

Status Update on Base Load Generation Project

(KINGSTON, Jamaica; January 30, 2014): The Office of Utilities Regulation (OUR) is now considering the recommendation of a license to Energy World International (EWI). This follows the recent approval by the OUR of the Power Purchase Agreement (PPA) signed recently between the Jamaica Public Service Company Limited (JPS) and EWI.

The PPA does not become effective until the OUR makes a recommendation and the licence is issued by the Minister of Science Technology Energy and Mining to EWI.

A critical component in considering the grant of the license is information received from the conduct of due diligence. A due diligence is required on all applicants and their principals for licences before the OUR makes a recommendation to the relevant sector minister. The objectives of due diligence are to:

1. Ascertain if there are adverse traces, that is, any matter that would preclude the OUR from recommending the issuance of a license to the entity, such as criminal antecedence, national or international security concerns, or placement on watch or banned listings; and
2. Alert the OUR to any risk particular to the applicant so as to inform any necessary mitigation measures.

In the instant case, the information received is being reviewed by members of the OUR technical team which will take into account the above considerations.

The OUR is constrained by statutory and confidentiality obligations which prohibit the disclosure of such material. The nature of due diligence is such that the reports are issued under strict confidence as they contain information which includes expressions of opinion and judgments that touch and concern the commercial reputation and character of the parties to which they relate, and are therefore attended with a high risk of litigation.


A copy of the information regarding due diligence has been shared with the Office of the Contractor General with whom the OUR is permitted to disclose such content.

The OUR has requested permission to release the information to other relevant parties who have been monitoring the project, including the Energy Monitoring Committee (EMC).

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