

## FOR IMMEDIATE RELEASE

## \$39M left unpaid to JPS and NWC customers for Guaranteed Standards breaches in 2021 Q1

**(KINGSTON, Jamaica; 2021 July 07):** Just under \$39M has not been paid over to Jamaica Public Service Company Limited (JPS) and the National Water Commission (NWC) customers for breaches of the Guaranteed Standards during the 2021 January – March period.

The unpaid sum, which is contained in the Office of Utilities Regulation's (OUR's) latest Quarterly Performance Report for the 2021 January – March period, is attributed to customers who have not claimed for breaches of the NWC Guaranteed Standards and for JPS customers awaiting the outcome of that company's appeal to the Ministry of Science, Energy and Technology (MSET) for *force majeure* relief from the Guaranteed Standards (GS) and the Overall Standards (OS).

On MSET's request, OUR submitted its recommendations during the 2021 January – March quarter, on JPS' application for *force majeure* relief from the Standards, due to what JPS stated was the impact of the COVID-19 pandemic on its operations. OUR's recommendations were accepted and communicated to JPS during the review period. However, JPS has advised that it has asked the Minister to reconsider the decision. The outcome of that appeal is pending.

## **Utilities' performance on Guaranteed Standards**

The data for the 2021 January – March period, indicate that there were 16,823 breaches committed by JPS during the quarter which was a 1% reduction over the preceding quarter. These breaches attracted compensatory payments of approximately \$37.3 million which have remained unpaid. Accordingly, for the period 2020 April 1 – 2021 March 31, compensation payments for 68,300 breaches – amounting to approximately \$149.3 million – remain outstanding.

The NWC's GS compliance report indicates that 602 breaches were committed during the review period. This represents a 19% increase when compared with the preceding quarter. The potential pay-out for these breaches was approximately \$2.25 million, while actual payments amounted to \$719,297.80 (approximately 32% of total potential payments) and were made by way of automatic credits to the affected accounts. The remaining sum, which is approximately \$1.53M (68%) of potential payments not made, represented those breaches for which the required claim form was not submitted for validation.

Utility	Number of Breaches Committed (2021 January – March)	Guaranteed Standards Breaches Compensatory Payment Due (2021 January – March)	Amount paid during the period	Amount due but not paid during the period
JPS	16,823	\$37.3M	\$0	\$37.3M
NWC	602	\$2.25M	\$719,297.80	\$1.53M
TOTAL	17,425	\$39.55M	\$719,297.80	\$38.83M

The OUR's latest Quarterly Performance Report can be found on its website: <u>www.our.org.jm</u>

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