

<b>GUAM POWER AUTHORITY</b> Standard Operating Procedure	No.: SP-060	Issued: 9/23/91
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Title: DAMAGED CLAIMS	Approved By: <i>John M. Benavente</i> JOHN M. BENAVENTE, Gen. Mgr.	
Effective Date: 9/23/91	Supersedes No.	Page 1 of 10

**I. PURPOSE**

This Standard Operating Procedure is established to provide a guide for an orderly, accurate and reliable file records on damage claims and to expedite the submission of reports in an effort set forth to compensate claims for appliance, equipment or property damages.

**II. SCOPE**

Applicable to all claimant of the Authority.

**III. REQUIREMENTS**

- 3.1 Claimant must complete Damage Claim Form.
- 3.2 Claimant must prove the Authority negligent.
- 3.3 At least two (2) estimate repair receipts must be submitted for each item claimed.
- 3.4 When applicable, serial numbers of items must be submitted.

**IV. AUTHORITY**

- 4.1 The Manager of Customer Services or his/her designee will be the Official Claims Officer for the Authority.
- 4.2 The General Manager or his designee has the authority in approving or disapproving disputed claims.

**V. RESPONSIBILITY**

- 5.1 The Manager of Customer Services is responsible in overseeing that the claims are processed in accordance with the Authority's Rules & Regulation, Procedures, Practices and other governing policies pertaining to claims.

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V. RESPONSIBILITY (cont'd)

- 5.2 The Credit & Collection Section is held responsible for accounting all claims filed with the Authority. A monthly report on the status of claims must be submitted to the Manager of Customer Services for his report to the General Manager.
- 5.3 The Engineering Division is responsible for investigation, inspection, interviewing and rendering technical advise necessary in determining settlement of such claims.
- 5.4 The Certifying Officer is accountable in assuring that funds are available for disbursement of approved claims.

VI. PRELIMINARY INVESTIGATION

- 6.1 When applicable, initial investigation will be conducted by the Engineering, Customer Service Section.
- 6.2 When deem necessary Credit & Collection personnel will conduct a follow up investigation.

VII. PREPARATION OF REPORTS

- 7.1 Claims for damages must be filed with the Customer Services Offices.
- 7.2 Claimants must provide pertinent informations indicated on Customer Damage Claim form (see exhibit "A").
- 7.3 When applicable, Field Investigation report will be submitted by the Engineering Division (see exhibit "B").
- 7.4 The Manager of Customer Services will submit to the General Manager or his designee the payment authorization form (see exhibit "D") for further disposition in the processing of check.

VIII. DISAPPROVED CLAIMS

The Manager of Customer Services must inform claimant of his status and the nature of which decision was applied and advise claimant of his right to appeal.

**IX. APPROVED CLAIMS**

The Manager of Customer Services must contact claimant in the earliest possible time and inform claimant of their results and set up time to release claimants reimbursement check.

**X. RELEASING OF CHECK**

- 10.1 Claimant must sign the check release form and the Authority's copy of the check (see exhibit "F").
- 10.2 Supportive documents are forwarded to Accounting for final disposition.
- 10.3 Customer is provided a survey form to fill-in which will be utilized as a management tool in assessing future operational improvements (see exhibit "E").

**DAMAGE CLAIMS PROCESS INFORMATION**

1. Claimants can file damage claims at any one of the three (3) Customer Service locations: Southern Office (Agat Community Center), Central Office (Gabriel Bldg., Agana) and Northern Office (Harmon Plaza). Customers will be required to fill out a claims form.
2. The Credit/Collection Supervisor reviews all completed claim forms to ensure completeness of all questions, including a claim number and determines the appropriate investigative action and/or disposition. In cases where it's known that the alleged damage is the result of a direct action of GPA (disconnection of power in error), it is not necessary to refer the claim to Engineering. Also, in cases where the alleged damage is caused by an Act of God (typhoon, earthquake, snake) such claims too, need not be referred to Engineering.  
  
Damages caused by Acts of God place no liability on GPA. Such claims will be automatically denied.
3. The Engineering Department / T&D Division generally conducts the field investigation of the claim, only for purpose of determining the cause of the alleged damage.
4. The Budget Department certifies the availability of funds and verifies that acceptable receipts of repairs and/or estimates are attached, and agree with amount to be paid on claim.
5. The Customer Services Administration reviews the claim in its entirety. It is charged with the ultimate decision whether to approve or disapprove the claim in parts or as a whole.
6. The Accounting Department procures the payment check after making sure that Budget's certification stamp and signature of Customer Services Manager have been secured on the appropriate form.
7. The Customer Services Administration, with the complete claim documents, including the Release Forms is responsible for advising and disbursing payment to claimant.

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EXHIBIT "A"

## CUSTOMER DAMAGE CLAIM FORM

CLAIM NO. \_\_\_\_\_

Dear Customer: Please complete Items 1-10. GPA will provide you a written response as soon as our investigation is completed.

1. Customer Name: \_\_\_\_\_ 2. Date: \_\_\_\_\_
3. Village Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ 4. Phone No. where you  
can be reached between  
8am - 5pm: \_\_\_\_\_
5. Please indicate hours during the day when GPA can inspect your damaged equipment: \_\_\_\_\_
6. Time & Date of Equipment Failure or Damage:  
\_\_\_\_\_ AM/PM \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_
7. List Appliances and Equipment Damaged and Included Under Claim;

Item/Serial No.	Purchase Price of Item	Age of Appliance/ Equipment	Already Repaired (Yes/No)	If yes, Repair Costs

8. Remarks: Please provide any information which you believe will process your claim:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
9. In the event that the Authority should reimburse me for the damaged appliance(s) I shall surrender to GPA the said appliance(s) before a release of the check is made to me.
10. CERTIFICATION: I certify that the above is true and correct to the best of my knowledge.
11. Signature: \_\_\_\_\_ Accepted by: \_\_\_\_\_

CUSTOMER SERVICE DEPT., PLEASE RETAIN A COPY & SEND ORIGINAL TO ENGINEERING!

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**TO BE COMPLETED BY ENGINEERING DEPARTMENT**

1. Date Received: \_\_\_\_/\_\_\_\_/\_\_\_\_

2. Damage Corresponds to Circuit Outage: \_\_\_\_yes \_\_\_\_no

3. If YES, describe details of the outage (include date, circuit identification, cause of failure, etc.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Verification of damaged equipment made? \_\_\_\_yes \_\_\_\_no

5. Serial no./ID no. of damaged equipment obtained? \_\_\_\_yes \_\_\_\_no

6. T & D personnel interviewed:

NAME

POSITION

_____	_____
_____	_____
_____	_____

7. Recommendation: \_\_\_\_ Customer should be compensated for damages based on adjusted amount of claim.

\_\_\_\_ GPA should not be liable for damages claimed.

8. J u s t i f i c a t i o n :

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Investigated By: \_\_\_\_\_

Mgr, Engineering: \_\_\_\_\_

EXHIBIT "C"

**TO BE COMPLETED BY TRANSMISSION & DISTRIBUTION**

1. Date Received: \_\_\_/\_\_\_/\_\_\_
2. Damage Corresponds to Circuit Outage: \_\_\_yes \_\_\_no  
 If YES, describe details of the outage (include date, circuit identification, cause of failure, etc.)  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

3. Verification of damage equipment made? \_\_\_yes \_\_\_no
4. Serial no./ID no. of damaged equipment obtained? \_\_\_yes \_\_\_no
5. T & D personnel interviewed:

<u>NAME</u>	<u>POSITION</u>
_____	_____
_____	_____
_____	_____

6. Was clearance obtained from:  
 GTA / / PUAG / /  
 JOB ORDER NO. \_\_\_\_\_ JOB ORDER NO. \_\_\_\_\_
7. Recommendation: / / Customer should be compensated for damages based on adjusted amount of claim.  
 / / GPA should not be liable for damages claimed.
8. Justification:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Investigated By: \_\_\_\_\_

EXHIBIT "D"

DATE:

TO: General Accounting Supervisor

VIA: Budget Department

FROM: Manager, Customer Services

SUBJECT: Refund for Claim

It is hereby requested that a refund be made for CLAIM NO. \_\_\_\_\_

REASON: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAME: \_\_\_\_\_

ACCOUNT NO.: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CONTACT NO.: \_\_\_\_\_

AMOUNT OF REFUND: \$ \_\_\_\_\_

APPROVED FOR PAYMENT BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
WILLIAM R. QUICHOCHO, Manager, Customer Services

CLAIMS - Processed and Cleared for Refund  
Cleared by: \_\_\_\_\_  
Claims Officer  
Date Released: \_\_\_\_\_

BUDGET - Certification of Funds Cleared  
Certified by: \_\_\_\_\_  
Date Certified: \_\_\_\_\_

ACCOUNTING - Check Processed  
Check No.: \_\_\_\_\_  
Processed by: \_\_\_\_\_  
Date Processed: \_\_\_\_\_

CODES: \* REVISED # ADDED



EXHIBIT "E"

DAMAGE CLAIM SURVEY

The Guam Power Authority would like to do its best to better serve you, our valued customers. With this in mind, we encourage our customers to participate in making suggestions to improve our services to the public.

D a m a g e C l a i m e d :

Estimated Cost of Damages: \$ \_\_\_\_\_

Claimed Approved ( ) Disapproved ( )

How long were you able to know your results? \_\_\_\_\_

Was Representatives Courteous? Yes ( ) No ( )

Was inquiry handle professionally? Yes ( ) No ( )

Are you satisfied with our settlements? Yes ( ) No ( )

If n o t , p l e a s e e x p l a i n :

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If you wish a reply, please fill in the information below:

Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

C o n t a c t N o ( s ) . :

\_\_\_\_\_

CODES: \* REVISED # ADDED

EXHIBIT "F"

**R E L E A S O R**

(Civil Code 1541, 1542)

\_\_\_\_\_ (Releasor) alleges that \_\_\_\_\_  
sustained damages arising from the following occurrence:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

This claim by \_\_\_\_\_ (Releasor) was filed with the  
Guam Power Authority on \_\_\_\_\_, 19\_\_\_\_\_.

In consideration of \_\_\_\_\_ paid by the Guam Power Authority  
(Releasee) to \_\_\_\_\_ (Releasor), said \_\_\_\_\_  
(Releasor) for \_\_\_\_\_ heirs, executors, administrators and assigns  
do/does hereby fully release the Guam Power Authority, its employees, agents,  
officers, directors and assigns, from all claims and causes of action by  
reason of any damage which has been sustained, or may be sustained, whether  
known or unknown, as a result of the aforementioned occurrence.

This release pertains to a disputed claim and does not constitute an  
admission of liability for said occurrence on the part of Guam Power  
Authority, its employees, agents, officers, directors and assigns.

\_\_\_\_\_ (Releasor) has read all of the foregoing and  
understands it.

Executed on \_\_\_\_\_, 19\_\_\_\_, in Agana, Guam.

\_\_\_\_\_  
(Signature of Releasor)

\_\_\_\_\_  
(Signature of Releasor's  
Attorney if applicable)

JAN 04 '93

TWENTY-SECOND GUAM LEGISLATURE  
1993 (FIRST) REGULAR SESSION

Bill No. 13 (LSD)

Introduced By:

D. Parkinson

*Devices*  
**AN ACT TO MAKE GUAM POWER AUTHORITY LIABLE FOR DAMAGES CAUSED TO APPLIANCES <sup>and</sup> ELECTRICAL CONSUMERS AS A RESULT OF POWER SURGES OR FLUCTUATIONS IN VOLTAGE OR FREQUENCY IN GPA SUPPLIED POWER BY ADDING A NEW 12 GCA 8119.**

**BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:**

**Section 1.** Legislative Findings. The Legislature has received numerous complaints about ruined appliances resulting from power surges. The Legislature finds that there is a continuing problem with consumers with ruined appliances and electrical equipment as a result of power surges and fluctuations with voltage over the Guam Power Authority lines. The Legislature finds that this situation is totally unacceptable. The consumers have no control over the quality of power delivered by Guam Power Authority. Control over power voltages and power frequency (60 mhz) is strictly in the hands of Guam Power Authority. Despite this Guam Power Authority takes the position that it is the responsibility of the consumers to provide elaborate voltage control devices and power conditioning units to protect refrigerators, air conditioners, televisions, vcr's, and other electrical appliances. The consumers of GPA are entitled to quality, reliable power and should not be required to bear the costs of damages caused by voltage and frequency fluctuations nor

## GPA Surge Liability

34 should they be required to buy voltage and frequency regulators  
35 which in some cases cost more than some of the appliances they  
36 are designed to protect. The Legislature finds that this problem  
37 is unique to Guam among the States and Territories of the United  
38 States. The Legislature finds that the People of Guam, as  
39 Americans, are entitled to the same quality of electrical power  
40 as the United States mainland. The Legislature also find that  
41 GPA should bear the costs of damages to electrical appliances  
42 caused by GPA's negligence.

43 **Section 2.** A new section 8119 is added to Title 12 of the  
44 Guam Code Annotated to read as follows:

45 "Section 8119. The Guam Power Authority shall be  
46 liable for damages caused to electrical appliances and  
47 devices when such damages are proximately caused by power  
48 surges, voltages fluctuations or frequency fluctuations in  
49 the power supplied by the Guam Power Authority to a consumer  
50 when such damage is not a result of any negligence on the  
51 part of the consumer and is not a result of an otherwise  
52 defective appliance or electrical device.

53 Except for computer equipment or equipment for which  
54 the manufacturer recommends that a voltage protection  
55 device, surge protector, or power conditioning device be  
56 installed by the consumer, the Guam Power Authority may not  
57 require the use of voltage protection devices, surge  
58 protectors or power conditioners and may not raise the  
59 failure to use such devices as a defense to claims for  
60 damages arising out of voltage or frequency fluctuations or

## GPA Surge Liability

61 power surges. In establishing liability for damages  
62 pursuant to this section, the consumer need only prove that  
63 the appliance or electrical device was damaged by a  
64 variation of voltage or a variation of frequency or a surge  
65 in power supplied by the Guam Power Authority. The Guam  
66 Power Authority may raise as an affirmative defense proof  
67 that the appliance or electrical device in question was  
68 defective or that the fluctuation of voltage or frequency or  
69 power surge was not caused by the Guam Power Authority but  
70 was in fact caused by the consumer's electrical wiring  
71 system or devices or equipment belonging to the consumer.  
72 It shall be an affirmative defense for the Guam Power  
73 Authority to establish that the quality of power delivered  
74 to the consumer's meter was satisfactory."

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