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JPS Submits 2022 Annual Tariff Adjustment Application to OUR

(Kingston, Jamaica, 2022 May 24): The Jamaica Public Service Company Limited (JPS) has submitted its 2022 Annual Tariff Adjustment application along with a request for an Extraordinary Rate Review, to the Office of Utilities Regulation (OUR). The OUR expects to review these submissions and make a decision by 2022 August.

The 2022 Annual Tariff Adjustment application is in keeping with the provisions of the Electricity Licence, 2016, which allows for the realignment of the company's revenue targets each year against inflation and exchange rate movements, as well as its performance in the previous year. The Electricity Licence, 2016, also provides for an Extraordinary Rate Review in the event of an exceptional circumstance that is considered to have a significant impact on the electricity sector.

In its submission, JPS is proposing a revenue target of \$51.3-Billion for 2022, based on factors such as system losses performance, foreign exchange surcharge and Q-factor adjustment, which are normally taken into account in the Annual Review. In addition, based on its Extraordinary Rate Review submission, JPS is requesting approximately \$159.7 million (or US\$1.03 million) in revenue to address the stability of the grid in the Corporate area given the retirement of the Hunts Bay B6 (68.5MW) plant.

If accepted as proposed, JPS indicates that without the extraordinary rate adjustment customers would see a 1.6% average increase in their bills. However, the combined effect of the annual adjustment and the extraordinary request would result in an average 1.7% increase in customers' bills. JPS has assumed that the Fuel and IPP charges would remain unchanged.

Both submissions can be viewed on OUR's website: www.our.org.jm.

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