



OFFICE OF UTILITIES REGULATION

Regulating Utilities for the Benefit of All

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Utility Companies pay out over \$34M for service breaches over 3-month period

(KINGSTON, Jamaica; 2019 December 13): The utility companies paid out over \$34M for service breaches between 2019 July and September. The amount was paid out as a result of breaches of the Guaranteed Standards and actions taken on behalf of customers by the Office of Utilities Regulation (OUR).

The data, contained in the OUR's 2019 July – September Quarterly Performance Report, indicate that for the period, the Jamaica Public Service Company Limited (JPS) paid out approximately \$33.4 million and the National Water Commission (NWC) \$464,760 for breaches of the Guaranteed Standards. The sum of \$227,432 was secured for utility customers through action taken by the OUR's Consumer Affairs Unit. Of this, JPS accounted for the highest share of 74%, while Columbus Communications (Flow) and C&WJ accounted for 16% and 10% respectively.

JPS's compliance report on its Guaranteed Standards performance indicates that 16,261 breaches were committed, representing a 5% decrease in the number of breaches compared to the preceding quarter. These breaches attracted compensatory payments of approximately \$33.4 million, all of which were made through automatic compensation.

The Guaranteed Standards regarding: Estimated Bills (which restricts JPS from sending more than two consecutive estimates without a penalty); Connection to Supply (which prescribes the time within which JPS is to make a simple connection); and Reconnection (which requires that JPS restores supply within 24 hours of payment of overdue amounts) accounted for approximately 99% of breaches and payments.

During the quarter, NWC reported that it paid out \$464,760 for breaches of the Guaranteed Standards. The NWC's compliance report on its Guaranteed Standards performance indicates that a total of 659 breaches were committed, which represents a 70% increase. These breaches had a potential pay-out of approximately \$1.8 million while actual payments amounted to \$464,760. The actual payments represented 21% of the total potential payments and were made by way of automatic credits to the affected accounts. The remaining 79% of potential payments not made, were for breaches for which the required claim forms were not submitted.

The standards with the highest incidents of breaches for the NWC were: Access (which requires that new service connections are made within 10 working days); Meter Installation (which stipulates that meters should be installed within 30 working days upon request) and Meter Reading (which stipulates that meters are to be repaired/replaced within 20 working days of identified or reported defects). These three standards represented 79% of total breaches and 78% of potential payments. The OUR's Quarterly Performance Report can be found on its website: www.our.org.jm. -30-

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