

Regulating Utilities for the Benefit of All

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OUR CONCLUDES INVESTIGATION ON JPS ADVANCED (SMART) METERS

(KINGSTON, Jamaica; 2020 August 26): The Office of Utilities Regulation (OUR) has concluded its Jamaica Public Service Company Limited (JPS) Advance Meter (Smart Meter) Testing Investigation. The OUR took the decision to conduct this investigation in 2019 following complaints from customers about high electricity bills in cases where meters were replaced.

This investigation is separate from a JPS billing investigation and audit being done by the OUR following the onset of COVID-19 in 2020 March.

The complaints of high bills started after the JPS began a widespread installation of advanced (smart) meters, replacing existing meters with digital ones following the promulgation of the 2017 Meter Testing Administrative and Operational Protocol.

At the request of the OUR, JPS conducted an investigation. However, OUR's review of JPS's report found significant limitations in their approach, and consequently, the results and findings of that investigation were not considered to be conclusive. The OUR therefore conducted its own checks which included a sample of 308 accounts which was used as the basis of the investigation.

The information requested from JPS on the sample of accounts used included:

- Monthly consumption data for at least twelve (12) months, prior to meter change, and six (6) months, subsequent to meter change, for all accounts selected. This was necessary to ensure a like-month consumption comparison for any six-month period after the advanced meter installation; and,
- Meter information for the selected accounts, including meter type, installation date and manufacturer serial number for the old meter that was replaced.

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The following are the main findings/or observations of the investigation:

- 1. Within the margins of error, the electricity consumption changes since meter distribution, largely showed a normal type distribution, where accounts with increased consumption were fairly balanced with accounts experiencing reductions. So there was no one-way movement in customers billing on a whole.
- 2. It is not unusual for there to be large shifts in average consumption for some accounts after large-scale meter replacements, due to the probability of advanced degradation in the accuracy and performance of older meter types over time.
- 3. There appears to be a relationship between the old meter types and the change in consumption experienced after meter change. In particular, there appears to be above average consumption changes after old meters are replaced with the advanced meters.

It was concluded, from the results of the analysis, that the advanced meters appear to be functioning satisfactorily and were not necessarily the driver for the excessive electricity consumption and billing complaints.

The OUR has identified the following activities, among its next steps, to better understand the factors that influence meter-reading fluctuations:

- 1. The establishment of a framework to track meter installations after approvals to facilitate ongoing monitoring, future assessments and meter related audits.
- 2. Further investigation to:
 - Test a sample of old meters shortly after replacement;
 - Consider the treatment of old meters after their removal from service; and
 - Investigate meter replacements after 2019 June.

The Advanced Electricity Meters Investigation Report can be found on the OUR's website: www.our.org.jm.

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