

Media Release

FOR IMMEDIATE RELEASE

OUR Director-General Moots Multi-Layered Disaster Risk Financing for Utilities

(KINGSTON, Jamaica; 2026 March 24): Director-General of the Office of Utilities Regulation (OUR), Ansord Hewitt, says it is time to consider a multi-layered disaster risk financing framework for the utility sector. This is in light of the high cost of restoring utilities following significant damage from Hurricane Melissa.

Mr. Hewitt was delivering his *State of the Utility Sector* Address at the OUR's 12th Annual Director General's Stakeholders' Engagement on Thursday, 2026 March 19, under the theme "Utility Resilience, Innovation, and Readiness for Extreme Events."

He highlighted the severe financial, operational, and social costs borne by the sector after the passage of Hurricanes Beryl in 2024 and Melissa in 2025, with the latter causing billions of dollars in estimated damage.

In the immediate aftermath of Hurricane Melissa, the OUR approved several measures to support restoration efforts, including US\$40.7 million (J\$6.5 billion) in withdrawals from the Electricity Disaster Fund to aid the Jamaica Public Service Company Limited (JPS) in its restoration efforts, and the approval of J\$2 billion from the National Water Commission's (NWC) K-Factor Fund, along with a six-month suspension of deposits, resulting in \$5 billion in total relief for the NWC.

"Given the enormous cost of repairing damaged infrastructure, replacing equipment, and restoring essential services, and the challenges associated with sourcing adequate financing in a timely manner, the utility sector must seriously consider a structured, multi-layered disaster risk financing approach," Mr. Hewitt said.

He noted that Jamaica's national disaster risk financing framework, which enabled rapid liquidity mobilisation following Hurricane Melissa, provides a useful model for utilities. That framework enabled the country to access a coordinated three-year financing package of up to US\$6.7 billion to support recovery, reconstruction, and long-term resilience.

Mr Hewitt reported that significant progress has been made in restoring utility services. However, he cautioned that restoration alone is not enough, as building resilience is not about returning to the status quo. It is about rebuilding stronger, smarter, and more adaptable systems that can withstand increasingly severe climate events.

Among the measures identified as critical to strengthening utility resilience are:

- Hardening infrastructure to withstand Category 4 and 5 hurricanes;
- Strategic undergrounding of critical utility lines;
- Greater use of smart grid technologies and distributed energy resources;
- Reduced reliance of the water and telecommunications services on the electricity grid; and

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OUR Director-General Moots Multi-Layered Disaster Risk Financing for Utilities ...(cont'd)

- Improved, location-specific communication with customers during disasters.

“As we approach another hurricane season, resilience is no longer optional. It is an economic, social, and national security imperative,” Hewitt said. “The challenge before us is to ensure that our utility sector not only survives extreme events but emerges stronger from them.”

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