

Regulating Utilities for the Benefit of All

# Consumers to benefit from new Automatic Compensation for JPS Guaranteed Standards breaches

**(KINGSTON, Jamaica; 2015 December 28):** Come January 1, 2016, affected customers of the Jamaica Public Service Company Limited (JPS), will be automatically compensated for breaches of five (5) more Guaranteed Standards (GS). This will increase the number of JPS' GS with automatic compensation to thirteen. The remaining four Standards will attract automatic compensation effective June 1, 2016.

The Guaranteed Standards are performance measures that guide the provision of utility services delivered by JPS, the National Water Commission and small water providers. If the companies fail to meet these standards, affected customers are entitled to compensation which is applied as a credit to their accounts, following customers' submission of a claim or as an automatic compensation.

The OUR, as part of its review of JPS 2014 rate application, determined that in keeping with Condition 17 of the All Island Electric Licence (2011), breaches of all JPS Guaranteed Standards will attract automatic compensation. The phased process of converting these Standards to automatic compensation for breaches started June 1, 2015 and will be completed June 1, 2016. Thereafter, customers will no longer be required to submit a claim form to receive compensation when a breach of a GS occurs. Presently, there are a total of seventeen (17) standards measuring service delivery in the areas of: Access to Service, Investigation of Customer Complaints, Billing, Metering, Disconnection and Reconnection of Service.

The compensation applicable to residential customers is equivalent to the reconnection fee while that for commercial customers is four (4) times the customer charge. Breaches of individual standards will continue to attract compensation for up to eight (8) periods of non-compliance.

The additional JPS Guaranteed Standards which will now attract Automatic Compensation as at January 1, 2016 are:

# ESG2 (a) - Complex Connection to Supply

From 30m to 100m of existing distribution line:

- (i) JPS should provide an estimate within ten (10) working days;
- (ii) Customer's supply should be connected within thirty (30) working days after payment.

# ESG2 (b) - Complex Connection to Supply

From 101m to 250m of existing distribution line:

- (i) JPS should provide an estimate within fifteen (15) working days;
- (ii) Customer's supply should be connected within forty (40) working days after payment.

#### Consumers to benefit from new Automatic Compensation... (Cont'd)

#### ESG4 –Issue of First Bill

JPS should produce and dispatch a first bill within forty (40) working days after service connection.

#### ESG13 – Meter

JPS must notify customers of a meter change within one (1) billing period of the change. The notification must include: the date of the change, the meter readings at the time of change, reason for change and serial number of new meter.

#### ESG15 - Service Disruption

Where all requirements have been satisfied on the part of the company and the customer, service to existing JPS customers must not be disrupted for more than three (3) hours to facilitate transition to the RAMI system.

The OUR continues to encourage JPS consumers to familiarize themselves with the Guaranteed Standards so they can know when a breach has occurred. This is particularly important for standards that attract automatic compensation, since consumers need to know when to expect compensation to be applied to their accounts.

For the four remaining Standards which require the submission of a claim form, claim forms are available at all JPS offices, on the company's website [www.jpsco.com], and on the OUR's website [www.our.org.jm].

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#### BACKGROUND

The OUR established the Guaranteed Standards Scheme for JPS in 2002 to ensure that the company meets minimum service levels requirements to its customers. Prior to 2009, the standards were reviewed every five (5) years, to coincide with the rate review. However, based on requests received from customers for more frequent reviews, the OUR in its 2009 Tariff Determination implemented mid-tariff reviews of the Guaranteed Standards.

The four Standards which were made 'automatic' on June 1, 2015 are:

# EGS1 – Connection to Supply – New & Simple Installations

New service installations must be made within five (5) working days after establishment of contract. This includes connection to the Residential Automated Metering Infrastructure (RAMI) system.

# EGS8 – Estimation of Consumption

An estimated bill must be based on the average of the last three (3) actual readings.

#### **ESG10– Billing Adjustments**

Where it becomes necessary, the customer must be billed for an adjustment within three (3) months of identification of error, or subsequent to replacement of faulty meter.

# ESG14– Making Compensatory Payment

Accounts must be credited within one (1) billing period of verification of breach.