

Utility Companies say Theft Costing Millions of Dollars Annually

(KINGSTON, Jamaica; 2018 August 2): Utility companies claim to be losing millions of dollars due to theft of service and equipment, a significant problem they say is affecting not just their bottom line, but the service to customers as well.

This was disclosed at a recent webinar hosted by the Office of Utilities Regulation (OUR) on Tuesday, 2018 July 31.

The webinar, entitled: **Do the Right Thing: How Theft Impacts your Utility Services**, saw for the first time, representatives of all the major utility companies converging to speak on this issue and how it is impacting them and their customers.

Director of Losses Operations & Analytics at the Jamaica Public Service Company Limited (JPS), Rasheed Anderson says the light and power company estimates that approximately 200,000 households and commercial entities are stealing electricity. This compared to the approximately 600,000 legitimate customers on its system.

According to Mr. Anderson, “When persons steal electricity, it impacts the quality and reliability of our power. It damages equipment that are essential to serving you and we have seen in many instances where sometimes people are out of power due to persons stealing from us.” He further asserted that in 2017, JPS paid US\$70.8 million for fuel that was not recovered and that to date for 2018, US\$32.2 million was spent on fuel which was not recovered.

The National Water Commission (NWC) says it estimates that between 12% and 30% of the water produced by the NWC is stolen.

Corporate Communications Manager at the NWC, Charles Buchanan, says the NWC estimates that approximately 250,000 to 300,000 connections are involved in the theft of water.

Mr. Buchanan says, “We categorise the instances of theft affecting our operations in primarily four ways: Infrastructure theft; theft from our employees which has created significant issues in our ability to carry out work in certain areas; theft in our watershed areas, and theft of service and supplies.”

Mr. Buchanan continues: “We continue to see illegal connections, meter tampering and meter bypasses, illegal use of water from hydrants and illegal commercial and other types of consumption.” The significant levels of theft, he says, is costing the water company millions of dollars annually.

Telecommunications companies Digicel and FLOW report that they are also being significantly impacted by theft and vandalism. This includes theft of cables, generators, batteries and fuel.

Director of Corporate Communications and Stakeholder Management at FLOW, Kayon Mitchell, says so far this year, approximately fifty one (51) communities have been affected by theft and vandalism, costing

Utility companies on theft... (cont'd)

FLOW US\$1.9m to restore services. This compares to a cost of US\$6m to restore services in 2015 and 2016.

Digicel, which is experiencing similar issues of theft and vandalism, says expensive equipment including batteries placed at cell sites, are being stolen and sold for scrap metal.

Group Head of Field Operations Management at Digicel, Anthony Barrows pointed out that batteries which cost the companies approximately J\$80,000 each, are being sold for scrap metal for less than J\$2,000 each.

The OUR has been putting the spotlight on theft of utility services and equipment and has launched a media campaign on this issue.

Director General Ansord E. Hewitt, says that apart from the losses to the utilities, and the subsidies that have to borne by the paying rate payers, he is also deeply concerned about the disruption to economic life, the risk to life and limbs and the inconvenience imposed on the country by this practice.

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Contact: Elizabeth Bennett Marsh; Public Education Specialist: 876-968-6053