

Media Release

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JPS told to stop charging new customers for debt of previous customers

The Office of Utilities Regulation (OUR) has advised the Jamaica Public Service Company Limited (JPS) that it is illegal to require an applicant for service to discharge the indebtedness of the previous occupant of the premises who had the contract for the supply of electricity as a condition of the new applicant receiving service.

The OUR has written to the JPS following complaints from several applicants for service that the company is insisting that they pay the arrears of the previous occupant of the premises before they could enter a contract for service for the supply of electric service.

The Company has been told that this practice is illegal as there is no privity of contract between such applicant and the JPS.

The OUR says the JPS has no right to demand the settlement of such a debt before connecting the service to the premises of such applicant.

The Office of Utilities Regulation (OUR) has found that JPS is in breach of its “Duty to Connect” Licence Condition 13, paragraph 10 (ii) if it denies a person the right to obtain electric service by not allowing such an applicant to enter into an agreement with it. This is a licence obligation.

Condition 13, paragraph 10 (ii) provides

“...the rights of any person desiring to obtain electric service will be subject to his entering into an agreement with the Licensee in such form as may be established by the Licensee from time to time with the approval of the Office”.

Condition 13 paragraph 10 (v) of the All Island Electric Licence 2001 provides

“...Any dispute between the Licensee and an applicant for a supply of service, an extension or improvement of service as to performance by the Licensee of its obligations under the License, shall be determined by the Office”.

The Office is of the view that JPS does not have the right to withhold connection of service to such consumers save and except in the situation stated by the Terms & Conditions of Service, Sheet No. 208 paragraph (c) which entitles the company to discontinue its service to the consumer inter alia:

“... when the company has reasonable evidence that the consumer has been previously disconnected for non-payment at his present or any other location and is receiving service for his own use under a different name in order to avoid past payments due to the company.”

The OUR says if JPS wishes to embark upon a process with an applicant for service at a location where there is a previous debt and wishes to ensure that that applicant was not seeking to receive service for his own use under a different name in order to avoid payment due to the company and which it certainly does have the right to ascertain, it must carry out that process in a manner that does not cause unnecessary delay in connecting an applicant for the service applied for.

The OUR has reminded the Company that if such a condition does not prevail then the JPS should immediately connect such persons in accordance with their respective applications.

If it does not complete the connection within the time prescribed for connection set out in the Guaranteed Standards, it is liable to honour the provisions of the relevant standard.

- 30 -

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