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# Office of Utilities Regulation

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Quarterly Performance Report

## Quarterly Performance Report July – September 2013

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**OFFICE OF UTILITIES REGULATION**

**36 Trafalgar Road, Kingston 10**

July – September 2013

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2013/GEN/001/QPR.001

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## **The Role of the OUR**

The Office of Utilities Regulation Act of 1995 established the Office of Utilities Regulation (**'the Office'/OUR**) as a body corporate. Under the Act, the OUR is charged with the responsibility of regulating the provision of utility services in the following sectors:

- Electricity
- Telecommunications
- Water & Sewerage
- Public transportation by road, rail and ferry

## **The OUR's Objectives**

- To ensure that consumers of utility services enjoy an acceptable quality of service at reasonable cost;
- To establish and maintain transparent, consistent and objective rules for the regulation of utility service providers;
- To promote the long-term efficient provision of utility services for national development consistent with Government policy;
- To provide an avenue of appeal for consumers who have grievances with the utility service providers;
- To work with other related agencies in the promotion of a sustainable environment; and,
- To act independently and impartially.

## **The Consumer and Public Affairs Department (CPA)**

The CPA department of the OUR is comprised of the Consumer Affairs Unit, the Public Affairs Unit and the OUR's Information Centre. This Division also supports the work of the Consumer Advisory Committee on Utilities (CACU) which is an independent advocacy group, the operations of which are facilitated by the OUR.

### **The Consumer Affairs Unit**

The Consumer Affairs Unit (CAU) acts as the main interface between the OUR and the public on a daily basis. The unit is responsible for the provision of policy recommendations to the Office on consumer related issues. The unit develops, monitors and modifies the Guaranteed Standards. It also has direct responsibility for the hearing, investigation and resolution of consumer appeals against utility companies.

### **The Public Affairs Unit**

The Public Affairs Unit has primary responsibility for keeping the public informed about the role and functions of the OUR as well as to engender and maintain a positive corporate image. The Unit is also responsible for: managing media relations; managing the content on the OUR's website; the preparation of advertisements, press releases and public notices; and the production of the Inside the OUR radio and print features.

### **OURIC**

OURIC is the information hub of the OUR. It houses a host of information relating to the utility regulatory environment which includes OUR's publications such as Consultative Documents and Determination Notices. The OUR's obligations under the Access to Information Act are discharged through the Information Centre.

Requests for additional details or any comments regarding this document should be directed to:

Collette Goode  
Consumer Affairs Specialist – Policy  
Email: [cgoode@our.org.jm](mailto:cgoode@our.org.jm)

OR

Yvonne Nicholson – Director, Consumer & Public Affairs  
Office of Utilities Regulation  
36 Trafalgar Road  
Kingston 10  
Email: [ynicholson@our.org.jm](mailto:ynicholson@our.org.jm) • Fax: (876) 929-3635

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## List of Acronyms

Can Cara	-	CanCara Development Limited (water & sewerage provider)
CPA	-	Consumer and Public Affairs Department (OUR)
CAU	-	Consumer Affairs Unit (OUR)
DEML	-	Dynamic Environmental Management Limited (water and sewerage provider)
Digi	-	Digicel
Flow	-	Columbus Communications Jamaica Ltd. (telecommunication service provider)
JPS	-	Jamaica Public Service Company Ltd. (electricity provider)
KMR	-	Kingston Metropolitan Region (Kingston, St. Andrew & St. Catherine)
NWC	-	National Water Commission (water & sewerage provider)
OUR	-	Office of Utilities Regulation
OURIC	-	Office of Utilities Regulation Information Centre

## Executive Summary

The Office of Utilities Regulation's (OUR) Consumer Affairs Unit (CAU) fielded eight hundred and thirty-three (833) contacts for the third quarter ending September 2013. This figure represents the highest number of contacts received by the unit when compared with the two previous quarters in 2013. During the first quarter (January - March), the unit processed five hundred and seventy-seven (577) contacts and from April to June, five hundred and twenty-seven (527) contacts were processed.

Of the 833 contacts received during the review quarter, fifty-three percent (53%) were in relation to the services provided by the Jamaica Public Service Company Ltd. (JPS); twenty-eight percent (28%) for the National Water Commission (NWC); six percent (6%) and nine percent (9%) for Digicel and LIME, respectively; while the remaining four percent (4%) related to Flow and the small water providers.

Compared to the preceding quarter, contacts related to services provided by the JPS and NWC increased by one-hundred percent (100%) and twenty-eight percent (28%) respectively. Contacts in relation to telecommunications providers Digicel, LIME and Flow also increased over the period by fourteen percent (14%), thirty-eight percent (38%) and fifty percent (50%) respectively. Conversely, contacts from customers of the small water providers showed a reduction of fifty-seven (57%) over the previous quarter.

Of note, eight percent (8%) of the total JPS contacts were in relation to the introduction of the late payment fee, which became effective July 1, 2013. Customers have been voicing their disagreement with the imposition of this fee, which in their view represents an unreasonable and unfair burden on them. CPA is currently preparing a position paper on this issue which will be submitted to the Office for consideration.

In an effort to improve the quality of customer service from NWC, quarterly meetings are held with the customer service management team. One such meeting was hosted by the OUR on Friday August 16, 2013 at which several consumer-related issues were discussed

including the practice of the Commission to bill customers living in volatile areas at a flat estimate although a meter is installed at the premises. It was proposed to the NWC that a reading of these customers' meters be taken at least once per year to ensure that they are not overbilled.

Additionally, a training exercise was arranged with the Bureau of Standards Jamaica to get expert advice on possible defective meters and observe how water meters are tested. This exercise, which was conducted on Friday, September 27, 2013, was aimed at improving our knowledge base in the testing of water meters to assist CPA members in reviewing related appeals. The opportunity was also used to seek advice from the Bureau on specific areas of concern relating to customers' appeals which included the possibility of air causing the meters to register consumption. However, the Bureau advised that while it has not conducted extensive research in this area, it is of the view that air could not cause the meter to record a significant consumption amount. This response was provided within the context of experiments being conducted under controlled conditions and not in the field. The Bureau further advised that it is constrained by the significant resources needed to conduct related field experiments.

## **Predominant Concerns**

### ***Billing***

Matters relating to the billing of customers' account by all utility service providers were the main cause for contacts to the unit. Total billing related contacts to the CAU amounted to 310 which represent thirty-seven percent (37%) of the contacts received for the review period. This also represents a thirty-two 32% increase in the number of billing related contacts when compared to the previous quarter.

Forty percent (40%) and fifty-three percent (53%) of the total contacts received from JPS and NWC customers respectively during the review period, related to billing matters. These included adjustments that were applied to customers' accounts, high consumption, retroactive billings, disputed charges and, estimated billing. In relation to the

telecommunications providers Digicel, Flow and LIME, billing related contacts were eight percent (8%), twenty percent (20%) and five percent (5%) respectively.

### ***Early Payment Incentive/ Late Payment Fee for JPS***

Since its introduction on July 1, 2013, JPS customers have contacted the CAU to get further clarification on the policy as well as to register their disapproval of its implementation. In light of the concerns raised, a position paper is being prepared and will be completed by the end of November 2013 for the Office's attention. The paper will provide details on the issues raised by the consumers, as well as those identified by the CAU and suggest recommendations for possible changes to the programme.

### ***Service Interruption***

Complaints relating to interruption of service represented 5% of total contacts received and of these, JPS accounted for 16% and the NWC account for 37%. LIME accounted for 42% and the 5% was shared equally between Digicel and Flow.

### ***Disconnection***

This accounted for four percent (4%) of total contacts received. NWC accounted for the most contacts relating to disconnection of supply, that is, sixty percent (60%) while Lime and JPS accounted for twenty-four percent (24%) and fourteen percent (14%) respectively. The remaining two percent were received from Digicel customers.

### ***Customer Service***

In addition to queries relating to the billing of their accounts, customers of Digicel and LIME have expressed concern about the poor customer service that they have been experiencing in recent times. Digicel customers report that in most instances they do not get the opportunity to speak with a customer service agent when they call the 100 number which is designated for customer contact. LIME customers also express a difficulty in making contact with the company's customer service department. The customers also complain about lengthy delays in getting responses to their queries. Additionally, contacts were received from LIME's landline customers whose service has been interrupted as a



result of the cable being stolen in their communities which include Albion in St. Thomas and Gerbera Close, Mona, Kingston 6. These customers complain that they have not been provided with a timeline within which their service will be restored.

## **Mode of Contact**

Telephone was the method most frequently used by consumers to make contact with the OUR. Of the eight hundred and thirty-three (833) contacts received, four hundred and sixty-seven (467), or 56%, were received by telephone. Emails, letters and visits account for eight percent (8%), twenty-one percent (21%) and twelve percent (12%) respectively. The remaining two percent (2%) of contacts were received through fax and social media channels.

## **Geographical Distribution of Contacts**

The Kingston Metropolitan Region accounted for sixty-nine percent (69%) of total contacts. The parishes of St. James and St. Ann accounted for six percent (6%) and five percent (5%) of total contacts. The remaining parishes each had a share of four percent (4%) or less.

## **Closures**

A total of sixty three (63) appeals were resolved and closed during the review period. These 63 closed appeals represent forty-four (44) that were carried forward from previous period and nineteen (19) that were received during the period. Additionally, the 19 cases that were received and closed during the period represent 39% of the new appeals received.

## **Outstanding Appeals**

One hundred and sixty-four (164) appeals remain outstanding at the end of quarter. Of this number twenty-seven (27), or seventeen percent (17%), were received during the review period. The remaining one hundred and thirty-seven (137), or eighty-three percent (83), were carried forward from previous periods.

For these 164 appeals that remain outstanding, forty-eight percent (48%) and twenty-five percent (25%) represent billing complaints from JPS and NWC customers, respectively. Matters relating to damage to customers' equipment and property, allegedly by JPS, represent 12% of the open appeals; while the remaining fifteen percent (15%) account all other complaint categories.

## **Credits/Compensation**

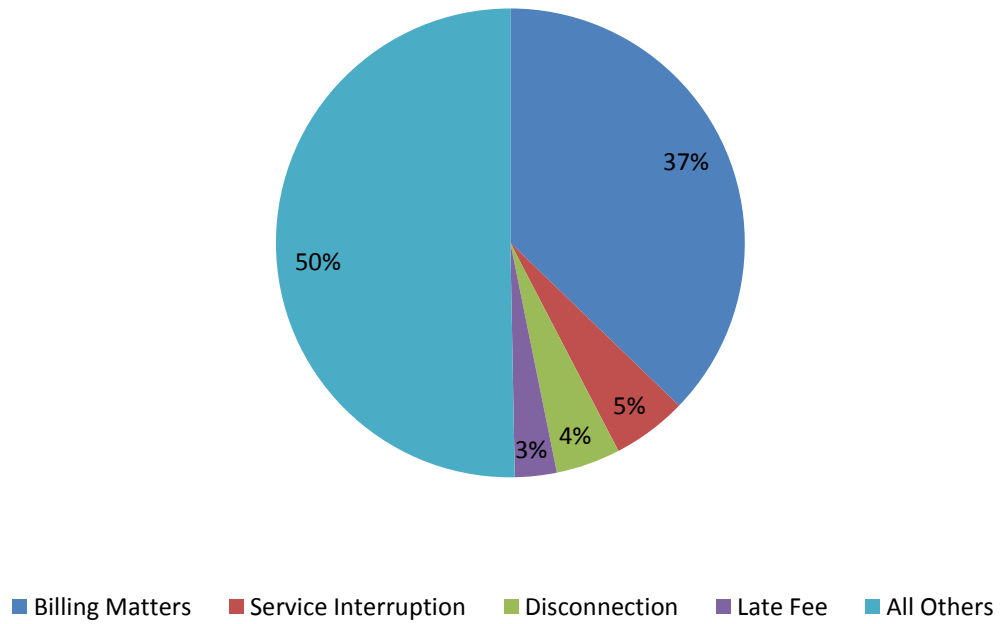
As a result of its investigation, the CAU secured a total amount of \$47,346,310.31 for utility customers. Seventy-seven percent (77%) and twenty-three percent (23%) of the amounts secured were applied as credits or other compensation to JPS and NWC customers, respectively.

## Figures and Tables

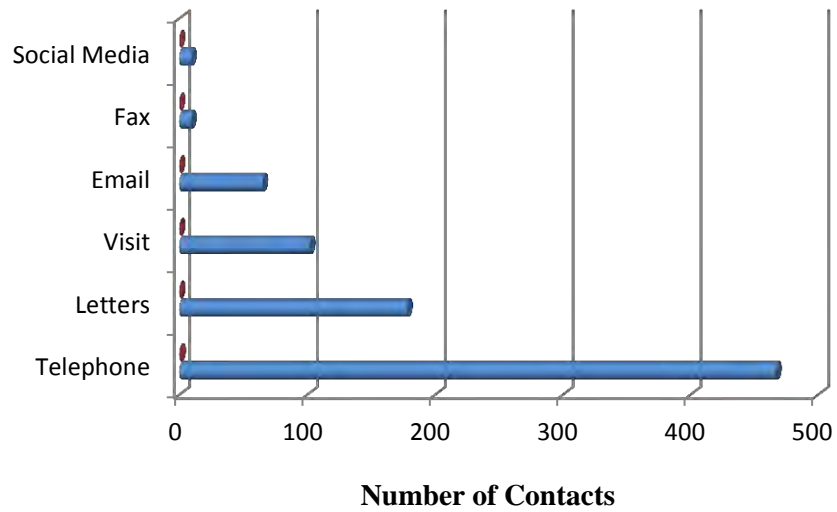
**Table 1: Contact Activity Summary (All Utilities) July –Sept 2013**

	Description	JPS	NWC	LIME Landline	LIME Mobile	LIME Internet	DIGI	Small Water Providers	FLOW LandLine	Flow Internet	Other/ Not Utility Provider Related	TOTAL
<b>A</b>	<b>Contacts for the Quarter:</b>											
(i)	New Appeals	28	16	2	2	0	1	0	0	0	0	49
(ii)	New Appeals – Pending Informat	6	2	0	0	0	0	0	0	0	0	8
(iv)	New Enquires	62	13	2	3	0	3	2	3	0	4	92
(v)	New Opinions	11	2	0	2	0	1	0	1	0	0	17
(vi)	New Referrals	<u>332</u>	<u>203</u>	<u>37</u>	<u>21</u>	<u>6</u>	<u>46</u>	<u>3</u>	<u>3</u>	<u>4</u>	<u>12</u>	<u>667</u>
	<b>Total Contacts</b>	439	236	41	28	5	51	5	7		16	<b>833</b>
<b>B</b>	<b>Closure/Resolution of Appeals:</b>											
(i)	Mutually Resolved/Compromise	0	2	0	0	0	0	0	0	0	0	2
(ii)	Withdrawn by the Customer	1	0	0	0	0	0	0	0	0	0	1
(iii)	Insufficient Information	0	0	1	0	0	0	0	0	0	0	1
(iv)	Outside of Jurisdiction	0	0	0	0	0	0	0	0	0	0	0
(v)	Resolved in favour of Customer	25	8	1	1	0	1	0	0	0	0	36
(vi)	Resolved in Favour of Utility	17	6	0	0	0	0	0	0	0	0	<u>23</u>
	<b>Total Closures</b>	43	16	2	1	0	1	0	0	0	0	<b>63</b>
<b>C</b>	<b>Outstanding Complaint Cases</b>											
	Appeals from Previous Periods	97	39	1	1	0	2	0	0	0	0	140
	Appeals from Current Period	14	10	0	0	0	0	0	0	0	0	24
	<b>Total outstanding appeals</b>	111	49	1	1	0	2	0	0	0	0	164

**Fig 1: Predominant Customer Concerns July - September 2013**



**Fig. 2: Mode of Contact July - September 2013**



**Distribution of Contacts by Utilities (Closed)**

Complaint Category	Service Provider				Totals
	JPS	NWC	Digicel	LIME	
Billing Matters	32	11	0	0	43
Connection to Supply	1	0	0	0	1
Disconnection	1	1	1	1	4
Defective Street light	2	0	0	0	2
Equipment Damage	1	0	0	0	1
Illegal Connection	2	0	0	0	2
Interruption of Service	3	0	0	0	3
Irregular Supply	0	0	0	0	0
Leak at Meter	0	0	0	0	0
Metering	0	1	0	0	1
Meter Installation	0	0	0	0	0
Meter Reading	0	0	0	0	0
Other		2	0	2	4
Phone card	0	0	0	0	0
Poor Quality of Service	0	0	0	0	0
Property Damage	0	0	0	0	0
Wrongful Disconnection	1	<u>1</u>	0	0	2
<b>Total</b>	<b>43</b>	<b>16</b>	<b>1</b>	<b>3</b>	<b>63</b>

**Distribution of Contacts by Utilities (Outstanding)**

Complaint Category	Service Providers				Totals
	JPS	NWC	Digicel	LIME	
Billing Matters	79	45	1	1	126
Connection to Supply	1	0	0	0	1
Disconnection	0	2	0	1	3
Equipment Damage	18	0	0	0	18
Illegal Connection	3	0	0	0	3
Interruption of Service	1	0	0	1	2
Irregular Supply	1	0	0	0	1
Leak at Meter	0	1	0	0	1
Metering	1	0	0	0	1
Meter Installation	0	1	0	0	1
Meter Reading	0	1	0	0	1
Phone card	0	0	1	0	1
Poor Quality of Service	1	0	0	0	1
Property Damage	3	0	0	0	3
Unavailability of Service	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
<b>Total</b>	<b>108</b>	<b>51</b>	<b>2</b>	<b>3</b>	<b>164</b>

## **Appendix**

### **DEFINITION OF TERMS USED IN DOCUMENTING CUSTOMER CONTACTS**

- Appeal:** Any contact expressing dissatisfaction with the terms of service, practice or action of a utility company. An appeal would result from a concern made by a consumer about a utility company which, in the opinion of the customer, was not satisfactorily addressed.
- Customer Contact:** Any contact made to the OUR, including to register an appeal, make an inquiry, or express an opinion. Contact can be made through the telephone, post, electronic channels (emails, website, and Facebook page) and visits.
- Inquiry:** Any contact requiring verification/confirmation of information relating to a utility service, policy and/or practice.
- Opinion:** Any contact expressing a view about issues such as the actions, practices or terms of service of a utility company.
- Referral:** Any contact advised by the OUR to consult the relevant utility company because the complainant had not initially utilized or exhausted the complaint procedure within the relevant utility company.