

FOR IMMEDIATE RELEASE

OUR Approves Almost \$221M payment to Customers for JPS breaches

(KINGSTON, Jamaica; 2021 December 2): The Office of Utilities Regulation (OUR) approved the phased payment of compensation to thousands of Jamaica Public Service Company Limited (JPS) customers for Guaranteed Standards breaches for 2020 March – 2021 September.

This follows the Minister of Science Energy and Technology, the Honourable Daryl Vaz's decision to deny JPS's request for a wholescale suspension of the Guaranteed Standards. JPS had made the request on the basis that the continuing adverse impact of the COVID-19 pandemic presented *force majeure* conditions and warranted it being excused from compliance with the Guaranteed and Overall Standards under its Electricity Licence 2016.

The Minister communicated his final decision to JPS in a letter dated 2021 October 7, indicating that he is upholding a previous decision to only grant a limited waiver of penalties for just two (2) Guaranteed Standards. These are EGS1 (New and simple connection to supply) for 2020 March 13-June 30 and EGS7 (the number of consecutive Estimated Bills allowed) for 2020 March only, with accounts served by smart meters exempted from this waiver.

As a result of the Minister's decision, JPS is mandated to pay an accumulated \$220,989,262.27 to affected customers for breaches committed between 2020 March and 2021 September.

JPS, in its letter to the OUR seeking approval for a payment schedule, cited cash flow issues exacerbated by the ongoing pandemic. The OUR approved the payment schedule outlined in the table below after ascertaining the accuracy of the computation.

Payment Date	Compensation Period
November 2021	March 2020-May 2020
December 2021	June 2020 – August 2020
January 2022	September 2020 – November 2020
February 2022	December 2020 – February 2021
March 2022	March 2021 – May 2021
April 2022	June 2021 – September 2021

In addition, JPS has resumed its monthly payment in 2021 November to affected customers for breaches of the Guaranteed Standards committed in 2021 October.

All payments are applied as credits to applicable bills.

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OUR Approves Payment Schedule for Outstanding JPS Guaranteed Standards Breaches .../2

Customers are encouraged to familiarize themselves with the JPS Guaranteed Standards so they can also identify when breaches are committed. Guaranteed Standards can be viewed on the <u>OUR's website</u>.

BACKGROUND

The OUR developed the Guaranteed Standards for the two major utility companies –JPS and the NWC – to ensure they are held accountable to high-quality service standards. There are also Guaranteed Standards for private water providers. Any breach of these Guaranteed Standards will result in compensation to affected customers.

Some of these JPS Guaranteed Standards include:

- The number of consecutive estimated bills customers should receive (no more than two, provided JPS has access to your meter).
- How your estimated bill should be calculated.
- How long it should take for:
 - Reconnection
 - Connection of new supply
 - Completing investigations
 - Changing meters and,
 - Adjusting an account after an error is identified.

Compensation for JPS breaches is equivalent to the reconnection fee for residential customers and four (4) times the customer charge for commercial customers.

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Contact: Elizabeth Bennett Marsh – Public Education Specialist: 876-968-6053