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THE OFFICE OF UTILITIES REGULATION ACT

THE OFFICE OF UTILITIES REGULATION (NATIONAL WATER COMMISSION)
(WATER SUPPLY RATES AND CHARGES) ORDER, 2008

In exercise of the powers vested on the Office of Utilities Regulation by section 11 of the Office of Utilities Regulation Act, 1995 as amended and of every other power hereunto enabling, the following order is made:—

1. This Order may be cited as the Office of Utilities Regulation (National Water Commission) (Water Supply Rates and Charges) Order, 2008.
2. With effect from the 1st day of May, 2008, an occupier of property—
 - (a) situated in any area of Jamaica in respect of which consumers receive water supply or sewerage services directly from the Commission; and
 - (b) who receives any such water supply or sewerage services, shall pay to the Commission, at the main offices of the Commission or at such other places as the Commission may from time to time specify, the applicable rates and charges set out in the Schedule.

3. The provisions of paragraph 2 shall have effect in lieu of the provisions of regulations 6, 7 and 10 of the National Water Commission (Water Supply Services) (Rates and Charges) Regulations, 1985.

FIRST SCHEDULE

(Paragraph 3)

Rates and Charges

Service Charges

Where the size meter does not exceed—

$\frac{5}{8}$ inch/15mm	...	...	\$364.59
$\frac{3}{4}$ inch/20mm	...	...	\$748.34
1 inch/25mm	...	...	\$978.63
1 $\frac{1}{4}$ inch/30mm	...	...	\$1,842.13
1 $\frac{1}{2}$ inch/40mm	...	...	\$1,842.13
2 inch/50mm	...	...	\$2,609.64
3 inch/75mm	...	...	\$4,739.64
4 inch/100mm	...	...	\$7,656.29
6 inch/150mm	...	...	\$11,666.72

WATER RATES

Domestic Consumers (Imperial Metered)—

For up to 3,000 gallons at a rate of	...	\$207.86 per 1,000 gallons
For the next 3,000 gallons at a rate of	...	\$366.46 per 1,000 gallons
For the next 3,000 gallons at a rate of	...	\$395.67 per 1,000 gallons
For the next 3,000 gallons at a rate of	...	\$505.03 per 1,000 gallons
For the next 8,000 gallons at a rate of	...	\$628.97 per 1,000 gallons
Over 20,000 gallons at a rate of	...	\$809.61 per 1,000 gallons

Domestic Consumers (Metric Metered)—

For up to 14,000 litres at a rate of	...	\$45.70 per 1,000 litres
For the next 13,000 litres at a rate of	...	\$80.58 per 1,000 litres
For the next 14,000 litres at a rate of	...	\$87.02 per 1,000 litres
For the next 14,000 litres at a rate of	...	\$111.06 per 1,000 litres
For the next 36,000 litres at a rate of	...	\$138.30 per 1,000 litres
Over 91,000 litres at a rate of	...	\$178.04 per 1,000 litres

Commercial and Industrial Consumers—

Imperial metered	...	\$779.45 per 1,000 gallons
Metric metered	...	\$171.39 per 1,000 litres

Ships will be charged at the commercial rates.

Condominiums—

Imperial metered	...	\$386.65 per 1,000 gallons
Metric metered	...	\$85.01 per 1,000 litres

FIRST SCHEDULE, *contd.**Primary Schools—*

Imperial metered	...	\$311.80 per 1,000 gallons
Metric metered	...	\$68.57 per 1,000 litres

Consumers (Unmetered)—

Rates in accordance with Special Contract

Sewerage Rates

Billed at 100% of water charges

*MISCELLANEOUS FEES**Disconnection and Reconnection Fee—*

Domestic Unmetered Services (<i>Locked</i>)	...	...	\$518.00
Domestic Unmetered Service Removed and Replaced	...	...	\$2,299.00
Domestic Metered Service (<i>Locked</i>)	...	...	\$518.00
Domestic Metered Service Removed and Replaced $\frac{5}{8}$ inch/15mm and $\frac{3}{4}$ inch/20mm	...	...	\$4,600.00
Domestic Metered Service Removed and Replaced 1 inch/25mm and over	...	...	\$6,903.00
Commercial Metered Service (<i>Locked</i>)	...	...	\$518.00
Commercial Metered Service Removed and Replaced	...	...	\$6,903.00
Illegal Connections, Domestic and Commercial, the actual cost of removing and restoring service			

PRICE ADJUSTMENT MECHANISM

A price adjustment mechanism (hereinafter referred to as PAM) shall be applied monthly to all rates charged and fees payable by an occupier under this Order in accordance with the following formula—

$$\begin{aligned}
 \text{PAM} = & \frac{(\text{Current Exchange Rate} - \text{Base Exchange Rate}) \times 100 \times \text{Exchange Rate Weight}}{\text{Base Exchange Rate}} + \\
 & \frac{(\text{Current Electricity Rate} - \text{Base Electricity Rate}) \times 100 \times \text{Electricity Rate Weight}}{\text{Base Electricity Rate}} + \\
 & \frac{(\text{Current Consumer Price Index} - \text{Base Consumer Price Index}) \times 100 \times \text{Consumer Price Index Weight}}{\text{Base Exchange Rate}}
 \end{aligned}$$

FIRST SCHEDULE, *contd.*

Where—

- “current exchange rate” means the monthly average rates issued by the Bank of Jamaica for the calendar month of billing;
- “current electricity rate” means the rate at which electricity used in the provision of water supply services is charged by the providers of such electricity for the calendar month of billing;
- “current consumer price index” means the consumer price index as published by monthly by the Statistical Institute of Jamaica (STATIN) for the calendar month preceding the month of billing;
- “ensuing tariff year” means the subsequent tariff years following tariff year one and two for the duration of the tariff regime;
- “tariff year 1” means the first applicable year of the current tariff regime which shall be in effect from the 1st day of May, 2008;
- “tariff year 2” means the second ensuing year after the first tariff year of the current tariff regime.

K-FACTOR

A K-factor of 5% in Tariff Year 1 shall be calculated on the bill balance after the X-factor is deducted, but the X-factor shall not be applicable in tariff year 1.

The K-factor is to be treated as a separate revenue stream from that of the rates.

The K-factor in ensuing years shall be pursuant to Determination Notice Number WAT 2008/01 but shall be subject to review by the Office of Utilities Regulation after tariff year 3.

X-FACTOR

An X-factor at a rate fixed by the Office of Utilities Regulation, pursuant to Determination Notice Number WAT 2008/01 shall be applied from Tariff Year 2 and ensuing tariff years and shall be subject to the review of the Offices of Utilities Regulation after tariff year 3.

The X-factor is to be calculated as a deduction from the bill after the normal rates and PAM.

ANNUAL PRICE ADJUSTMENT MECHANISM

“base exchange rate” J\$71.62 to US\$1.00;

FIRST SCHEDULE, *contd.*

“base electricity rate” is J\$18.84/KWH;

“base consumer price index” is 121.5;

“exchange rate weight” has a fixed value of 0.28; and

“electricity rate weight” has a fixed value of 0.252.

“consumer price index weight” has a fixed value of 0.468

There shall be an annual price adjustment (hereinafter referred to as ANPAM) applied yearly to all base rates, base charges and fees payable by an occupier under this Order effective the 1st day of May, in each year in accordance with the following formula:—

$$\begin{aligned} \text{New Base rate} &= \text{Old base rate} \times (1 + \text{ANPAM} \pm Z) \\ \text{New Base Charge} &= \text{Old base charge} \times (1 + \text{ANPAM} \pm Z) \\ \text{New Fee} &= \text{Old fee} \times (1 + \text{ANPAM} \pm Z) \end{aligned}$$

Where ANPAM =

$$\begin{aligned} & \left(\frac{\text{New base Exchange Rate} - \text{Old Base Exchange Rate}}{\text{Old Base Exchange Rate}} \right) \times \\ & \quad \text{Exchange Rate Weight} + \\ & \left(\frac{\text{New Base Electricity Rate} - \text{Old Base Electricity Rate}}{\text{Old Base Electricity Rate}} \right) \times \\ & \quad \text{Electricity Rate Weight} + \\ & \left(\frac{\text{New Base Consumer Price Index} - \text{Old Base Consumer Price Index}}{\text{Old Base Consumer Price Index}} \right) \times \\ & \quad \text{Consumer Price Index Weight} \end{aligned}$$

Where Z = an allowed amount to facilitate events that satisfy all of the following criteria—

- (a) Affect the Commission's costs;
- (b) Are not due to the Commission's managerial decisions; and
- (c) Are not captured by other elements of the tariff regime.

Dated this 28th day of April, 2008.

RAYMOND A. SILVERA,
Deputy Director-General
Office of Utilities Regulation.