

## Regulating Utilities for the Benefit of All

## FOR IMMEDIATE RELEASE

## **NWC Customers Leave Millions Unclaimed For Breaches**

(KINGSTON, Jamaica; 2021 October 6): National Water Commission (NWC) customers are not receiving millions of dollars in compensation because they are not submitting their claims to the NWC for breaches of the Guaranteed Standards.

An assessment of the unclaimed sum for NWC Guaranteed Standards breaches for 2018 January to 2021 June, shows that total potential payments amounted to \$29.85 million with actual payments of \$10.20 million, or 34% of the amount. This means that the total unclaimed amounts for this period was approximately \$19.65 million, representing 66% of the total potential payments.

The NWC has seventeen Guaranteed Standards, seven of which attract automatic compensation to customers' bills, if breached. The remaining ten require customers to complete and submit a claim form to the NWC, once a breach of a Guaranteed Standard is identified.

The Office of Utilities Regulation's (OUR) just released 2021 April-June Quarterly Performance Report indicates that \$4.82 million was incurred by the NWC for Guaranteed Standards breaches during the quarter, of which about \$613,000 (or 13%) was paid out in compensation. When combined with the 2021 January-March period, the total sum left unclaimed by NWC customers' inaction was about \$5.7 million for the first half of 2021 (January-June).

The NWC's Guaranteed Standards compliance report for 2021 April-June quarter shows that 1,212 breaches of the Guaranteed Standards were committed, representing a 101% increase when compared with the preceding period. The yearly Guaranteed Standards breaches and compensation data for the period are presented in the table below.

| Calendar Year   | No. of<br>Breaches | Potential<br>Compensation (\$) | Actual Payments<br>(\$) | % Actual Payments |
|-----------------|--------------------|--------------------------------|-------------------------|-------------------|
| 2018            | 2,146              | 7.0 million                    | 3.8 million             | 54%               |
| 2019            | 2,096              | 7.2 million                    | 2.5 million             | 35%               |
| 2020            | 2,397              | 8.6 million                    | 2.6 million             | 30%               |
| 2021 (Jan-June) | 1,814              | 7.1 million                    | 1.3 million             | 18%               |
| TOTAL           | 8,453              | 29.85 Million                  | 10.20 Million           | 34%               |

## NWC Customers Leave Millions Unclaimed For Breaches (con'td) ...

Compensation amounts, which are applied as a credit on affected customers' bills, are four times the service charge for residential customers and six times the service charge for those in the special compensation category.

The Guaranteed Standards and the claim forms can be found on the NWC's or the OUR's websites, or at any NWC office islandwide.

Visit the OUR's website at <a href="www.our.org.jm">www.our.org.jm</a> for the OUR's 2021 April- June Quarterly Performance Report.

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