

## **Media Release**

**FOR IMMEDIATE RELEASE: Tuesday February 5, 2013**

### **OUR terminates JPS'S 360MW RFP process**

(KINGSTON, Jamaica): The Office of Utilities Regulation (OUR) on Friday February 1, 2013 advised the Jamaica Public Service Company Limited (JPS) and its shareholders that the Request For Proposal (RFP) process with JPS in relation to the 360 MW project is at an end. The advisory came after JPS and the project company, South Jamaica Power Company Limited (SJPC) missed another deadline which was granted to facilitate the provision of project agreements, identify the supplier of natural gas (LNG) for the project and provide a renewed bid security.

Previously, the OUR had allowed the extensions to facilitate the negotiations of the project agreements between JPS and SJPC, and a fuel supply agreement between JPS and suppliers of natural gas for the said project respectively. This was the third extension granted by the OUR to JPS and SJPC. They were given until January 30, 2013 to complete the outstanding matters relating to the bid. The OUR's decision comes bearing in mind its mandate and its overarching duty to the public and the national interest.

#### **Background:**

In late 2011, JPSCO was awarded the right to construct a 360 megawatt (MW) Combined Cycle plant.

Following the issuance of an RFP from the OUR, JPS emerged as the sole bidder to supply new generating capacity to the national grid on a build, own and operate basis. The award was assigned to SJPC whose shareholding consisted of JPS, and JPS' major shareholders.


The plant was originally scheduled for completion by mid-2014 and was part of the project to supply up to 480 MW of new generating capacity for the country in various tranches.

This new capacity was intended for the displacement of approximately 292 MW of aged plants with the remainder to provide for demand growth.

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