COMMISSIONER

  
Dr. Nanda Gopaul  
COMMISSIONER

**APPENDIX ONE**

**(1) RESIDENTIAL CONSUMERS**

Metered Residential Consumer

Monthly Fixed Charge	Monthly Consumption Charge
\$500	\$106 per m <sup>3</sup>

Unmetered Residential Consumer

Monthly Fixed Charge	Monthly Consumption Charge
\$500	\$1,378

Metered Pensioner Consumer

Monthly Fixed Charge	Monthly Consumption Charge
\$0	\$70 per m <sup>3</sup> for the first 10 m <sup>3</sup> \$106 for each m <sup>3</sup> thereafter

Unmetered Pensioner Consumer

Monthly Fixed Charge	Monthly Consumption Charge
\$0	\$703 per month

**(2) NON-RESIDENTIAL CONSUMERS**

Metered Non-Residential

Monthly Fixed Charge	Monthly Consumption Charge
\$500	\$143 per m <sup>3</sup>

Unmetered Non-Residential

Categories	Monthly Fixed Charge	Monthly Charge
Small Commercial and Small Industrial	\$500	\$2,850
Medium Commercial and Medium Industrial	\$500	\$7,600
Large Commercial	\$500	\$14,250
Large Industrial	\$500	\$22,800