



## PUBLIC NOTICE

The Office of Utilities Regulation (OUR) validation of monthly Energy Rates in relation to the Net Billing Arrangement for the period 2020 October to 2021 April.

[2021/ELE/006/PUN.001](#)

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### WHEREAS:

- (i) The Net Billing Arrangement is governed by the provisions of the Electricity Act, 2015, the Office of Utilities Regulation Act (as amended), the National Energy Policy, 2009, the Electricity Licence, 2016, (Licence) and Office of Utilities Regulation's (OUR's/Office's) Determination Notice re Jamaica Public Service Company Limited (JPS) Standard Offer Contract (ELE2011006\_DET004\_REV001) dated 2012 May 01.
- (i) The Net Billing Energy Rate shall satisfy the principle of the Short-term Variable Avoided Cost of generation plus a premium of fifteen percent (15%) allowed for Renewable Energy (RE) Generation. The Short-term Variable Avoided Cost represents the short-run marginal cost of generation, which mainly reflects the cost of fuel used for electricity generation on a monthly basis. This rate is expressed on a per kWh basis by dividing the total fuel cost (J\$) for a given billing month by the net system generation (kWh) for the same billing period.
- (ii) JPS has represented to the OUR that it has complied with the relevant provisions of the legal and regulatory framework, including the Fuel Cost Adjustment Mechanism (FCAM) set out under Schedule 3, Exhibit 2, of the Licence in respect of the Net Billing Arrangement and computation of the monthly Standard Offer Contract (SOC) rates.
- (iii) JPS has submitted to the OUR, the relevant documentation and schedules to support the SOC rates, including inter-alia, the fuel input parameters, electrical outputs and related computations and that it has appropriately applied the relevant parameters.

The OUR having reviewed and evaluated JPS' submission, has **ACCEPTED** JPS' representations as true and accurate and has **VALIDATED** the energy rates calculated by JPS for energy payments applicable to customers/self-generators who supplied electrical energy to the System from small RE Generation Facilities (0-100 kW) under Net Billing Arrangement for the period 2020 October to 2021 April.

The Office in exercise of the powers conferred on it by section 4 (4) of the Office of Utilities Regulation Act (as amended), **HEREBY PUBLISH THE VALIDATED** Net Billing Energy Rates for each month during the said period as follows:

Validated Net Billing Rates							
Month	2020 Oct	2020 Nov	2020 Dec	2021 Jan	2021 Feb	2021 Mar	2021 Apr
Unit	J\$/kWh	J\$/kWh	J\$/kWh	J\$/kWh	J\$/kWh	J\$/kWh	J\$/kWh
SAC*	15.018	15.373	16.013	14.733	16.592	15.099	16.339
Premium**	2.253	2.306	2.402	2.210	2.489	2.265	2.451
<b>Net Billing</b>	<b>17.270</b>	<b>17.679</b>	<b>18.415</b>	<b>16.943</b>	<b>19.081</b>	<b>17.364</b>	<b>18.789</b>

\*SAC – Short -Term Variable Avoided Cost

\*\*Premium – 15% Premium of SAC

**AND TAKE FURTHER NOTICE** that this validation is voided in the event that the representations specified herein, prove to be false and or inaccurate as may be reflected by any audit, regulatory returns or the annual audit of JPS' financial operations, or other regulatory assessments.

Dated: 2021 June 01

BY ORDER OF THE OFFICE

  
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**Courtney Francis**

**Manager of Engineering & Technical Analysis – On behalf of the RPME Department**