Newsletter of the Office of Utilities Regulation

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Independent Water Providers: Helping to bridge universal access to potable water

By: David Geddes, Director – Consumer & Public Affairs

Jamaica, in its report on national action relating to the United Nation's Human Rights Council Decision 1/104: Human Rights and Access to Water, says "the Government of Jamaica treats the production and supply of water as a basic human right, considering it a public trust and economic good to be maintained, delivered and protected as a public service by Governments". The Report also notes that "Jamaica supports the participation and contribution of private interests in national efforts to provide equitable access to safe water and good sanitation within a prescribed framework, where the basic right to water and good sanitation is respected and equitably balanced with investment interests".

Private Sector involvement

In relation to the Government's commitment to provide

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universal access to potable water by the year 2010, the OUR has implemented a policy of encouraging private sector participation in the distribution of water. This policy is being pursued through the licensing of small private water providers to operate in geographically specific areas, providing water and sewerage services.

There are currently eight (8) licensed private water and sewage providers operating in Jamaica; these are mainly situated in the parishes of St. Ann and St. Catherine. In St. Mary, however, a license has been granted to a community organization (Hampstead) where the citizens have formed a benevolent society and are serving themselves.

Private water suppliers do not compete with the National Water Commission (NWC) but rather complement the services offered by the Commission. As such, the OUR will not normally consider an application from a private supplier to operate in an area that is already being serviced by the NWC. To this end, the field of opportunity for these suppliers is new housing developments and communities in which NWC is not currently providing a service.

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"Regulating Utilities for the Benefit of All

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Dynamic Images

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.
- To act independently and impartially.

Independent Water Providers: Helping to bridge universal access to potable water

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The OUR has also designed a consultation process which involves convening town meetings, usually with the assistance of the Citizens' Associations and or community leaders, the Church and the applicants. These meetings provide an opportunity for the residents of the community to express their views and comments on the applications. The Applicants are also required to make a presentation to the citizens which usually includes addressing issues of reliability and the proposed cost of the service to their potential customers. It is also from these consultations that Guaranteed Standards are introduced or modified for implementation in the areas.

The applicants' proposed utility rates are just that – proposed – as the OUR ultimately makes the final decision on rates, after performing its due diligence, if the license is granted.

Protection of Consumer Rights

Currently there are Overall and Guaranteed Standards for the operation of water providers. Some examples of the standards for private water providers include:

Overall

- At least 95% of water samples must be collected from water production sources for testing
- At least 95% of water samples must be negative with coliform bacteria
- The licensee shall conform to all and any standards established by the Ministry of Health (MOH) and the National Environmental Protection Agency (NEPA)

Guaranteed

 Licensee must, within ten working days, repair or replace any malfunctioning meter

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 Licensee must, within 24 hours of receipt of all applicable payments (reconnection fees, etc.), reconnect customers disconnected for debt

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- Licensee must, within 15 working days of receipt of claims for breaches, process and make payments or inform customers that are denied and the basis for denial
- All new customers, after signing a contract for service, are to be given a copy of the Guaranteed Standards
- Breaches of any of the Guaranteed Standards will attract a penalty of \$1000.00.

In addition, all service providers of drinking water in Jamaica must obtain approval from the Ministry of Health (MOH) to operate in both the public and private domain.

Private water and sewerage providers contribute a valuable and necessary service in several communities that are not currently benefiting from NWC facilities. The availability of these services and the interest of private entities to invest in the water sector provide a partnership that makes the goal of universal access by 2010 achievable. The OUR is committed to ensuring that the environmental framework exists where customers can enjoy acceptable service quality at reasonable costs; whilst investors have an opportunity to make reasonable returns on their investments.

Conservation Tips

- "Defective flapper balls can account for significant water loss.
- Check your toilets after flushing and "listen" to hear if water is running in the tank.
- Take care to check your pipes and fixtures; because leaks caused from defective plumbing will be applied to your account."

Sustainable Development – What Does This Mean? An introduction to Sustainable Development Principles By: Duane Rowe, Engineer

The term "Sustainable Development" has become a fashionable buzz-word in recent times, especially in environmental conservation circles and the political arena of international development. However, the concept of Sustainable development is generally misunderstood and widely criticised as being poorly defined. This is partly due to the fact that there are over 200 different definitions of the concept in existence. The most common of these definitions is the so called "Brundtland" definition which was coined by the United Nations World Commission on Environment and Development (UNWCED), chaired by Gro Harlem Brundtland in 1987. The UNWCED report, Our Common Future, which focussed the world's attention on the concept of sustainable development, asserts that "sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." Among the many definitions, four generic concepts have been linked with sustainable development: (1) environmental concern; (2) public participation; (3) futurity (intergenerational equity) and (4) equity (intragenerational).

Within the ambit of sustainability, there are two schools of thought. The first view is termed "weak sustainability" and it asserts that a development course is sustainable if it maintains (or increases) the total (per capita) stock of capitals (human, social, manufacture, natural, financial) for future generation. This view assumes that man-made capital can substitute for natural capital. Weak sustainability is generally presented in terms of maintaining welfare or utility of generations over time; maintaining the capital stock is just the means.

The weak sustainability view assumes that man-made capital can substitute for natural capital, and is shared by the technological optimists. For example, why worry about declining exhaustible natural resources (eg. crude oil) when endogenous growth theory provide evidence to suggest that innovation to substitute



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human and physical capital for a declining natural resource could sustain economic opportunities and welfare indefinitely.

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Alternatively, the second view of strong sustainability argues that not only should the total (per capita) stock of capitals be maintained, but the natural capital should also be preserved for sustainability. In other words, strong sustainability posits that life's opportunities of future generations can only be assured if the natural resources and environmental quality are preserved for their benefit. According to some scholars, both viewpoints of sustainable development are nonfalsifiable under scientific standards; hence there can be no unambiguous support for either paradigm.

The Emergence of Sustainable Development

In order to truly understand the meaning of sustainability in the context of development, it is necessary to first examine the notion of development and the occurrences that have precipitated the need to transition from conventional development to sustainable development.

Conventional development, based on global view, has historically incorporated four interrelated concepts: (1) peace and security; (2) economic development; (3) social development and (4) national governance that secures peace and development. However, prior to the 1970s, economic growth had been the main drive behind development. This approach to development focused on achieving ever increasing economic growth (and industrialisation) based on a model of utilising increasing throughputs of natural resources to make goods and products, and the subsequent consumption of these goods, producing wastes (on both the supply and demand side) which are returned to the environment.

The realisation of the unsustainable nature of conventional development first came into view when it was recognised that such an approach to pursuing development was contributing to severe environmental damage, most notably, ecological destruction. In addition there was increased general understanding of ecological limits, and subsequently the global recognition of the need for environmental protection. Sustainable development therefore modifies the purposes of conventional development by adding a wide range of environmental protection goals, by incorporating the environment into social goals, and by insisting that economic goals be compatible with environmental protection. However, sustainable development should not be mistakenly viewed as environmental sustainability, as is often the case. The concept of sustainable development extends far beyond the realm of just environmental quality.

Another problem that has since been linked with the traditional approach to development is an increasing disparity in economic and environmental resources within nations, between nations and between different generations.

Sustainable Development - A Paradigm Shift

The conventional view of development has since been redefined towards meeting the needs of humankind (in other words, human development is the new focus). This is reflected most vividly in the UNWCED report of 1987 which asserts that not only should human needs be made the centre of development, but the "essential needs of the world's poor is to be given overriding priority." This last statement speaks to the issue of distributional equity. This concept of equity permeates the entire notion of sustainability. Sustainable development attempts to equitably redistribute resources within nations, between nations and between generations.

The UNWCED report of 1987 has indicated that the most basic of all human needs is for a livelihood – that is employment. Employment has therefore been established as an essential pillar to achieving sustainability. In fact, many scholars define sustainability as a multidimensional concept that seeks to co-optimise the three interrelated dimensions of (1) competitiveness (economic development); (2) environmental quality and (3) employment. Changes within and between these three operationally important dimensions of sustainability is driven by technological innovation and globalisation of trade.



Concluding Remarks

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The indiscriminate pursuit of economic growth with insufficient concerns for the environmental and social implications has resulted in excessive damage to nature and the social fabric; undermining the well being of society and prospects for continued future development.

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The 4th Intergovernmental Panel on Climate Change (IPCC) report published in February 2007 has firmly established the link between anthropogenic activities and global warming. In light of this, and the many other socio-environmental challenges facing humanity, there is a need for countries to embrace a more sustainable form of development, which engenders greater socio-environmental considerations in addition to the mainstream economics.

Know Your RIGHTS! Listen to Ask the OUR every week.

| <u>Day</u> | <u>Station</u> | <u>Time</u> | | | |
|-------------------------------|-------------------------|---------------------------|--|--|--|
| Monday / Saturday (Repeat) | Hitz 92 FM | 8:15 a.m. / 10:00 a.m. | | | |
| Monday | Power 106 FM | 9:00 a.m. | | | |
| Monday | RJR 94 FM | 12:15 p.m. | | | |
| Tuesday | KOOL 97 FM | 7:30 a.m. | | | |
| Tuesday | Nationwide News Network | 7:10 p.m. | | | |
| Wednesday | Vybz FM (Westmoreland) | 1:00 p.m. | | | |
| Wednesday | TBC Radio 88.5 FM | 3:30 p.m. | | | |
| Thursday | Hot 102 FM | 10:30 a.m. | | | |
| Saturday | Love 101 FM | 8:35 a.m. | | | |
| Saturday | KLAS FM | 12:50 p.m. | | | |

The OUR Information Centre (OURIC) and You! By: Kishana Munroe, Information Officer

The Office of Utilities Regulation Information Centre (OURIC) was officially launched on October 16, 2004 and grew out of the need to effectively manage the documents and books that had accumulated in the departments.

The main objectives of the Information Centre are:

- To support the mission of the OUR
- To continue to be the Regional Resource Centre
 of choice for Utility Regulation

• To ensure conformity with the Access to Information Act that was passed in June 2002 and became applicable to all government entities on July 5, 2005. The Act gives citizens and other persons a general right of access to information that are contained in official documents; not already available or are held by government entities which hitherto were inaccessible

OURIC hosts a variety of publications including books, Audio Visuals (CDs, Diskettes, DVDs and VHS), Annual Reports, OUR Publications, Journals, Utility Licenses and Applications, Law Collection, Newspaper Clippings and Press Advisories relating to the OUR, the utility companies and other issues.

OURIC also provides a variety of services including Reference, Research, Photocopying, Selective Dissemination of Information, Internet Searches, Reference Queries (telephone, mail or in person), Readers Advisory, Information on Public Consultations and Consultative Documents.

In an effort to adjust to the changing technological environment, OURIC also offers its users the facility of an Online Public Access Catalogue (OPAC) which makes inventory, searching and retrieval of the resources easier.

The Information Centre is open to staff, students, researchers and journalists, the regulated companies and other members of the public. Our opening hours are 8:30 a.m. – 5:00 p.m. Mondays to Fridays.

FAQS

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- Q: Whenever there is a street dance or party and electricity is taken directly from the transmission line in front of my premises; will that usage be reflected on **"my"** bill?
- A: No. The only usage that registers on your meter is energy that is consumed from electrical outlets which are installed on your meter. For example, if your meter is installed on a pole inside your premises or on the wall of your house, the only consumption that will register on it and which will be reflected on your bill is energy extracted between the meter and your house.

YOU HAVE RIGHTS! Supplies should be reconnected within 24-48 hours after payment of outstanding amounts!

Find A Word answers from last edition

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OUR's Role

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.

Consumer Relations Unit (CRU)

The Consumer Relations Unit (CRU) is a part of the Consumer and Public Affairs Department of the OUR. The CRU interfaces with the public on a daily basis. The unit advises consumers about the Guaranteed Standards and reviews, investigates and resolves consumer issues that have been brought to the OUR's attention via letters, telephone calls and visits by affected consumers.

We live by our creed: Together We Educate & Protect Consumers

> Garfield Bryan Manager

If you have received unsatisfactory service from a utility company (electricity, water, telphone), you may be entitled to a compensatory payment from the respective company. Contact the Consumer and Public Affairs Department of the OUR or fill out a complaint form available at post offices islandwide.

If you have questions about the role of The OUR or would like us to speak at any Community, Church or Citizens Association meetings. Contact: Audley McCarthy - Public Education Officer. 3rd Floor, PCJ Resource Centre, 36 Trafalgar Road, Kingston 10. Toll Free: 1888-Call OUR (2255-687). Email: amccarthy@our.org.jm

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OUR + Utility Providers + Informed Consumers = Quality Service