



OFFICE OF UTILITIES REGULATION

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TO: ALL NEWS EDITORS

MEDIA RELEASE

“OUR to more closely monitor JPS’ Maintenance Operations”

Members of the Office at their Regulatory meeting yesterday afternoon (Monday, January 14, 2008) decided that the maintenance practices of the Jamaica Public Service Company (JPS) would be subjected to increased scrutiny this year. This decision is in light of the recent all-island power outage – the third such incident over the past eighteen months.

While noting that it was not their intention to assume responsibility for what ought rightly to be management decisions; more rigorous scrutiny than would normally be undertaken by a regulator would be the order of the day in 2008.

The meeting, chaired by Director General, J. Paul Morgan, noted that internationally accepted regulatory best practices advocated allowing the management of regulated entities latitude to exercise their judgement once they operated within the parameters set by the regulatory authority.

Of concern to the Office are the maintenance practices of the company; particularly whether the required procedures are in place and are being observed and the status of JPS’ compliance with Condition 9 of its license; which speaks to the engagement of trained personnel.

Two other areas highlighted by the Office were the level of compliance with required and scheduled maintenance and the practice with regard to replacing outdated equipment and structural items.

An Enquiry Panel has been commissioned to examine the circumstances of the January 09, 2008 outage and to ascertain the status of JPS' compliance with all Directives from the Office with respect to the previous shutdowns.

Engineer and former OUR Director General, Winston C. Hay, will chair the Panel which includes Relay and System Protection expert Peter Broven; as well as OUR Engineers Duane Rowe and Courtney Francis.

In addition, a group of experts led by Mr. Broven will be engaged to specifically study JPS' system design, stability issues, protective relaying system design and relay coordination issues relative to their implications for system reliability and performance.

Based on the Enquiry Panel's recommendations, the Office will issue further Directives as necessary to JPS.

The Panel's final report is expected by April 15, 2008.

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