



OFFICE OF UTILITIES REGULATION

Regulating Utilities for the Benefit of All

FOR IMMEDIATE RELEASE

Renewable Energy Projects Update

(KINGSTON, Jamaica; March 10, 2014): The Office of Utilities Regulation (OUR) will be meeting with the successful bidders in the renewable energy projects to address outstanding matters with regards to the signing of the Power Purchase Agreements (PPAs) between them and the grid operator, the Jamaica Public Service Company Limited (JPS).

Securing additional renewables capacity is an imperative under the National Energy Policy (NEP). Given this consideration, OUR is attempting to have the agreements executed well ahead of the originally scheduled date of June 2014. To assist this objective, the OUR took the initiative to draft the PPAs which were sent to the respective bidders and JPS from November 22, 2013.

The three bidders – Wigton Windfarm Limited, Blue Mountain Renewables LLC, WRB Enterprises Inc– have raised a number of issues, some of which have been settled but the concerns attributed to prospective financiers are still unresolved.

The OUR proposes to meet with the parties over the coming days with a view to having these matters addressed. Where the parties are unable to agree, the OUR will issue a determination to decide the issues.

The OUR remains optimistic that the PPAs can still be signed well ahead of the original timeline.

Background:

On November 26, 2012, the OUR issued a Request for Proposal (RFP) inviting interested entities to submit proposals for the supply of one or more plants of varying configurations greater than 100kW and up to 115 MW of renewable energy electricity generation to the national grid on a Build Own and Operate (BOO) basis.

From the RFP, three bidders were selected for energy only projects totalling 78MW. They are Blue Mountain Renewables LLC, to supply 34MW of capacity from wind power at Munro, St. Elizabeth; Wigton Windfarm Limited, to supply 24MW of capacity from wind power at Rose Hill, Manchester; and WRB Enterprises Inc., to supply 20MW of capacity from Solar PV from facilities in Content Village, Clarendon.

The Ministry of Science, Technology, Energy and Mining (MSTEM) in its National Energy Policy (NEP) 2009-2030, has identified fuel diversification and the development of the country's renewable energy sources as two of its main objectives.

Renewable Energy Projects Update/2

The request 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 NEP 2009-2030 and the draft

National Renewable Energy Policy (NREP) 2010-2030. 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 power purchase agreement is a contract between two parties for the sale and purchase of electricity. The PPA embodies all the legal, commercial, technical and operational agreements that constitute the contract.

-30-

Elizabeth Bennett Marsh



Public Education Specialist
Office of Utilities Regulation
36 Trafalgar Road
3rd Floor PCJ Resource Centre
Kingston 10
Phone: 968-6053-4 / Fax: 929-3635
Mobile: 322-7539

email: ebennett@our.org.jm
website: www.our.org.jm
facebook.com/officeofutilitiesregulation