

PUC

**PUBLIC UTILITIES
COMMISSION**

**ANNUAL
REPORT 2017**

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From the Desk of the Chairperson



Dela A. Britton

In 1990 the Guyana Government sought to privatize the then Guyana Telephone Company (GTC) and it entered into an Agreement with Atlantic Tele- Network Ltd (ATN). The assets and liabilities of GTC were transferred to ATN and GTT was born. Out of that Agreement the Government undertook to establish an independent statutory body 'to regulate the operations of companies and other persons engaged in providing telecommunication services and operating in Guyana and to protect the interests of persons making use of such services'.

As an outshoot of the foregoing the Public Utilities Commission Act was passed, thereby creating the present Commission. There have been a number of amendments to the Act and its original form has expanded the regulatory role to include the electricity and water sectors (GPL and GWI respectively).

PUC has a balancing act of providing advice to its line Ministers whilst maintaining its independence and its regulatory duty to the utilities and their consumers.

In June 2017, after serving for over 15 years the

distinguished Justice Prem Persaud, the longest serving Chairman demitted office. The present Commission comprises of Messrs. Maurice Solomon and Rajendra Bisessar including the Secretary to the Commission Mr. Vidiayar Persaud and Ms. Dela Britton who continues to be grateful for their guidance and support as we navigate all the regulatory matters which come within our purview.

The telecoms sector is on the cusp of undergoing a major metamorphosis in 2018. The Telecommunications Act was passed into law and upon the publication of an Order under the hand of the Honourable Catherine Hughes, Minister of Public Telecommunications – the telecoms sector will become liberalized thereby dismantling GTT's monopoly as it relates to landline services and opening the sector to new entrants and existing operators for both landline and mobile services.

Liberalization is a pivotal juncture of our history as Regulators- this revolution will force us to think; deliberate and regulate differently. There will be technological and competitive changes to the industry

and perhaps most importantly the Commission will have to serve a more sophisticated and discerning consumer.

Likewise, the electricity sector is evolving and eventually there may be a need to further amend the PUC Act and its sister Legislation to include regulation of GPL's proposed Grid Code which may become part of PUC's mandate.

We continue to collaborate with GPL to receive timely and seamless reports whilst advocating to ensure that our complainants receive credits where applicable. PUC continues to hold the company accountable to its operating standards.

In the month of March 2018, the Commission will be conducting a series of meetings with GWI regarding its Strategic Plans for the water sector for the period 2018 to 2021 as it seeks to achieve its mission of providing clean and safe water to the citizens of Guyana.

The second half of 2017 to present has been an exciting period for the Commission and its dedicated staff.

The following is a snapshot of its achievements:

- Courtesy calls with the 3 sectors during which both the Commission and Utilities made commitments to each entity to cooperate and design ways to efficiently serve our complainants/customers. Each entity took these face to face opportunities to reiterate our roles in the ever-changing landscape of Regulation. Each entity took those face-to-face opportunities to reiterate our roles in the ever-changing landscape of Regulation.
- Press Briefing held in August 2017 saw an immediate spike in our complaints as we continue to expand our public awareness campaign.
- The Commission underwent an extensive IT

upgrade which inter alia has bolstered the way in which we collaborate internally between our flagship office in Georgetown and Berbice office. A component of the IT upgrade created our own platform with the pucguyana.com extension and it is hoped to also include.gy.net extension in the near future.

- Intensive Customer Service training.
- Internal Liberalization sensitization exercises.
- Membership to the International Telecommunications Union (ITU). Four (4) members represented the Commission at 17th Global Symposium in held in the Bahamas in July 2017
- Participation at the 15th Annual OOCUR Conference, Tobago, November 2018
- Membership to Caribbean Telecommunications Union (CTU) in November 2017.

It is hoped that PUC Guyana will continue to make strides as it readies itself to establish its Office of Economic Research and expand our outreach efforts in 2018.

As we seek to continue to promote strong regulatory ideals, we take this opportunity to assure all our stakeholders – be it the Utilities under our mandate; our line Ministers and the consumers and/or complainants that we will continue to engage you in an effort to foster a spirit of cooperation as we execute our statutory functions.

The best is yet to come in this regulatory space.

Dela Britton
Chairperson, PUC Guyana
March 2018

Introduction

The Public Utilities Commission (PUC) is pleased to present its twenty-sixth Annual Report in compliance with Section 85 of the PUC Act, Act No. 10 of 1999, which provides an overview of our activities and other related matters during the year.

The PUC is a body corporate, which was established by the Act and it was passed into law on the 1st of October 1990. This Act was amended at varying periods to make provision for the evolving issues which impact on the Commission and the utilities under our purview.

The PUC Act allows for the appointments of a Chairman and four Commissioners. The following members comprised the Commission in 2017:

- Justice Prem Persaud, CCH - Chairman (up to June 20, 2017)
- Mr. Maurice Solomon - Member
- Ms Dela Britton - Member (Appointed Chairman on June 21, 2017)
- Mr. Rajendra Bisessar - Member

Mission

- To ensure that regulated utilities offer an efficient service to consumers at a reasonable cost.

Vision

- To create an environment of universal access to services in the public sector, and a high quality of service, cost effective and beneficial to all stakeholders.

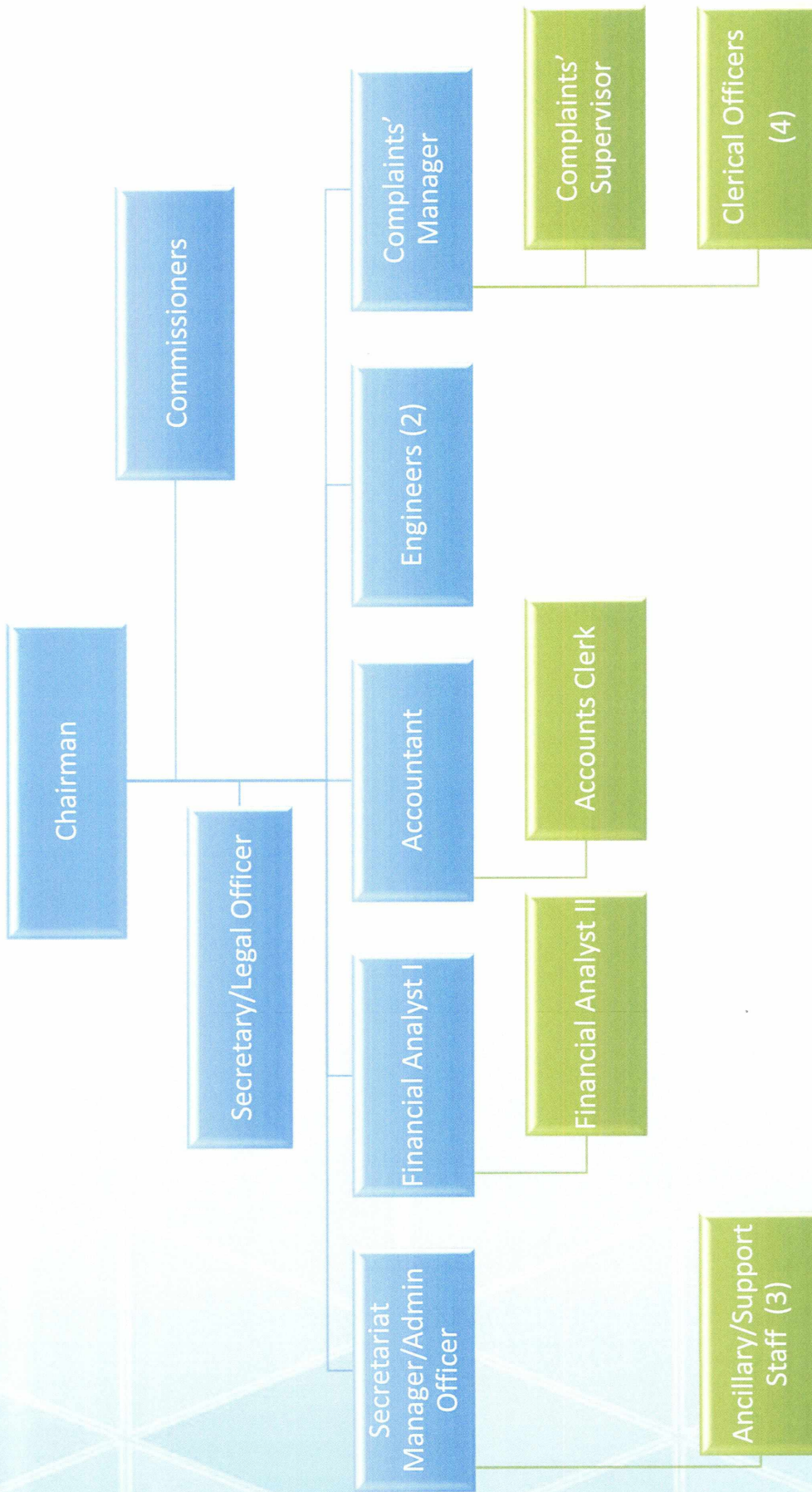
Objectives

- To establish and enforce rules and procedures for the regulation of public utilities, commensurate with internationally accepted regulatory standards.
- To promote and regulate the efficient long-term provision of utility services for national development consistent with Government policies.
- To provide a fair environment for the provision of safe and adequate service for consumers at a reasonable cost and ensuring the financial integrity of the providers.
- To investigate and resolve in a timely manner complaints filed against any public utility.
- To carry out its functions in a fair, transparent and independent manner.

Functions

- The functions of the Commission are regulatory, investigatory, enforcement and such other functions as conferred on it by the Act. It also has the power to initiate and conduct investigations into the operations and standards of service of any public utility under its purview.
- While it is not involved in matters of policy, it acts in an advisory capacity to the subject Minister in such matters concerning public utilities as are referred to it by the Minister.
- In the exercise and discharge of its functions the Commission shall not be subject to the direction or control of any person or authority.

ORGANISATION CHART 2017



PUC - 6

Public Utilities Commission Team



Public Utilities

A 'public utility' is defined as any person who or which owns facilities used to provide, or provides the following services: -

- (a) Electricity and energy related matters.
- (b) Telephone, telecom services, cellular/mobile.
- (c) Water and sewerage services.

The public utilities currently under the purview of the Commission are:

- Guyana Telephone & Telegraph Co. Ltd. (GTT) - From 1990.
- Guyana Power & Light Inc (GPL). - From 1999
- Guyana Water Inc (GWI). - From 2003
- U-Mobile (Cellular) Inc. (Digicel) – From 2007

Filing a Complaint

Any consumer who has a complaint against any utility company should engage with the service provider prior to approaching the Commission. If not satisfied, that consumer may file a complaint with the Commission who will advocate on the consumers' behalf, with the particular utility.

Complainants are advised to provide all relevant information/documentation in support of their complaints, including any response from the utility company when filing a complaint with the PUC.

GEORGETOWN OFFICE:

POST/IN OFFICE VISIT - P.O.B. 1081 /Lot 106, New Garden Street, Queenstown, Georgetown
FAX - 592-227-3534
TELEPHONE - 592-226-7042 OR 592-227-2182
WEBSITE - www.puc.org.gy
HELP DESK - Monday - Thursday: 8:00 - 16:30 hrs.
Friday: 8:00 - 15:30 hrs.

BERBICE OFFICE:

Public Utilities Commission, Lot AV, Free Yard, Port Mourant, Corentyne, Berbice
Tel/Fax: 592-336-6077 or 592-336-6192.

PUC Website

The PUC's website which was launched in 2009 is continuously updated. It could be navigated to obtain information regarding:

- (a) The Complaints' Procedure;
- (b) Rules for Determining Consumers' Complaints;
- (c) Presentations;
- (d) Publications;
- (e) Notices, presentations, publications, notices and documents pertaining to Public Hearings;
- (f) Complaints' monthly reports from January 2011 to December 2017;

- (g) Annual Reports from 1991 to 2016;
- (h) PUC Orders as delivered.

Additionally, the year 2014 saw the Commission including audio recordings of hearings on its website.

The website may be used to file a complaint, and it contains the Commission's contact information, links to the utilities under its purview, as well as other links and interesting factoid as it relates to other regulatory bodies throughout the Caribbean.

Staff Development

In 2017 staff members were trained in several areas regarding the work of the Commission. These sessions provided an opportunity for personal and professional development. The capacity of the Commission has been bolstered considerably with our ongoing training programs. As part of our continuous development – staff members who are selected for individual training are required to share their knowledge with the Commission and other staff members.

Internal Training:

- May 2 - Understanding the Basic back-billing calculation used by Guyana Power & Light, PUC Engineer, Mr Nikita Somwaru Facilitator
- May 4 - Rate of Return and Rate Base, PUC Financial Analyst II, Ms Yogwattie Sookram, Facilitator
- May 19 - Water & Sewerage Computation Exercise, PUC Engineer, Mr Shankar Singh, Facilitator
- Jun 22 - Consumer Protection Regulation 2016, PUC Secretary/Legal Officer, Mr. Vidiayar Persaud, Facilitator
- Nov 15 - PUC Work Programme - Ms. Jennifer Britton, Facilitator

External Training

- Jan. 9-20 - PURC 41st Training Programme, Gainesville Florida, USA.
- Jan 17-18 - National Grid Code Workshop, Guyana Power and Light.
- Mar 26-31 - IETF Policy Programme conducted during the Internet Engineering Task Force 98th Meeting, The Swissotel, Chicago, Illinois USA.
- April 1 - Introductory Certificate in Customer Service, JTW Management Inc., Ms Leslyn Bryan, Facilitator.
- May 9 - Final Workshop for the Monitoring, Reporting and Verification System for Implementation of Energy Efficiency Measures in Public Buildings in Guyana, Ministry of the Presidency, Office of Climate Change.
- May 8-12 - Energy Audit Training, Latin American and the Caribbean Energy Efficiency (PALCEE) with support from the Austrian Development Co-operation and the Latin American Energy Organisation (OLADE).
- Jul 11-14 - 17th Global Symposium for Regulators (GSR), Nassau, Bahamas, International Telecommunication Union.
- Aug 14-18 - Energy Audit training II, Guyana Energy Agency.
- Sept. 26 – Oct 26 - Computer Fundamentals (Windows 10), Global Technology Inc.
- Oct 9 –13 - Internet Week Guyana, Ministry of Public Telecommunications in collaboration with Latin American and Caribbean Internet Addresses Registry (LACNIC), Internet Society (ISOC), the Internet Corporation for Assigned Names and Numbers (ICANN) and the Caribbean Telecommunication Union (CTU), Pegasus Hotel Guyana
- Oct 19-20 - Caribbean Renewable Energy Forum 2017, JW Marriott, Miami, Florida, USA.
- Nov 27-29 - ITU Workshop on Telecommunications Service Quality, Rio de Janeiro, Brazil.

Cheryl Campbell - Secretariat Manager/Administrative Officer
 Jamelia Bancroft - Clerical Officer

Complaints' Division

Georgetown

Overview

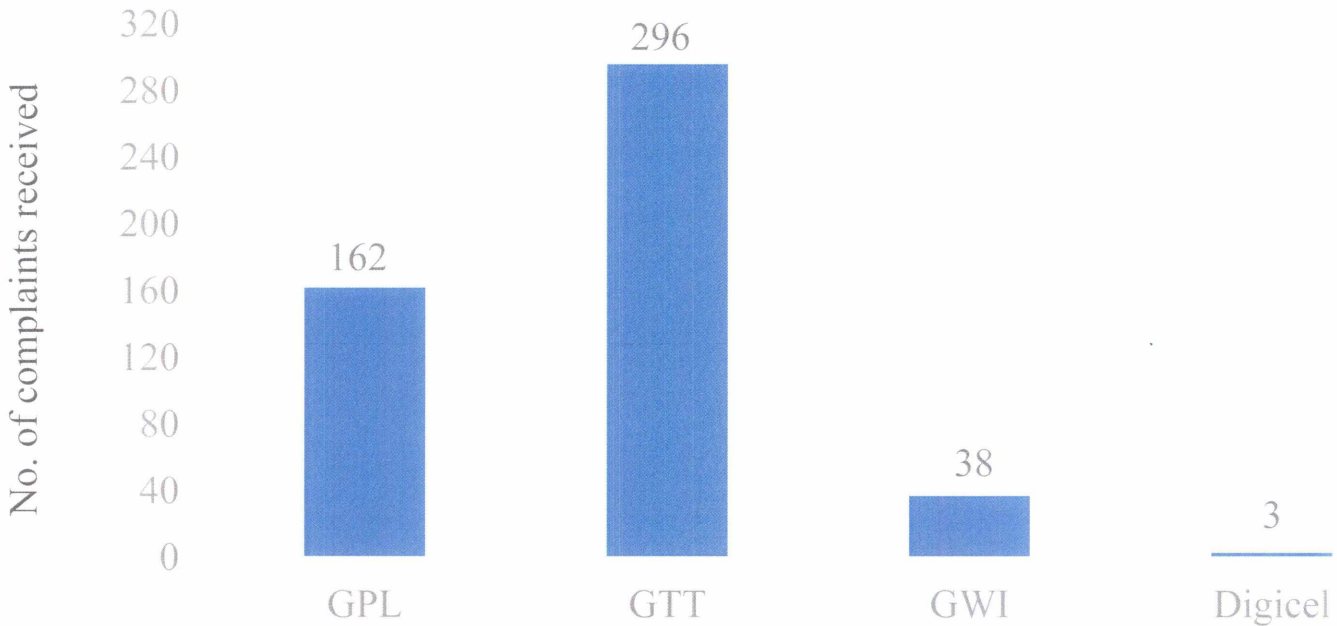
This Department interfaces directly with utility consumers and relevant utility officials. One of its main responsibilities is to investigate and appeal the decisions made by utility service providers on behalf of aggrieved consumers.

Throughout the year, the Division's public relation drive to inform and expand the reach of the Commission proved successful as the Commission saw a marginal increase of persons seeking PUC's services from the previous year.

Complaints Received

As at the end of December 2017, four hundred and ninety-nine (499) complaints was received by the Georgetown office. The reviewed period saw an increase of 225 (82% increase) in the number of complaints received during the period under review compared to the previous period (2016).

The chart below shows the complaints received for each of the utilities for the year 2017.



Guyana Power and Light Inc. (GPL)

24% of the complaints received against GPL were for technical matters, whilst 22% represented meter tampering/bypass, 18% represented applications for service and the remaining 36% concerned billing issues, disconnection, change of tenancy and claims for compensation.

Guyana Telephone and Telegraph Company (GTT)

The complaints received from GTT followed the same trend as previous years with the majority of complaints received (85%) pertaining to technical issues. GTT has advised that the Company is in the process of providing new technological installations to some of the areas which were previously served by the obsolete Fixed Wireless System (FWA). Data Service via Long Term Evolution (LTE) technology is being offered to the Essequibo Coast. Areas such as La Grange on the West Bank of Demerara that was once served by the obsolete FWA system benefitted from Fibre to the Home (FTTH). As the company continues with the rollout of FTTH it is expected that other areas will benefit during the year 2018. In addition, the company has been installing their new Blaze system using fibre as opposed to copper technology.

Guyana Water Inc. (GWI)

In 2017 the Division received 38 complaints against GWI. The majority of the complaints received were for technical issues in the amount of 34% whilst billing issues represented 32% and disconnection of service represented 26% and the remaining 8% for application for service issues.

Issues

The table below sets out the type of complaints received by the Georgetown office for 2017 with a comparison of figures for the previous years.

Issues	GPL			GTT			GWI			DIGICEL			TOTAL		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
Application for Service	6	12	30	4	5	27	1	1	3	0	0	0	11	18	60
Billing Issues	12	21	17	2	6	10	8	14	12	3	2	1	25	43	40
Change of Tenancy	4	2	15	0	0	0	0	0	0	0	0	0	4	2	15
Claims for Compensation	4	2	8	0	0	1	0	0	0	0	0	0	4	2	9
Claims for Wrongful Disconnection	8	8	17	0	2	2	1	3	10	0	0	0	9	13	29
Allegations of Tampering	43	55	36	0	0	0	0	0	0	0	0	0	43	55	36
Tariff Issues	0	2	0	0	0	0	0	0	0	0	0	0	0	2	0
Technical Issues	12	25	39	38	103	252	1	9	13	1	1	2	52	138	306
Transfer of Service	0	0	0	1	1	4	0	0	0	0	0	0	1	1	4
Total	89	127	162	45	117	296	11	27	38	4	3	3	149	274	499

1. Generally, it was found that the number of complaints as it relates to mobile services are a small number.
2. Complaints received for all utility service providers with the exception of Digicel increased during the period under review (2017) as compared to the previous period (2016). Technical issues representing 61% proved to be the main cause of complaints for 2017.
3. Applications for service representing 12% followed as the second tier of hierarchy of complaints filed.
4. Lastly, the remaining 27% represents Billing issues, allegations of tampering, claims of wrongful disconnection, change of tenancy issues, claim for compensation and issues with the transfer of service.

Complaints by Regions

The phenomenon regarding the regions such as Regions 2, 7 and 10 which are located a great distance from the Commission's operating centres of Georgetown and Berbice – the Division has noticed that it tends to receive fewer complaints from those Regions. This is not an indication that there are no issues in those Regions, however the Commission is in the process of examining new ways to reach the populace.

Issue	UTILITY	Reg. 2	Reg. 3	Reg. 4	Reg. 5	Reg. 6	Reg. 7	Reg. 10	TOTAL
Application for New Service	GPL	3	6	20	1	-	-	-	30
	GTT	1	2	20	2	2	-	-	27
	GWI	-	1	2	-	-	-	-	3
Sub total	4	9	42	3	2	-	-	-	60
Billing Issues	GPL	1	2	13	1	-	-	-	17
	GTT	-	-	8	2	-	-	-	10
	GWI	-	2	10	-	-	-	-	12
	Digicel	-	-	-	1	-	-	-	1
Sub total	1	4	31	4	-	-	0	-	40
Change of Tenancy	GPL	-	4	10	1	-	-	-	15
Claims of Compensation	GPL	-	-	8	-	-	-	-	8
	Gtt	-	-	1	-	-	-	-	1
	-	-	-	9	-	-	-	-	9
Sub total	-	-	9	-	-	-	-	-	9
Claims of Wrongful Disconnection	GPL	-	4	11	1	1	-	-	17
	GTT	-	-	2	-	-	-	-	2
	GWI	-	3	7	-	-	-	-	10
Sub total	0	7	20	1	1	1	0	-	29
Allegation of Tampering	GPL	-	10	22	3	1	-	-	36
	GPL	-	8	28	1	1	1	-	39
Technical Issues	GTT	5	36	203	1	2	-	5	252
	GWI	1	2	10	-	-	-	-	13
	Digicel	2	-	-	-	-	-	-	2
	Sub total	8	46	241	2	3	1	5	306
Transfer of Service	Gtt	-	-	4	-	-	-	-	4
Total		13	80	379	14	7	1	5	499

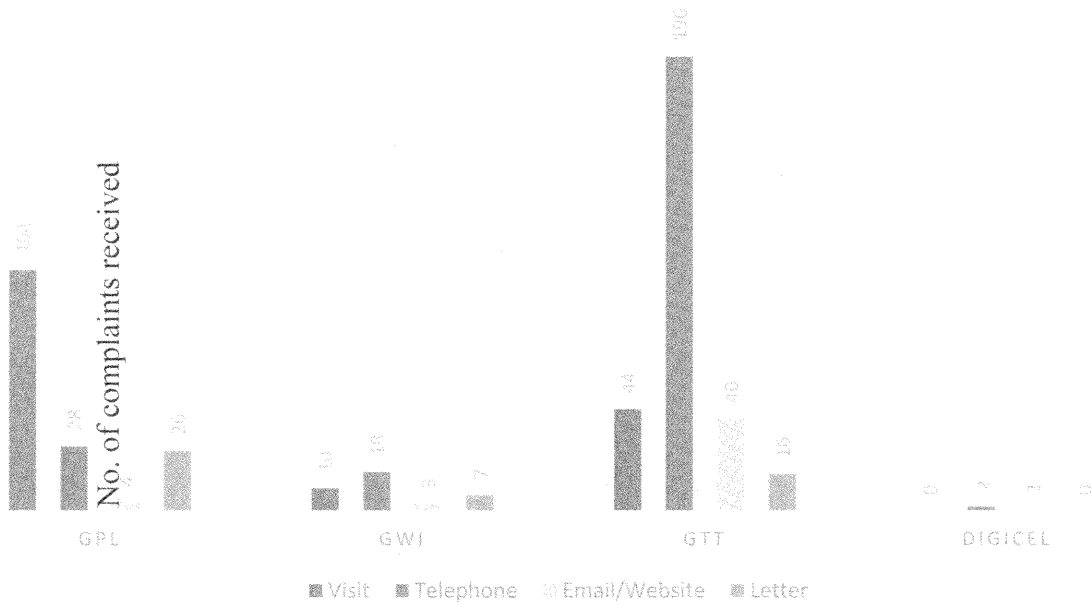
Methods of filing complaints

Complaints may be filed with the Commission using the following methods:

- Email
- Fax
- Telephone
- Visiting the Commission’s office
- Website

For the period under present review, it would appear that engaging a representative via the telephone is the most used means for filing a complaint against all the utilities. However, GPL is an exception since approximately 64% of all complaints filed against GPL are executed by visiting the complaints Division at either its Georgetown or Berbice offices.

The chart below shows the channels through which complaints were recorded.



Complaints resolved by Utilities

The table below shows complaints resolved by utilities as at December 2017:

	GPL	GTT	GWI	DIGICEL	Total
In favour of consumer	61	110	19	3	193
In favour of utility	14	8	7	0	29
Complaints rejected/No action taken	1	2	0	0	3
Complaints withdrawn	0	3	1	0	4
Unresolved at Dec 31, 2017	86	173	11	0	270
Total	162	296	38	3	499

As shown in the table above 229 representing 46% of the complaints received were resolved during the period. 84% (193) were in favour of the consumer and 13% (29) in the utility's favour. The remaining 3% (7) include complaints that were withdrawn by the consumer and where no action was taken by the Commission. The 270 complaints that were unresolved up to December 31, 2017 were carried forwarded to the new reporting period.

Credits Awarded

For 2017 the Commission secured credits and rebates in the value of \$18,375,235 on consumers' behalf. The credits and rebates secured are as follows:

GPL - \$17,974,193
GWI - \$0
GTT - \$401,042
DIGICEL - \$0

Moreover, a total of **\$29,618,829** in credits was received by consumers during the year which included settlements that were pending from the previous year.

Public Relations

The Commission intensifies its outreach programmes with the aim to engage and educate the utility consumers about the role of the Public Utilities Commission and the rights and responsibilities of utility consumers. Public Relations exercises and school education programmes were conducted in the year 2017. During these campaigns, it is customary for the Division in collaboration with our Engineers to provide tips on conservation and distribute brochures on relevant information.



Regent Street – February 2017



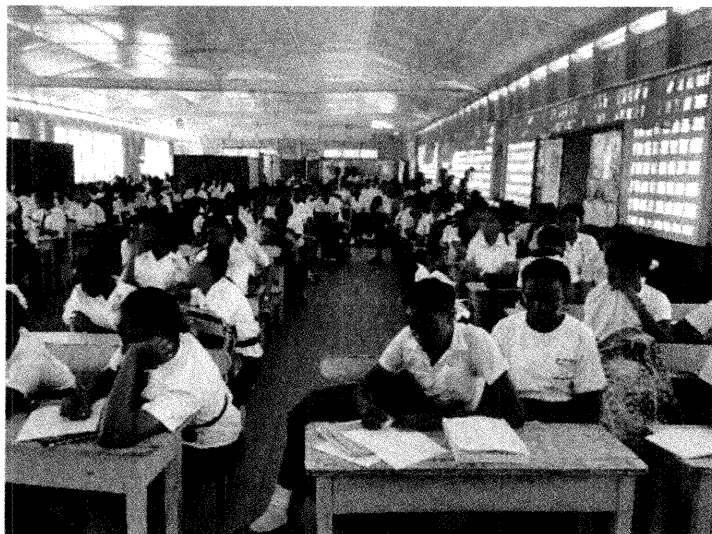
Bushlot Secondary School
October 2017

Advertisements in both the electronic and print media have proved effective in disseminating the work of the Commission.

During 2017 Public Relations activities were conducted at the following locations:

1. GUYOIL Service Station, Regent Street
February
2. Robb Street, Georgetown
March
3. Pleasance, Berbice and East Coast Demerara
bus parks, Georgetown - April
4. Water Street, Georgetown - May

5. Lusignan, East Coast Demerara - June
6. Grove, East Bank Demerara - August
7. Rosignol Secondary School, West Coast Berbice - October
Bushlot Secondary School, West Coast Berbice
Bushlot Village, West Coast Berbice



Rosignol Secondary School – October 2017



Grove, East Bank Demerara – August 2017

Conclusion

The year 2017 was an exceptional year for the Complaints' Division (Georgetown Office) as 46% of all complaints received against the utilities were resolved and matters deemed successfully concluded. Further, 30% (152) of all matters were resolved in favour of the consumer, but as a result of the utilities' tardy responses these matters are still extant. In 2018 the Commission is committed to pursuing all complaints to resolution as it strives for a higher resolution rate.

We continue to provide advocacy through our Public Awareness Campaigns in order to ensure that consumers in Guyana are aware of their rights and responsibilities and that the PUC is the platform for redress.

Berbice

Overview

In 2017 the Complaints' Division – Berbice Branch like its Georgetown counterpart continued with its program of providing assistance for the resolution of disputes between consumers and the utility companies under the purview of the Public Utilities Commission.

The public relations drive to improve the visibility of the Commission in its effort to encourage a greater number of persons to utilize the services offered proved marginally successful, and the Division received favourable responses from its complainants.

Complaints Received

The following represents the number of complaints received by the Berbice office for the year 2017:

Utilities	No. Of Complaints
GTT	248
GPL	75
GWI	3
DIGICEL	0
TOTAL	326

As at December 31, 2017, 148 of the 326 complaints received at the Berbice Office (45.3%) were resolved. Based on the resolution of some of the complaints, consumers were awarded credits/rebates from the utilities amounting to \$6,405,260.00.

Following is a break-down of credits/rebates as per utility:

GPL - \$5,932,772.00
 GTT - \$375,214.00
 GWI - \$97,274.00

Complaints Resolved by Utilities

Guyana Telephone and Telegraph Co. Ltd. (GTT)

As it relates to the 248 complaints received against GTT, 107 were resolved, however there are approximately 130 complaints which were resolved based on the consumers update, not an official response from GTT. As such Delay in responding to these matters the complaints are listed as unresolved. The remaining 11 are at varying stages in the investigative process.

Guyana Power and Light Inc. (GPL)

As it relates to GPL 38 of 75 complaints were resolved while 37 remained unresolved.

Guyana Water Inc. (GWI)

3 complaints were received against GWI which have all been resolved.

Resolution Rate for Complaints

The table below illustrates the resolution rate of the complaints received for the specific utilities. It also illustrates the number of complaints that are pending outside of specified time-frames.

Utility	Resolved within 21 Days	Resolved Within 50 Days	Resolved Within 120 Days	Resolved After 120 days	Total Resolved	Pending over 120 Days
GTT	33	15	53	6	107	114
GPL	1	5	17	15	38	19
GWI	2	0	0	1	3	0
Total	36	20	70	22	148	133

The table below shows resolution in favour of consumers/utilities:

	GTT	GPL	GWI	Total
In Favour of Consumers	107	28	3	138
In Favour of Utility	0	10	0	10
Complaints Rejected	0	0	0	0
Complaints Withdraw	0	0	0	0
Total	107	38	3	148

Guyana Telephone & Telegraph Co. Ltd (GTT)

The 248 complaints filed with respect to this utility are categorized below.

Complaints Category	Amount
Technical Issues	234
Application of Service	9
Transfer of Service	3
Disconnection	2
Total	248

Guyana Power & Light Inc (GPL)

Seventy-five (75) complaints were received against the Guyana Power and Light Inc. Of the 75 complaints received, forty-one (41) were with respect to allegations of tampering.

Guyana Water Inc. (GWI)

Three complaints were received against this company, 2 relating to billing issues and 1 was with respect to a disconnection.

These complaints were resolved expeditiously, and commendations should be in order for the GWI's Chesney Office.

Complaints by Regions

Complaints received from Regions' Nos. 5 & 6 are listed below:

Regions	GPL	GTT	GWI	Total
No. 5	12	21	0	33
No. 6	63	227	3	293
Total	75	248	3	326

Mode of filing complaints

Utilities	Visit	Post	Email	Telephone
GTT	122	1	0	125
GPL	69	0	0	6
GWI	2	0	1	0
TOTAL	193	1	1	131

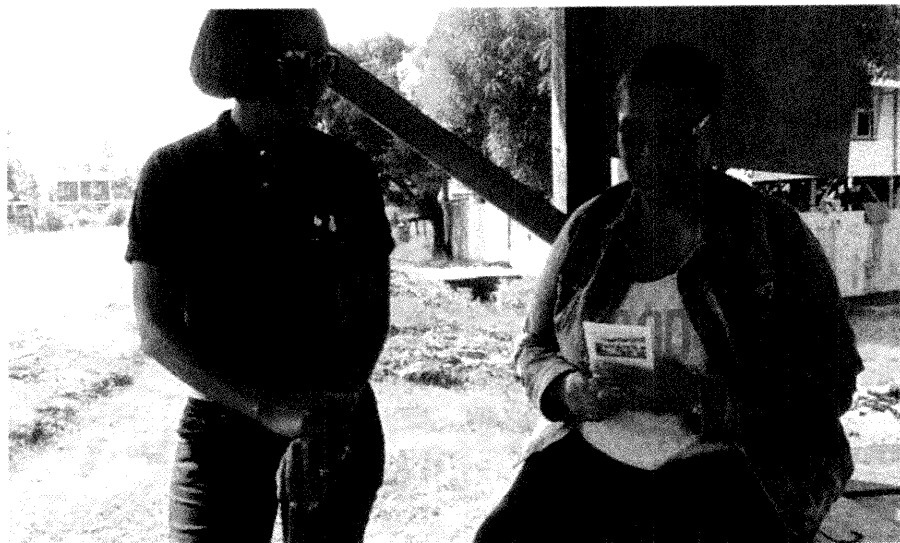
Public Relations

During the year the office conducted public relation exercises in a number of communities. These visits allowed for the interaction of the Commission's staff with residents. Brochures were distributed, and consumers were provided with tips on conservation of electricity and water. Consumers were given information and guidance on the access to GTT's fault reporting centre.

The following areas were visited by staff members during 2017:

1. Ainess Village, Corentyne - February
2. #2 Village, East Canje - March
3. Albion Village, Corentyne - April
4. Talorgie Village, Corentyne - May
5. Adelphi Village, East Canje - June
6. #63 Benab Village, Corentyne - July
7. Fort Ordinance, East Canje, - August
8. Tain Village, Corentyne - September
9. Pitt Street to Asylum New Amsterdam - October

The pictures below show the Berbice Office staff conducting consumer awareness programmes in Regions 5 and 6.



Ms. Welch engaged in conversation with resident enlightening her of the work done by PUC.



Ms. Veerasammy leaving pamphlet with resident after informing her about the PUC.

In addition to the Public awareness campaigns a 30-second infomercial on the operations of the PUC and the location of the Berbice Office is aired periodically on 3 major channels in Regions 5 and 6.

Development

The Berbice office participated in training sessions where certificates were awarded upon successful completion and the workshops proved beneficial to development. Below are the programs in which the Berbice staff participated in the year 2017.

- Introductory Certificate in Customer Service
- Work Programme Preparation

Conclusion

Overall the year 2017 was fair for the operations at the Berbice office, it succeeded in resolving 45% of the complaints received against the utilities. The unresolved complaints will be pursued vigorously in 2018 in order to bring closure to these outstanding matters.

The Division will also continue its Public Relations drive in 2018 to ensure that consumers are informed of their rights and provide them with an avenue to ventilate their issues and concerns regarding the three (3) utilities.

<i>Destra Bourne</i>	<i>- Complaints Manager</i>
<i>Monique Welch</i>	<i>- Supervisor</i>
<i>Anuradha Mohabir-Singh</i>	<i>- Clerical Officer</i>
<i>Eslyn Herbert</i>	<i>- Clerical Officer</i>
<i>Seelema Mohamed</i>	<i>- Clerical Officer</i>
<i>Sindamanie Veerasammy</i>	<i>- Clerical Officer</i>

Engineering Division

The Engineering Division responds to technical challenges faced by consumers in the three utility sectors – electricity, water and telecommunication. The analysis of technical issues that relate to consumers' complaints forms a major component of the work of this Division. It is also tasked with monitoring and reporting on utility service standards and other issues relating to the work of the Commission.

The Electricity Sector

Operating Standards & Performance Targets

The Guyana Power & Light Inc. (GPL) is examined annually on their Operating Standards and Performance Targets. The Commission is statutorily required to conduct this annual review, via a public hearing, not later than the 30th of March for the preceding year.

Four of the eight standards, which were reported on by the Engineering Division, are briefly discussed below.

The targets are usually provided in the approved 5-year Development & Expansion Programme which is provided annually by GPL. However, given that an approved 2017–2021 programme was not provided by the company, the targets projected for 2017 in the 2016–2020 programme were used in our analysis.

1. Customer Interruptions

Two (2) indices are used for reporting on Customer Interruptions. These are (1) System Average Interruption Frequency Index (SAIFI), which provides for the number of outages that a customer is likely to experience in a year and (2) System Average Interruption Duration Index (SAIDI), which provides for the sum of the duration of outages that a customer is likely to experience in a year.

(i) The formula for System Average Interruption Frequency Index (SAIFI) is as follows:

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

The target projected for 2017 was 75; meaning that on average a consumer should expect no more than 75 outages for 2017. At the end of 2017, the average number of outages per customer was approximately 129. This means that GPL failed to meet its target. With a similar target of 75 in 2016, GPL recorded about 119 outages. Customers therefore experienced more outages in 2017 than in 2016.

In recent years, GPL has not been achieving the set standard. While the Commission accepted some of GPL's reasons for not meeting their targets in past years, the company is expected to be more attentive to factors within its control.

(ii) The formula for System Average Interruption Duration Index (SAIDI) is

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

The target projected for 2017 was 85 hours; meaning that on average a consumer should expect no more than 85 hours of outages in 2017. At the end of 2017, the average duration of outages per customer was 133.2 hours. The target was not met.

In 2016, GPL also did not meet its 90 hours duration target.

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.

GPL, however, maintained that it is difficult to monitor the voltage delivered to each customer and instead the company opts to report on the number of voltage complaints and time taken to resolve them.

3. Losses

System losses were projected at 27.6 % for 2017. Technical losses were estimated at 12.9 % and non-technical losses at 14.7 %. At the end of 2017, the total combined losses were 29.5%. Technical losses were 14.5% and non-technical losses 15.0%. GPL did not meet this target.

In 2016, the overall target was 28.6%. With 29.2% losses, GPL did not meet their target.

Losses increased by approximately 0.3% from 2016.

4. Average Availability

The average availability is based on the ratio of declared capacity and available hours to installed capacity and hours in the period. The projected target for 2017 was 80% and at the end of 2017, the average availability was about 78.7%. GPL did not meet this target.

In the first two quarters of 2017, GPL recorded 83% and 80% respectively for Average Availability. This fell to 73.4% for the third quarter and improved to 78.3% in the final quarter of 2017.

GPL, therefore, did not meet any of these targets that were projected for in 2017.

Unjustified Billing for Electricity Not Consumed

Billing anomalies have been noted with concern and GPL needs to carefully examine these claims before saddling customers with bills for such debt. The millions of dollars in claims that are reversed every year by GPL for matters before the Commission signify that some of the claims are without merit. Unjustified claims not only cause grave inconvenience for customers, but in addition it results in undue hardship and loss of service.

In one instance, it was found that after failing to bill a service with an easily accessible meter for 9 consecutive months, GPL demanded in excess of four million dollars (\$4,000,000). The fabricated meter readings gave the impression that the meter went through a complete 100,000 kWh recording cycle. GPL was adamant that the customer pays the unjustified amounts and even disconnected the service twice, whilst the matter was before the Commission. Eventually, through relentless investigation, with support of a team of GPL's loss reduction officials, GPL accepted the fact that the consumer did not consume the amount as claimed, thereby resulting in a reversal of the unjustified back-billing charge.

"Straight" connected Meters – Are they legitimate?

In a number of instances, consumers have complained that GPL disconnected their service for having an illegal meter bypass, notwithstanding the bypass may have been facilitated by GPL technicians. Also, it would appear that when some consumers experience difficulties with entering tokens into pre-paid meters, they contact the nearest GPL crew for assistance. The GPL crew in rendering assistance to customers without electricity will provide a direct feed from the supply line to the building, which is not a proper GPL procedure, thereby bypassing the meter. In the future a different GPL team may be assigned to investigate the service; perhaps after detecting an anomaly in the purchasing patterns for electricity. The bypassed meter will then be detected, and this team will attempt to verify the legality of the straight connection by requesting the reference number for the complaint from the consumer. Since the complaint was not made via GPL's established fault reporting method, a reference number would not have been provided and the bypass is then deemed to be an illegal one.

There are also instances where at the onset the bypass was illegal, but the consumer would file a complaint with the Commission without disclosing his or her own wrongdoing or knowledge of wrongdoing. In these cases, a successful determination is made from analysis of the available evidence before the Commission.

The Commission will continue to engage GPL in an effort to improve customer awareness of the correct procedures for facilitating straight connections.

The Telecommunications Sector

Higher Internet Speeds via Fibre Optic Medium

In July 2017, GT&T launched “Blaze”, a fibre medium based Internet service, boasting higher Internet speeds for customers. The Blaze service entails the use of a fibre optic cable to homes as an upgrade to the traditional copper lines that facilitated the Digital Subscriber Line (DSL) Internet and landline telephone services.

The upgrade for existing DSL customers requires a new application for service, for which new internet equipment, backup power supply and a Voice over Internet Protocol (VoIP) phone will be provided. The telephone through the fibre optic network thus becomes an internet phone where the local telephone number will remain the same and the service will not be susceptible to some of the challenges inherent with copper.

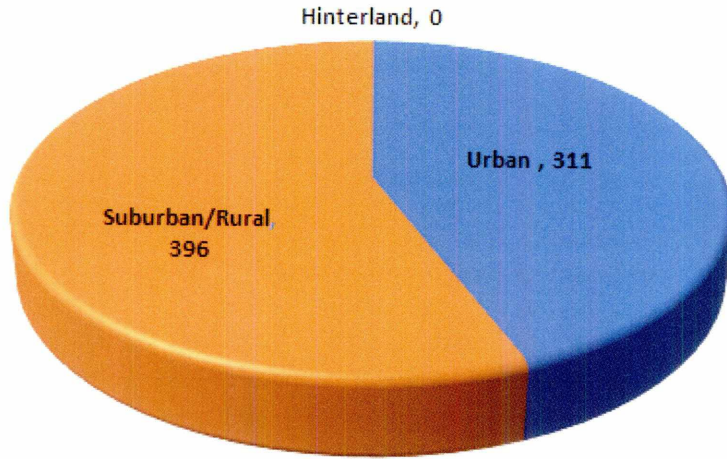


The fibre optic infrastructure not only provides for higher Internet speeds, but also increases subscriber capacity. The photo shows a comparison of the fibre optic cable that facilitates the Blaze service and the copper cable that provides the DSL and landline services, mounted between two poles. GT&T advised that while the larger diameter copper cable will accommodate about 400 customers, the fibre optic cable, which has just a few strands, will accommodate about 4000 subscribers.

Landline Installation

In July 2014, Guyana Telephone and Telegraph Company (GT&T) applied for a variation of rates and by Order 4 of 2017 GT&T is required to submit to the Commission on a quarterly basis, an appraisal of the progress showing the number of new services rolled out, inclusive of rural areas. As per the order this should be no less than 350 lines per quarter. In the first quarter and part of the second quarter, GT&T reported to the Commission that a total of 707 lines were installed. The Hinterland areas did not receive any new installed lines. The chart below indicates the installed lines in urban and suburban areas.

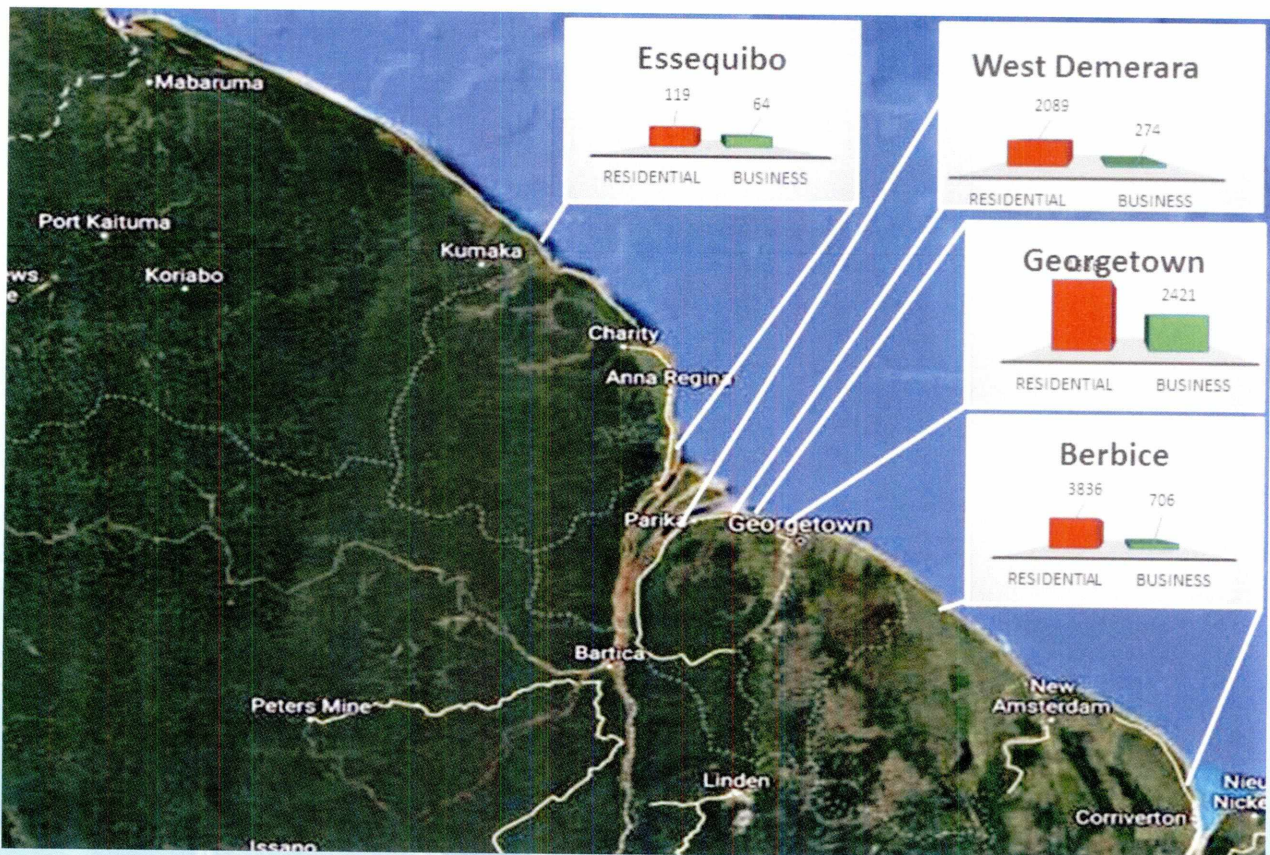
INSTALLED LINES



Land Line Fault Repair

GT&T is obligated to submit to the Commission a quarterly report as per Orders 2 and 4 of 2017 the time it takes to resolve complaints on repairs to faulty landlines.

GT&T has submitted two quarterly reports to the Commission with respect to fault reporting and the response time to remedy these faults. Most of the faults are in the category of consumers having no dial tone to their instrument. The geographic map of the coastal region indicates the number of remedied faults for the period August 2017 to December 2017.



Time frame in remedying faults

Fault repairs are to be remedied in the following time frames.

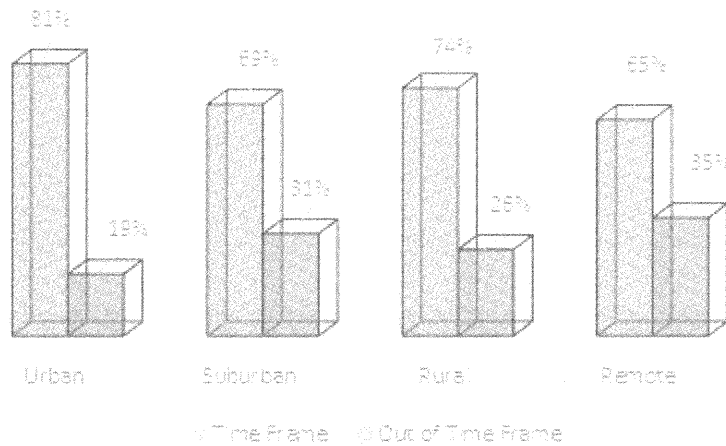
Urban Areas (townships): 5 working days

Suburban/rural Areas: 8 working days

Hinterland Areas: 20 working days

GT&T has submitted reports for the period August 2017 to December 2017 on the time frame in resolving and remedying reported land line faults. The suburban, rural and remote areas have indicated that GT&T's response time in clearing and closing faults in those areas has been tardy, there should be a more timely response in resolving faults, the graph below shows the percentage to the time frame in response to remedying faults.

Resolution of Faults



Mobile

GT&T continued to upgrade its existing cellular sites from the 2G to 3G and Long-Term Evolution (LTE) as indicated in their product development plans 2017. The LTE upgrade will improve the internet mobile experience by ten times that of 3G. The Fixed Wireless Access (FWA) that existed on the Essequibo coast was eventually replaced by the Fixed Broadband Access. This replacement will eventually bring some relief to consumers who did not enjoy a continuous telecommunication service that most parts of our country experience.

The Water Sector

LifeSavor C2 filter water tanks

Many existing hinterland communities do not have traditional water supply as the rural and urban areas in Guyana, they continue to use water from sources such as rivers, creeks and stored rain water in containers.

Regarding the methods of water sourcing by the hinterland communities, their house-holds require potable water which is necessary to execute their daily routine such as cooking and laundering. The Guyana Water Incorporated has installed LifeSavor C2 filter water tanks in the villages of Kamarang and Kato. These tanks will enable the community to have access to filtered potable water for the hospital, schools and residents in the areas.

The LIFESAVER C2 filter tank has the capacity of 750-litres containing proven nanofiltration technology. It can deliver up to 2 million litres of safe, sterile drinking water from water sources excluding sea water.

Ultrasonic Water Meter

For years, GWI continues to use mechanical water meters, however a revolutionary development of innovative technological methods to install meters at consumer premises and for it to be read without the interference of the consumer privacy has been implemented. These meters are called “Smart Meters”; which enables GWI to read such meters remotely or driving by the consumer premises. GWI is implementing such meters as a pilot project to solve some of their issues in meter reading. GWI is leading the way to adapt to a changing technological space.

The ultrasonic meter which is in the category of smart meters has the capacity to store data such as usage history for previous months which will greatly assist the utility and consumer in resolving billing disputes in a timely manner.

Service Standards

Water Inc. operates under a license that was granted on November 13, 2002 which provides for service standards that include the following -

- Coverage
- Water Quality Standards
- Non-Revenue Water
- Continuity of Service
- Collection Efficiency
- Disposal Efficiency

Whilst some of the standards are improving, the company has failed to meet some of the targets as set out in its license in the following manner.

Coverage - The utility has been making strides in extending coverage in the Hinterland areas.

Water Quality Standards – More areas now benefit from treatment of high iron content in water.

Non-Revenue Water – This should be not more than 22%. However, it is currently reported to be in excess of 60%.

Continuity of Service – Water delivery hours have increased but all areas on the Coastland and Georgetown do not receive a 24-hour supply.

Metering Coverage – This should be in excess of 85% but is now about 50%.

Nikita Samwaru & Shankar Singh
Engineers

FINANCE DIVISION

Guyana Power and Light Inc

Operating losses in 2017, mainly because of a resurgence in oil prices, set the stage for a difficult year for the Company. The perennial problem of system losses remained; and the failure of the company to submit its annual Development and Expansion Plan for 2017 to 2021 to the Commission as mandated under Section 38 of the Electricity Sector Reform Act, are some of the areas of concern.

Company's Operating Result

In our previous report we cautioned that should there be an increase in oil prices, the company would be unable to achieve its allowable rate of return unless it reviews its tariffs and/or adjust its fuel surcharge/rebate mechanism consistent with its licence. Oil prices did increase to a level that would have triggered a movement in the fuel surcharge mechanism. However, there was no commensurate movement in fuel surcharge, resulting in a significant fall of earnings for the company during the 2017 financial year.

GPL has committed to a rolling five-year Development and Expansion program (2016-2020) that anticipated a capital expenditure of \$191 million United States dollars over the duration of the plan. GPL is expected to contribute in excess of 50% of this amount towards the program. These funds are expected to be derived from the company's internal generated cashflows that could only be realized if the company earns a profit consistent with the terms in its licence. Unless, therefore, there are adjustments to tariffs and fuel charges going forward, it would be difficult for the company to fund its projects. Not achieving the objectives as set out in its Development and Expansion Program, would continue to result in substandard quality of service to consumers and increases in operational costs.

GPL's Five-Year Development and Expansion Plan

GPL had not submitted to the Commission a copy of its 2017-2021 Development and Expansion Plan as required by Section 38 of the ESRA. Section 38 3(a) of the ESRA states as follows:

"except as otherwise provided in its licence, every public supplier shall, no later than sixty days prior to the end of each of its financial years, submit seven copies of its annual development and expansion program and a current version of its five-year development and expansion programme, as approved by the governing body of the public supplier to the Commission for approval in accordance with part seven of the Public Utilities Commission Act 1999."

The Commission, therefore, is uncertain what were the approved targets the company was mandated to achieve in 2017. The Commission whilst not authorized to approve the targets to be achieved by the company, is required to review the performance of those targets and in the event, they are not achieved may require from the utility the reason(s) for its failure and to decide what action, if any, should be taken against the company. We find this omission by GPL disturbing. It points to uncertainty in planning by the company and leaves the company no approved targets to work with.

System Losses

System losses continue to be the bane of the company and this phenomenon has continued for the last twenty-five years. There appears no robust program on the part of the company to reduce these losses on a sustained basis. The gravity of this problem can best be highlighted by noting that from the inception of the company's inauguration in October 1999 to present, the cost of system losses to the company is calculated to be more than eighty billion dollars or the equivalent of about US\$450 million dollars. These losses are ultimately borne by the nation and it could be considered a barrier to national development.

Since 2013, GPL had indicated that it would begin a programme to install AMI meters nationwide to replace the current installed electromagnetic meters. The AMI meters are thought not to be susceptible to tampering and it would have

significantly reduced commercial losses (one of the components of system losses). In the company's Development and Expansion plan 2016-2020, the company had projected that at the end of 2017 they would have installed 28,000 AMI meters within their service area. We are now in 2018, and the program is yet to commence in a meaningful manner.

The management of the company together with the major shareholder are no doubt cognizant of the current prevailing situation and we recommend that some urgency be given to implement a comprehensive plan to begin the long journey of having these losses reduced on a sustained basis to acceptable levels.

Operating Standards and Performance Targets

On the 4th October 2010 GPL's License was expanded to include Operating Standards and Performance Targets.

There are eight service standards with pre-determined targets that GPL is expected to achieve. If the Commission finds that the company has failed to meet its operating standards and performance targets as provided for in its Development and Expansion Plan, 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 company's shareholder(s) for such calendar year. The Commission is mandated to publicly report on GPL's performance not later than April 30th in each calendar year on the previous year's performance.

The hearing for 2017 is yet to commence. However, from preliminary reports it appears that the company may:

- (a) Materially fail to achieve its customer interruption index
- (b) May marginally fall short of its system loss target, which is a soft target and one which in our opinion does not challenge the management of the company to strive for excellence.

GPL's Liabilities:

The size of GPL's liabilities is of concern. We believe this debt is unsustainable and that the company would be unable to service its debts based on its current cash flows and its continual commitments. We would suggest for the consideration of the relevant parties a restructuring of the company's balance sheet and that the related party debts which is an astronomical figure be converted into equity; and thereafter the company be allowed to implement its allowable rate of return and the fuel surcharge/rebate mechanism in accordance with its license.

General

Energy and cheap energy is integral to the development of a nation. It is the main contributor that allows a company to be competitive on the international market and promotes the wellbeing of a nation. It would appear that the gravamen of this is not appreciated by those who manage the company. The service and quality of service over the decades had the effect of making companies un-competitive and inconvenienced an entire nation and it reduces the life of consumers' durables because of an un-stable voltage supply.

Guyana Water Incorporated

The performance of the Guyana Water Incorporated in 2017 continued in much the same manner as in the previous year. Significant non-revenue- water, operating deficits, failure to implement a sustained programming for the metering of un-metered consumers are factors that contributed to the company's poor performance. On a positive note the company has shown resolve in the collection of its billings which has increased year on year.

Non-revenue water

Non-revenue water continues to be the main reason for the company's poor financial results. While non-revenue water cannot be definitively measured it is generally thought to be more than fifty percent of the water produced. Previous programs by the company to reduce non-revenue water to acceptable level have met with little success. We are uncertain whether in 2017 the company had any meaningful programs to address non-revenue water.

The cost of non-revenue water to the company runs into hundreds of millions of dollars annually, a cost that the company is unable to sustain and must rely on Government's subvention to provide funding for its operations.

It is time that the company crafts a sustained program and begin its long journey of reducing non - revenue water to acceptable levels.

Financial Results 2017

GWI continues to be the recipient of substantial Government subventions without which the company's operations would have recorded huge operating losses. We attribute this to three factors. Unacceptable non-revenue-water, inadequate metering and a tariff structure that needs revision.

GWI has a tariff ranging from approximately \$60 to \$112 with a weighted average tariff of approximately \$75 per cubic meter. This means that if there was no non-revenue water and GWI markets all the water it produces, it would sell each cubic meter of water for \$75. The fact that the company only collects approximately \$30 for every cubic meter of water produced, illustrates the level of the company's inefficiency and the impact that non-revenue water has on its operations.

Water meters

At the end of 2017 approximately 50% of GWI consumers were metered, meaning that the water they consumed were measured. In our previous report we stressed the importance of metering and note with disappointment the slow pace of metering during 2017.

Un-metered consumers contribute in no small measure to non-revenue water and the company has been acutely aware of this for many years. Based on our calculations we concluded that un-metered consumers use approximately 13-15 million cubic meters of water that is not paid for. This translates to about 8% of the company's water production that yields no revenues to the company. Universal metering would prevent this loss.

There are other advantages that universal metering would bring to the company:

- (a) The company would be in a position to determine the quantity of water used by its consumer base.
- (b) It would enable the company to determine its real losses. This would be useful to the company in planning its approach to address real losses.
- (c) Full metering should increase the company's revenues significantly and force water conservation on those consumers who were previously un-metered.

Attempts in the past to maintain sustained metering programs have failed to deliver. We wish to emphasize, the importance of metering and the benefits that will accrue to the company.

Inactive consumers in the company's active data base

At the end of 2017 GWI has reported that approximately 25,000 consumers on its active consumer ledger receive no bills, as there might have been illegal reconnection after being disconnected by the company. These persons continue to enjoy a free service. This situation is as a result of an accumulation of defaulting consumers spread over a number of years. It all points to a failure or oversight by management to effectively police the situation on the ground and to effectively audit its data base so that such incidences may be uncovered in a timely manner. We suggest that the company be innovative and implement such measures to bring its recalcitrant consumers back into its fold.

Collections

It is encouraging to note that the company's collections have increased year on year. This is a positive. We trust that this trend would be the norm in the foreseeable future. The inability to collect outstanding amounts due, in a timely manner limits liquidity and by extension constrains the company from effectively funding programs that are likely to improve quality of service to consumers.

Impact of GWI's Inefficiencies on Consumers

Utilities, by their very nature, are integral to the development of a nation and play a key role in human development. It follows therefore that utilities should be efficiently managed.

Over the years the suspect nature of the company's potable water and the unreliability of its service have forced consumers to purchase bottled water and to erect overhead tanks to harvest water for domestic use. It may not be an unreasonable assumption that the sale of bottled water throughout the country might be greater than revenues collected from GWI's sale of water to its consumer base.

These expenditures have no doubt placed an added financial burden on consumers depleting some of their disposable income that could have been better spent on alternatives that would have resulted in improvement to their quality of life.

General

Since 2003, GWI, in addition to subventions received from the Government of Guyana for operational activities is the recipient of funding from the Government and other International Donor Agencies for its capital expansion programs. The sum of this funding during this period is in excess of than twenty- six billion dollars. To the company's credit there has been improvement in the expansion of services and the company's quality of service. However, with an asset base of approximately \$26 billion, GWI needs to begin to earn a return on its investment to maintain the integrity of its capital infrastructure going forward. GWI has the potential at its current level of production to earn a fair return on its investment. It needs, however, to come to terms with its non - revenue water, its collections and tariff rationalization.

Telecommunication Sector

Telecoms Reform Sector Act

The Telecoms Reform Bill was passed and assented to by the President of Guyana on August 5th, 2016, is yet to become operational and our expectation that this would have happened in 2017 did not materialized. The Act will become operative, when the subject minister signs an Order, effectively bringing it into operation. The Act, when it becomes operational will end GTT's monopoly on its landline and international operations. Currently, both the Government and GTT are in negotiations, seeking an amicable settlement to the ending of its monopoly.

Guyana Telephone and Telegraph's Tariff Application

On the 1st of July 2014 the Guyana Telephone and Telegraph Company limited (GTT) made an application to the Commission for tariff increases for a number of its landline services, a net reduction in outbound rates and the introduction of tariffs for directory services and E1 lines. In its application GT&T used the audited financial statement for the year ended 2011 as its test year. The test year showed that the profit earned in that year was below the 15% threshold on capital dedicated to public use. The Company's position was that GTT's agreement entitles it to a return of not less than 15% on capital dedicated to public use, hence the filing. The varying increases/ decreases applied for in its filing were anticipated to take the company's earnings to the 15% threshold on the capital dedicated to public use. Several hearings were held and after a careful consideration of the facts presented by GTT, the Commission rejected GTT's application in its entirety. GTT had challenged the Commission's Order (Order 1 of 2015 which may be viewed on the Commission's website at www.puc.org.gy) by taking the matter to the Court of Appeal for a resolution. The company subsequently withdrew the appeal and requested that the Commission review the Order under Section 77 of the PUC Act. The Commission agreed to GTT's request.

On the 9th of June 2017 the Commission concluded its hearing and issued Order, Number 2 of 2017 that may be viewed on our website at www.puc.org.gy.

Increased temporary rates were approved for landline and ancillary services effective from the first day in August 2017. Generally, the increases were less than those sought by the company. Further the increase rates approved by the Commission are contingent on the company achieving three deliverables. These are:

- (a) The completion of the end to end provisioning of the FTTX Phase one project at La Grange and to commence the commercial launch of services in this area.
- (b) The activation of not less than a thousand landline services per quarter which may include up to 25% re-issue lines.
- (c) A quarterly report from the day the rates take effect showing details of the average time taken to resolve consumers' complaints - residential and business.

Services

Overall voice minutes of use continue to decline year on year. There has, however been robust growth in the sale of megabits that suggests the shift from voice to data services.

Mobile

At the end of 2017, the number of active mobile handsets increased by 2% when compared to 2016. However mobile minutes of use fell by 8% year on year.

Landline Services

The number of active landline services continue to decline year on year. There was also a decline in minutes of use of approximately 16% over the previous year. Over time there has been a gradual decline in landline's quality of service and this may have been a factor that precipitated its decline. It may be of interest to note that although landline rates are significantly cheaper than mobile rates, mobile minutes of use that also includes promotional minutes, are greater than landline's minutes of use in 2017.

International Services

Both inbound (calls originating from an international destination to Guyana) and outbound (calls originating from Guyana to an international destination) minutes declined year on year. Over the years, GTT outbound operations have been challenged by calls made through Voice Over Internet Protocol at a fraction of PUC's approved rates. At GTT's request the Commission has reduced outbound rates to most international destinations and has changed the billing regime from per minute to per second. It is hoped that this mutual course of action will not only arrest but will grow outbound minutes of use going forward.

Internet Services

The demand for Digital Subscriber Line (DSL) services has remained relatively flat during 2017. In the latter half of 2017, GTT has launched a Passive Optical Network (PON). This is a telecommunication technology used to provide fibre to the end consumer. This technology has the advantage of being faster than DSL. Another advantage to the consumer is that the PON can accommodate a phone that consumers may use to make local calls.

In 2017, sale of megabits has doubled over 2016. This robust growth demonstrated the pull to data services and the shift away from voice services.

Moorsalene Sankar - Financial Analyst I

Yogwattie Sookram - Financial Analyst II

ACCOUNTS DIVISION

FINANCIAL REVIEW - 2017

Financial Operation

The Commission recorded another successful financial year by effectively managing its financial resources.

The Commission receives by law, funding through assessment fees levied on utilities under its purview. This annual fee amounts to one hundred and fifty million dollars (\$150,000,000), which is used to operate the Commission and the Division in keeping with its mandate, ensures that monies were properly expended.

The year, 2017, personnel in the Accounts Division were exposed to various training modules, which has greatly assisted in augmenting the skills in this Division.

The following are the unaudited financial statements for the year ending December 31, 2017 which shows the Commission's Statement of Financial Position, Income Statement and Statement of Cash Flows. At the time of publication, the Accountant General has been invited to audit the Commission's 2017 accounts.

Mr. Elroy Halley-Accountant

Mr. Mark Gobin -Accounts' Clerk

PUBLIC UTILITIES COMMISSION
Statement of Comprehensive Income
For the year ended 31 December, 2017

	2017	2016
	G\$	G\$
Income		
Gains on sale of Non-Current Assets	-	-
Assessment Fees	150,000,000	150,000,000
Other Income	8,000	-
Interest Earned	<u>9,979,306</u>	<u>10,341,961</u>
Total Income	<u>159,987,306</u>	<u>160,341,961</u>
Expenses		
Employment Cost	118,355,116	106,661,307
Training Conference and Official Visits	6,757,695	11,499,602
Administration Expenses	20,182,733	9,037,025
Utility Charges	2,936,205	1,922,903
Security Charges	4,522,306	3,919,016
Rent Charges	958,320	958,320
Repairs and Maintenance	2,351,476	1,811,906
Bank Charges	194,349	146,950
Depreciation	9,622,257	9,009,329
Rate and Taxes	<u>210,624</u>	<u>474,734</u>
Total Expenses	<u>166,091,081</u>	<u>145,441,092</u>
Net (Deficit) / Profit	<u>(6,103,775)</u>	<u>14,900,869</u>

PUBLIC UTILITIES COMMISSION
Statement of Financial Position
As at 31 December, 2017

	2017	2016
	G\$	G\$
Assets		
Non-Current Assets		
Property/Plant/Equipment	120,104,110	123,181,965
Total Non-Current Assets	120,104,110	123,181,965
Current Assets		
Receivables	278,233	-
Prepayments	576,858	558,313
Cash and Cash Equivalents	<u>359,188,205</u>	<u>360,867,904</u>
Total Current Assets	<u>360,043,296</u>	<u>361,426,217</u>
TOTAL ASSETS	<u>480,147,406</u>	<u>484,608,182</u>
EQUITY AND LIABILITIES		
EQUITY		
Retained Earnings	477,056,731	483,160,506
Revaluation Reserves	<u>286,320</u>	<u>286,320</u>
Total Equity	477,343,051	483,446,826
Current Liabilities		
Payables	1,560,400	62,103
Accruals	1,243,955	1,099,253
Total Current Liabilities	<u>2,804,355</u>	<u>1,161,356</u>
TOTAL EQUITY AND LIABILITIES	<u>480,147,406</u>	<u>484,608,182</u>

PUBLIC UTILITIES COMMISSION
Statement of Cash Flows
For the year ended 31 December, 2017

	2017	2016
	G\$	G\$
Cash Flow from Operating Activities		
Net Surplus	(6,103,775)	14,900,869
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>		
Depreciation	9,622,257	9,009,329
Retained Earnings	-	-
Revaluation Reserve	-	-
Less gain from sale of non-current assets	-	-
(Increase)/decrease in accounts receivable	(278,233)	15,731
Increase/(decrease) in accounts payables	1,498,297	(2,425,430)
(Increase)/decrease prepayments	(18,545)	162,663
Increase/(decrease) in accruals	144,702	463,696
Net cash and cash equivalents from operating activities	4,864,703	22,126,858
 Cash flows from investing activities		
Sale of fixed asset	11,180	-
Purchase of equipment	(5,205,125)	(463,550)
Purchase of furniture	(1,350,457)	(9,280)
Purchase of land and building	-	-
Net cash used in investing activities	(6,544,402)	(472,830)
 Net increase/(decrease) in cash and cash equivalents	(1,679,699)	21,654,028
Cash and cash equivalents at beginning of period	<u>360,867,904</u>	<u>339,213,876</u>
Cash and cash equivalents at end of period	<u>359,188,204</u>	<u>360,867,904</u>



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