



OFFICE OF UTILITIES REGULATION
Regulating Utilities for the Benefit of All

NEWS RELEASE

JPS and EWI sign Power Purchase Agreement for Energy Plant

(KINGSTON, January 24, 2014): Representatives of Energy World International (EWI) and Jamaica Public Service Company Ltd. (JPS) today formally executed the Power Purchase Agreement (PPA) paving the way for the start-up of the base load capacity project.

The PPA, which sets out the terms and conditions between the developer and the grid operator for the sale of power to the national grid, has been approved by the Office of Utilities Regulation (OUR). The signing took place at the OUR's offices, 36 Trafalgar Road.

The twenty-year PPA becomes effective on the issuance of a licence to supply electricity generating capacity to EWI by the Minister of Science, Technology, Energy and Mining (MSTEM). After the licence is issued, EWI will be required to post a five (5) per cent bond of approximately US\$37 million.

Signing on behalf of EWI was Christopher Pope, Associate Director, with Kelly Tomblin, President/CEO of JPS, signing for that company. Representing the OUR were: Albert Gordon, Director General, Hopeton Heron, Deputy Director General and Cheryl Lewis, General Counsel. Also attending was Fitzroy Vidal, Principal Director, Energy, MSTEM.

Mr. Gordon congratulated the parties for having reached the stage of a signed agreement which was acceptable to all. "The reduction in the price of electricity is a national imperative, and so we look forward to the commencement of the construction of the plant at the earliest possible time," he said.

Under the PPA, EWI will design, finance, construct, operate and maintain the power generation facility which will have a net capacity of 381 MW. Construction of the plant is expected to begin in 2014, and will be completed within twenty-six (26) months.

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Some of the terms and conditions of the Agreement include:

Logistics

EWI will be responsible for all material and equipment shipment(s) into Jamaica for the Project. They will identify and verify the sufficiency of port facilities, transportation networks, customs requirements, taxes, duties, fees and visas required to implement the Project.

Site Utilities

EWI will, at its own expense, arrange for the development and maintenance of utilities at the site to execute the Project.

Inputs

EWI will make its own arrangements for the procurement of all inputs required for completion and operation of the Project.

Project Milestone Schedule

EWI shall commence construction of the Project based on the schedule agreed with the OUR and shall complete construction in accordance with the specified deadline.

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