

# **PUBLIC NOTICE**

## **Validation of Jamaica Public Service Company Limited Fuel Rates for the Three (3) Months Ending December 31, 2007 Charged in Respect of the Supply of Electricity**

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**In accordance with the All-Island Electricity Licence, 2001, Schedule 3, Exhibit 2 – Fuel Cost Adjustment Mechanism, be advised that the system fuel rate calculated for the following Months are as follows:**

- For the Month of **October 2007**, the fuel rate was **J\$12.054 per kilowatt-hour**. This reflects fuel related expenses of **J\$11.739** per kilowatt-hour and IPP surcharge of **J\$ 0.315** per kilowatt-hour.
- For the Month of **November 2007**, the fuel rate was **J\$13.206 per kilowatt-hour**. This reflects fuel related expenses of **J\$12.877** per kilowatt-hour and IPP surcharge of **J\$0.329** per kilowatt-hour.
- For the Month of **December 2007**, the fuel rate was **J\$13.135 per kilowatt-hour**. This reflects fuel related expenses of **J\$12.465** per kilowatt-hour and IPP surcharge of **J\$0.670** per kilowatt-hour.

### **SPECIAL NOTE**

In the aftermath of the passage of Hurricane Dean on August 15, 2007 the Company applied for and was granted a declaration of Force Majeure as provided for in the Licence. The Force Majeure was granted for a period of 15 days. As a consequence JPS was allowed to calculate bills based on realized losses rather than on targeted losses of 15.8% of total energy delivered to customers. The impact on the fuel costs associated with this declaration resulted in a J\$37.23 million adjustment in the October fuel rate and a J\$1.07 million in the November fuel rate.

**WHEREAS** Jamaica Public Service Company Limited has represented that:


- (i) It has fully complied with Schedule 3, Exhibit 2 of the All-Island Electricity licence, 2001.
- (ii) The documentation submitted in support of such representation, including inter-alia calculations in respect of the system fuel rate, IPP charges and Petrojam invoices are accurate.
- (iii) It is exempted for a period of ten (10) years effective January 1, 2003 from consumption duty invoiced on fuel oil delivery to Bogue combined cycle power plant in Montego Bay

The Office **HAVING RELIED ON AND ACCEPTED** the said representations as true and accurate in exercise of the powers conferred on it by Section 4 (4) of the Office of Utilities Regulation Act as amended **HEREBY VALIDATES** the Fuel Rate Adjustment, including the Schedule for application of the fuel charge to each Rate Class for the months specified above.

**AND TAKE FURTHER NOTICE** that this validation is voided in the event that the representations specified herein prove to be false and/or inaccurate as may be reflected by any audit, regulatory returns or the annual audit of the Company's financial statement.

Dated the 8<sup>th</sup> day of February, 2008.

**BY ORDER OF THE OFFICE**



**J. Paul Morgan**  
**Director General**

The signature is written in blue ink over a circular official stamp. The stamp contains the text "OFFICE OF UTILITIES REGULATION" around the perimeter. The signature is a stylized cursive "JPM".