



# Media Release

#### FOR IMMEDIATE RELEASE

### **OUR Amends JPS and NWC Guaranteed Standards**

**(KINGSTON, Jamaica; 2024 March 20):** The Office of Utilities Regulation (OUR) has made significant changes to the Guaranteed Standards (GS) scheme for the Jamaica Public Service Company Limited (JPS) and the National Water Commission (NWC).

The Guaranteed Standards are minimum service level agreements between the OUR and the utility entities to ensure value to customers. A breach of a Guaranteed Standard results in a compensatory payment to the affected customer's account.

The changes will take effect after the upcoming reviews of the anticipated Five-Year Tariff application from both utility providers, which are expected during the 2024-2025 financial year.

The OUR has reduced the number of GS for JPS's post-paid service from seventeen (17) to fourteen (14) and from seventeen (17) to fifteen (15) for the NWC.

For JPS, two (2) new standards related to its prepaid metering service will be introduced. These are EPMS 3 and EPMS 4. The former addresses the timeliness of meter replacement, requiring the company to verify and replace defective meters within 48 hours when the supply is disrupted and 20 working days when the supply is not disrupted. EPMS 4 addresses the timeframe within which the electricity supply becomes available after a successful top-up. JPS must ensure that the kilowatt/hour amount purchased is available to the customer within five minutes, while accounts suspended for insufficient funds should be reinstated within 30 minutes of successful top-up.

### **Compensation for Guaranteed Standards Breaches**

The OUR has revised the NWC GS compensation level for all rate classifications to two (2) times the monthly Service Charge for General Compensation and three (3) times the monthly Service Charge for Special Compensation.

The cap period of six (6) consecutive breaches will continue to apply to NWC GS that attract Special Compensation and those with the highest incidents of breaches over the past five (5) years. The additional compensation cap period for all remaining GS will be reduced to three (3) periods of non-compliance.

The mechanism to be used to determine compensatory payment for breaches for JPS residential (Rate 10) customers will now be a fixed amount. This will be based on 20% of the calculated average residential customers' bill. The average residential customer's kWh consumption will be calculated using the last twelve (12) months' data preceding the OUR's official acceptance of JPS' Five-Year Tariff application. There will be no change in the GS compensation mechanism for commercial customers, and so it will remain at five (5) times the customer charge.

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**OUALITY POLICY STATETMENT** 

OUR RULES: The management and staff of the OUR are committed to Regulating Utility services in accordance with our Legislative powers and to the Enhancement of customer Satisfaction through continual improvement of our quality management system. ISO 9001:2015 certified



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The cap period of eight (8) consecutive breaches by the JPS will continue to apply to JPS GS that attract Special Compensation and those with the highest incidents of breaches over the past five years. The additional compensation cap period for all remaining GS will revert to the initial four (4) periods of non-compliance.

### BACKGROUND

In 2022 June, the OUR started a Consultation process to get stakeholder feedback on the current JPS and NWC Guaranteed Standards and their input on the proposed changes.

The public and other stakeholders were invited to comment on the Consultation Document. However, feedback was only received from the Consumer Advisory Committee on Utilities (CACU), JPS, and NWC. The feedback and comments received were taken into consideration in arriving at the decisions outlined in this Determination Notice.

The <u>Determination Notice</u> - Comprehensive Review of the Guaranteed Standards Schemes for the Jamaica Public Service Company Limited and the National Water Commission can be found on the OUR's website: <u>www.our.org.jm</u>.

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