

Regulating Utilities for the Benefit of All

FOR IMMEDIATE RELEASE

OUR readies Renewable Energy Projects

(KINGSTON, Jamaica; July 15, 2014): Draft licences prepared by the Office of Utilities Regulation (OUR) are to be submitted to the Ministry of Science, Technology, Energy and Mining (MSTEM), for most of the successful bidders for renewable energy projects.

Following a request for proposals in November 2012 for these projects, three bidders were selected for **energy only** projects totaling 78MW. They are: Blue Mountain Renewables LLC, (BMR) to supply 34MW of capacity from wind power at Munro, St. Elizabeth; Wigton Windfarm Limited (Wigton), to supply 24MW of capacity from wind power at Rose Hill, Manchester; and WRB Enterprises Inc. (WRB), to supply 20MW of capacity from Solar PV from facilities in Content Village, Clarendon.

BMR recently signed its Power Purchase Agreement (PPA) with the Jamaica Public Service Company Limited (JPS), and this is now awaiting formal approval by the OUR.

The OUR has been advised that discussions towards the finalization of the PPAs for the remaining two renewable energy projects are now far advanced, and that it is expected that Wigton and WRB will shortly sign off with JPS.

The draft licences have been issued to two of the entities while the third entity's application for a licence is currently being processed by the OUR. OUR has received comments on the two draft licences, and additional comments are expected. The licences will be finalized and recommendations made to the portfolio Minister as soon as the processes, including due diligence on these entities, are completed.

The scheduled commissioning date for the three projects is July 2016.

Background:

On June 3, 2013, the OUR received 28 bids from 20 interested entities which submitted proposals to supply renewable energy electricity generation of greater than 100kW and up to 115 MW to the national grid. The bids were tendered by both local and international entities. Eight of the proposals were received from local companies. Two proposals were received for wind, one for bio-mass and 25 for solar energy. Draft PPA's were prepared by the OUR in November 2013.

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The request for proposals (RFP) for renewable electrical energy and/or capacity from renewable sources is in keeping with the Government of Jamaica's (GOJ's) vision of having 12.5% electrical energy from renewable energy sources by 2015 as set out in the National Energy Policy 2009-2030 (NEP) and the draft National Renewable Energy Policy 2010-2030 (NREP). Based on the projected system configuration for 2015 in conjunction with the NEP, 115 MW capacity from renewable energy sources is required to be commissioned by 2015, which was the subject of the RFP.

A PPA is a contract between two parties for the sale and purchase of electricity. It embodies all the legal, commercial, technical and operational agreements that constitute the contract.

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