
Office of Utilities Regulation

Quarterly Performance Report

April – June 2007



OFFICE OF UTILITIES REGULATION

The Role of the OUR

The Office of the Utilities Regulation Act of 1995 established the Office of Utilities Regulation (OUR) as a body corporate. Under the Act, the OUR is charged with the responsibility of regulating the provision of utility services in the following sectors:

Electricity

Telecommunications

Water

Sewerage

Public transportation by road, rail and ferry

The OUR's Objectives

- To ensure that consumers of utility services enjoy an acceptable quality of service at reasonable cost.
- To establish and maintain transparent, consistent and objective rules for the regulation of utility service providers.
- To promote the long-term efficient provision of utility services for national development consistent with Government policy.
- To provide an avenue of appeal for consumers who have grievances with the utility service providers.
- To work with other related agencies in the promotion of a sustainable environment.
- To act independently and impartially.

The Consumer and Public Affairs Department (CPA)

The CPA department of the OUR is comprised of the Consumer Relations Unit (CRU), the Public Education Unit and the Information Centre (OURIC).

Consumer Relations Unit

The CRU acts as the main interface between the OUR and the public on a daily basis. The unit is responsible for the provision of policy recommendations to the Office on consumer related issues. The unit develops monitors and modifies the Guaranteed Standards. It also has direct responsibility for the hearing, investigation and resolution of consumer complaints against the utility companies.

The Public Education Unit

The Public Education Unit has primary responsibility for ensuring continuous public education of the role and functions of the OUR, the preparation of press releases, and the

management of the content on the OUR's website. It also produces and presents the radio programme 'Ask the OUR', and the television programme 'Inside the OUR'.

OURIC

OURIC is the information hub of the OUR. The information centre houses all types of media including the OUR's publications such as Consultative Documents and Determination Notices and ensures conformity with the Access to Information Act. Services offered by the centre include:

- Reference
- Photocopying
- Selective Dissemination of Information
- Web/Internet Searches
- Reference Queries via telephone, mail , or person
- Readers Advisory
- Point of contact for references under the Access to Information Act.

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Executive Summary

Customer Contacts

The Consumer Relations Unit (CRU) of the Consumer and Public Affairs Department received nine hundred and eighteen (918) contacts from utility consumers for the quarter ending June 2007. A similar figure of 915 contacts was recorded for the previous quarter.

In terms of utilities' share of contacts, JPS related contacts had an overall share of 50% - a 1% reduction in share when compared to the previous period. Contacts relating to the National Water Commission (NWC) on the other hand increased in share by 3%, accounting for 30% of total contacts. Contacts on Cable and Wireless Jamaica (CWJ) fixed line services (18%) and the mobile sector (2%) both recorded 1% reduction in overall share.

Nature of Customer Concerns

Billing related issues accounted for 46% of contacts to the CRU and represented a 2% reduction in share over the previous quarter. The breakout of billing related contacts per utility showed that JPS reduced its share of contacts in this category by 3%, with a share of 52%. NWC and CWJ fixed line services increased in this category with shares of 32% and 15% respectively. These two utilities had previous shares in the category of 31% and 12%. Billing related contacts in the mobile sector recorded a share of 1% - down from a previous 2%.

Contacts on equipment damage and the Guaranteed Standards declined marginally. However, disconnections (12%) and service interruption contacts (13%) each increased in overall share by 4%. On a utility basis, contacts regarding disconnection were primarily related to JPS, with the company accounting for 54% of such contacts. NWC followed with (32%) and CWJ (14%). Fourteen percent of the contacts received on disconnection pertained to services that were erroneously disconnected by the utility companies. Majority of contacts in this category of disconnection related to the JPS. As a result of the increased incidences of erroneous/wrongful disconnections, the Consumer and Public Affairs department intends to recommend that this issue be included in the Guaranteed Standards scheme at the next tariff review for these companies.

It should be noted however that wrongful disconnection has already been included in the Guaranteed Standard scheme for the more recently licensed small water companies – i.e. CanCara Development Limited and Dynamic Environmental Limited.

Cable and Wireless remained the main offender for contacts related to service interruption. The telecommunications company had a 45% share in this category.

Geographical Distribution of Contacts

As expected, majority of the contacts to the CRU originated in the parishes of Kingston, St. Andrew and St. Catherine. This group of parishes had a combined overall share of contacts of 67%. This is however a 3% reduction in share when compared to the previous

period. These parishes were followed by St. Mary and Clarendon with shares of 5% and 4% respectively. St James which had previously recorded the highest overall share outside of the top three parishes had a 2% reduction in share. Accordingly, the parish recorded a 3% share of contacts for the review period.

Closures

A total of 48 cases were closed during the review period compared to 71 closures the previous quarter. Of the cases closed 8.3% were mutually resolved between the customer and the utility; 2% were withdrawn by the customer; 31.4% were resolved in favour of the customer; 58.3% were resolved in favour of the utilities.

Cases Outstanding

The number of cases that were outstanding at the end of the quarter stood at 65. Of this total 48% were with the utilities for which the CRU was awaiting responses. The remaining 52% were with CRU. Of the cases with the CRU 79% were awaiting final letters to the customers; 12% were to be submitted to the utilities and the remaining 9% were undergoing analysis for a final determination.

Utility Responsiveness

Acknowledgements

There was improvement in the responsiveness of the two major utilities to which most of the contacts are attributed. In the case of JPS, the CRU had not received acknowledgements for the 10 case letters that were submitted the previous quarter. For this review quarter however, the electricity company acknowledged 50% of the 12 case letters that were submitted. NWC on the other hand had a 100% acknowledgement for case letters that were submitted compared to a previous 33% acknowledgement.

Responses to Case Letters

Forty three responses were received from JPS for the review quarter of which 21% were received within the 30 day response standard compared to a previous 19%. Of the 13 responses received from NWC 21% were received within the standard. In the previous quarter, 35% of the responses received from the NWC were within the standard.

Site Visits

Two site visits were conducted during the review quarter the purposes of which were to:

Case 1: Verify the distance of the complainant's property from NWC's sewer mains to determine whether sewage charges were applicable.

Status: The final determination in this matter is pending.

Case 2: Verify the customer's allegations that the premises had no plumbing fixtures or water supply to justify a bill for water consumption from the NWC.

Status: The CRU ruled in favour of the customer.

Credits/Compensation

The CRU secured a total of \$407,568 in credits and compensation for utility customers who contacted the OUR for assistance during the review period. This brings the year to date total in credits and compensation to \$1,218,508.

Customer Contacts

Table 1 shows the breakout of contacts to the CRU. Consistent with the previous quarter, Referrals were responsible for a 93% share of contacts. Thirty eight (38) contacts or 4% of total contacts were accepted for formal investigation and represented a marginal increase in share of 1% compared to the previous period.

As it related to outstanding cases, 52% of such cases were with the CRU. This is unusual as in the past, majority of the outstanding cases were with the utility for which the CRU was awaiting responses. For the quarter ending March 2007, 44% of the outstanding cases were with the CRU while 56% were with the utilities.

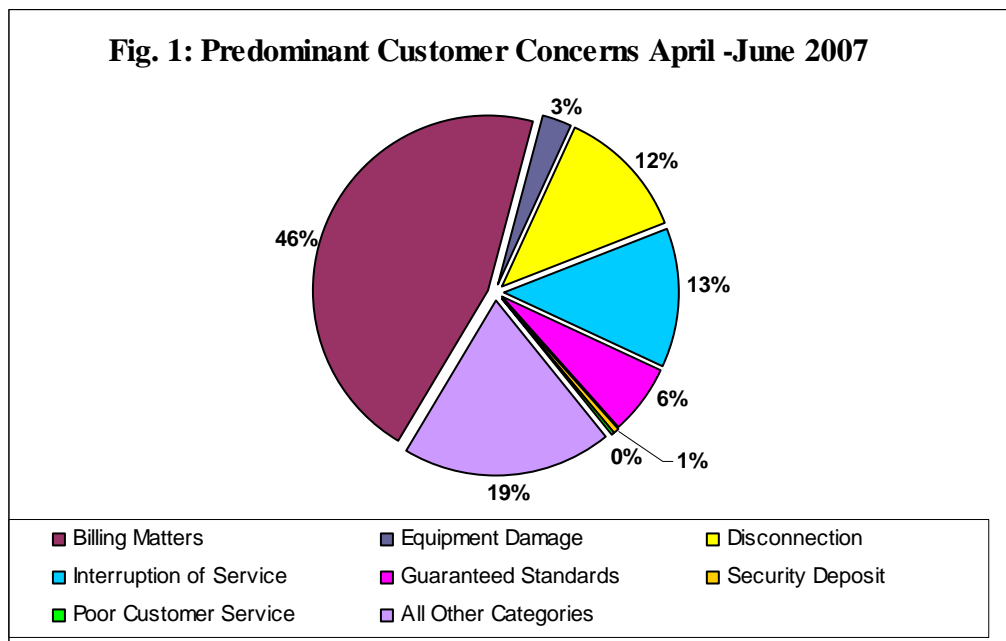
Table 1: Contact Activity Summary (All Utilities) April –June 2007

| | DESCRIPTION | JPS | NWC | CWJ | CWJ Mobile | DIGI | GOTEL | TOTAL |
|----------|---|------------|------------|------------|------------|----------|----------|------------|
| A | Contacts for the Quarter: | | | | | | | |
| (i) | New Opinions | 0 | 2 | 2 | 0 | 0 | 0 | 4 |
| (ii) | New Referrals | 427 | 249 | 162 | 11 | 3 | 0 | 852 |
| (iii) | New Inquiries | 10 | 11 | 3 | 0 | 0 | 0 | 24 |
| (iv) | New Complaints | 22 | 7 | 2 | 0 | 0 | 0 | 31 |
| (v) | New Complaints – Pending Information | 2 | 4 | 1 | 0 | 0 | 0 | 7 |
| (vi) | New Complaints – Initiated by OUR | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total contacts | 461 | 273 | 170 | 11 | 3 | 0 | 918 |
| B | Closure/Resolution of Complaints: | | | | | | | |
| (i) | Mutually Resolved/Compromise | 1 | 2 | 1 | 0 | 0 | 0 | 4 |
| (ii) | Withdrawn by Customer | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| (iii) | Insufficient Information | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (iv) | Outside of Jurisdiction | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (v) | Resolved in Favour of Customer | 8 | 6 | 1 | 0 | 0 | 0 | 15 |
| (vi) | Resolved in Favour of Utility | 20 | 8 | 0 | 0 | 0 | 0 | 28 |
| | Total closures | 30 | 16 | 2 | 0 | 0 | 0 | 48 |
| C | Outstanding Complaint Cases: | | | | | | | |
| (i) | <i>With the OUR:</i> | | | | | | | |
| i-a | To be Submitted to Utilities | 3 | 1 | 0 | 0 | 0 | 0 | 4 |
| i-b | Awaiting Final Letters to Customers | 20 | 7 | 0 | 0 | 0 | 0 | 27 |
| i-c | Awaiting Additional Information from Customer | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i-d | Undergoing Analysis/Determination | 1 | 2 | 0 | 0 | 0 | 0 | 3 |
| | Sub-total of cases with the OUR | 24 | 10 | 0 | 0 | 0 | 0 | 34 |
| (ii) | <i>With the Utilities (CRU awaiting response)</i> | 22 | 9 | 0 | 0 | 0 | 0 | 31 |
| | Total outstanding complaints | 46 | 19 | 0 | 0 | 0 | 0 | 65 |

Table 2: Contacts to CRU as a % of Utility's Customer Base

| DESCRIPTION | JPS | NWC | CWJ (fixed) | CWJ (mobile) ¹ | Digicel |
|--|----------------------|----------------------|-------------|---------------------------|------------------------|
| # of contacts rec'd in CRU | 461 | 273 | 170 | 11 | 3 |
| Utility's Customer Base | 571,338 ² | 454,789 ³ | 342,500* | | 1,936,697 ⁴ |
| Contacts as a % of utility's customer base | .081% | .060% | .050% | - | 0% |

Nature of Customer Concerns



¹ Information pertaining to CWJ's mobile subscriber is received by the OUR under confidential cover as the Company as a policy does not publish this information

² Information provided by JPS

³ Information provided by NWC

* 2006 Economic & Social Survey (PIOJ)

⁴ Information provided by Digicel

Table 3: Contact Details – All Utilities

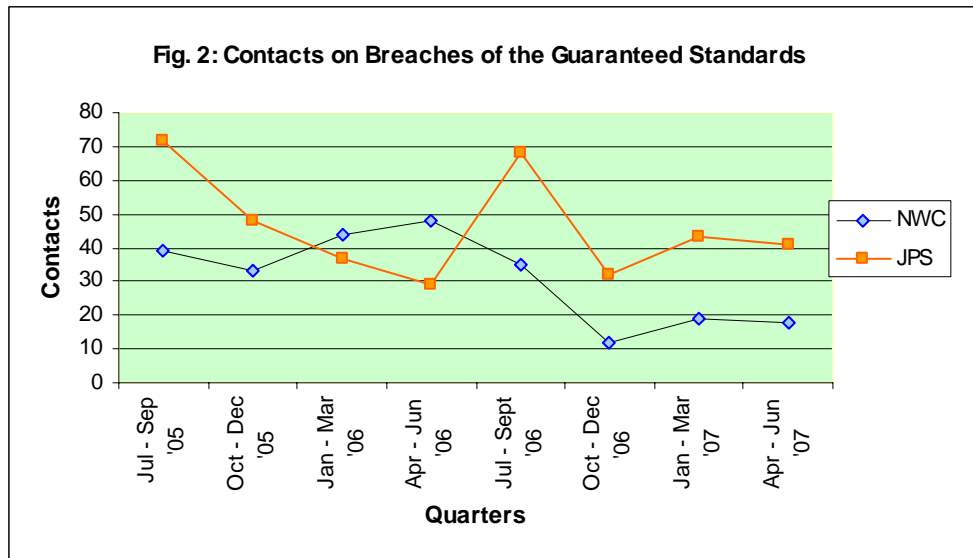
| COMPLAINT CATEGORIES | REVIEW PERIODS | | |
|---------------------------|--|---------------------------------|---------------------------------|
| | Corresponding Quarter (last year Apr -Jun '06) | Current Quarter (Apr - Jun '07) | Previous Quarter (Jan –Mar '07) |
| Billing Matters | 602 | 421 | 446 |
| Equipment Damage | 49 | 24 | 35 |
| Property Damage | 1 | 4 | 1 |
| Disconnection | 97 | 114 | 74 |
| Re-Connection | 8 | 13 | 9 |
| Redress Not Received | 2 | 1 | 7 |
| Irregular Supply | 17 | 6 | 14 |
| Unavailability of service | 2 | 0 | 0 |
| Payment Arrangement | 8 | 5 | 12 |
| Health and Safety | 12 | 8 | 5 |
| Poor Customer Service | 13 | 4 | 7 |
| Interruption of Service | 93 | 116 | 82 |
| Metering | 10 | 14 | 6 |
| Service Connection | 15 | 15 | 19 |
| Guaranteed Standard | 77 | 59 | 62 |
| Community-wide Issues | 0 | 0 | 0 |
| Security Deposit | 6 | 5 | 14 |
| Other | 115 | 109 | 122 |
| TOTAL | 1127 | 918 | 915 |

Table 4: Distribution of Contacts by Utilities

| Nature of Customer Concern | Current Qtr. (Apr -June '07) | | | | | | Previous Qtr. (Jan –Mar '07) | | | | | |
|----------------------------|------------------------------|------------|------------|------------|----------|----------|------------------------------|------------|------------|------------|-----------|----------|
| | JPS | NWC | CWJ | CWJ Mobile | DIGI | GOTEL | JPS | NWC | CWJ | CWJ Mobile | DIGI | GOTEL |
| Billing Matters | 219 | 136 | 63 | 3 | 0 | 0 | 246 | 138 | 54 | 4 | 3 | 1 |
| Equipment Damage | 24 | 0 | 0 | 0 | 0 | 0 | 35 | 0 | 0 | 0 | 0 | 0 |
| Property Damage | 3 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Disconnection | 61 | 36 | 16 | 0 | 1 | 0 | 45 | 12 | 17 | 0 | 0 | 0 |
| Re-Connection | 5 | 6 | 2 | 0 | 0 | 0 | 6 | 3 | 0 | 0 | 0 | 0 |
| Redress Not Received | 0 | 0 | 0 | 1 | 0 | 0 | 2 | 3 | 2 | 0 | 0 | 0 |
| Irregular Supply | 2 | 4 | 0 | 0 | 0 | 0 | 2 | 12 | 0 | 0 | 0 | 0 |
| Unavailability of service | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payment Arrangement | 5 | 0 | 0 | 0 | 0 | 0 | 7 | 4 | 0 | 0 | 1 | 0 |
| Health and Safety | 5 | 3 | 0 | 0 | 0 | 0 | 2 | 1 | 2 | 0 | 0 | 0 |
| Poor Customer Service | 2 | 0 | 1 | 1 | 0 | 0 | 1 | 2 | 4 | 0 | 0 | 0 |
| Interruption of Service | 26 | 36 | 52 | 2 | 0 | 0 | 15 | 27 | 40 | 0 | 0 | 0 |
| Metering | 10 | 4 | 0 | 0 | 0 | 0 | 4 | 2 | 0 | 0 | 0 | 0 |
| Service Connection | 8 | 1 | 6 | 0 | 0 | 0 | 5 | 2 | 12 | 0 | 0 | 0 |
| Guaranteed Standard | 41 | 18 | 0 | 0 | 0 | 0 | 43 | 19 | 0 | 0 | 0 | 0 |
| Security Deposit | 4 | 0 | 1 | 0 | 0 | 0 | 11 | 1 | 2 | 0 | 0 | 0 |
| Other | 46 | 28 | 29 | 4 | 2 | 0 | 41 | 24 | 40 | 11 | 6 | 0 |
| TOTAL | 461 | 273 | 170 | 11 | 3 | 0 | 465 | 251 | 173 | 15 | 10 | 1 |

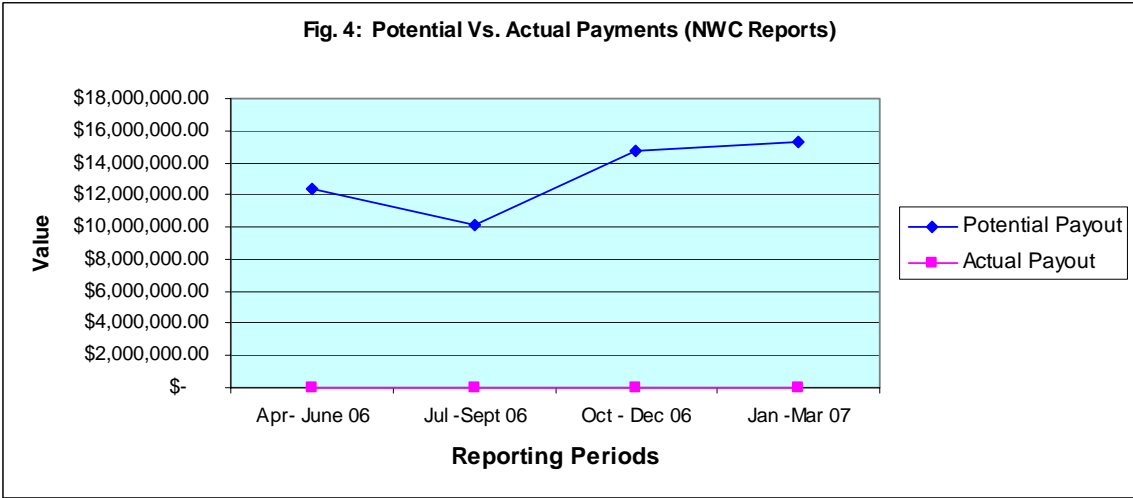
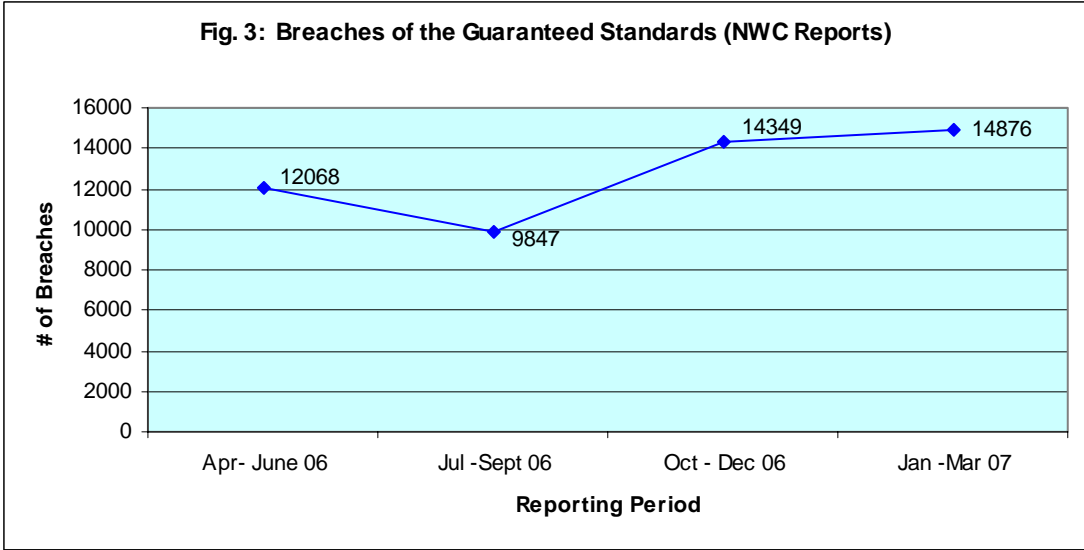
The Guaranteed Standards

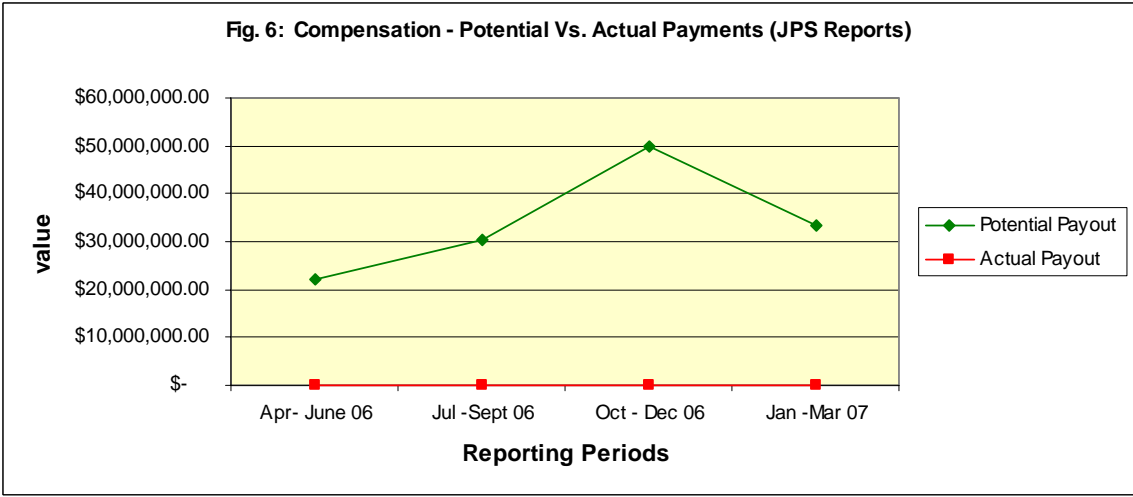
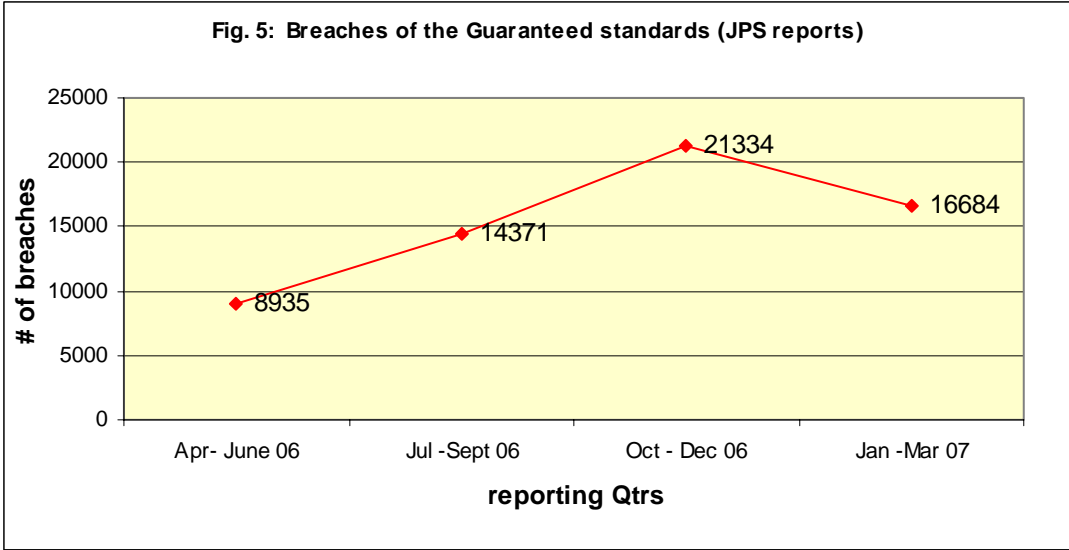
Figure 2 shows the contacts received by the CRU on breaches of the Guaranteed Standards. The report from NWC for the quarter ending March 2007 on their performance against the standards revealed that the company committed a total of 14,876 breaches with a potential compensation of at least \$15,000,000. The company reported a similar number of breaches for the previous quarter. Despite the massive number of breaches, no claims were reportedly received from customers for the second consecutive quarter.



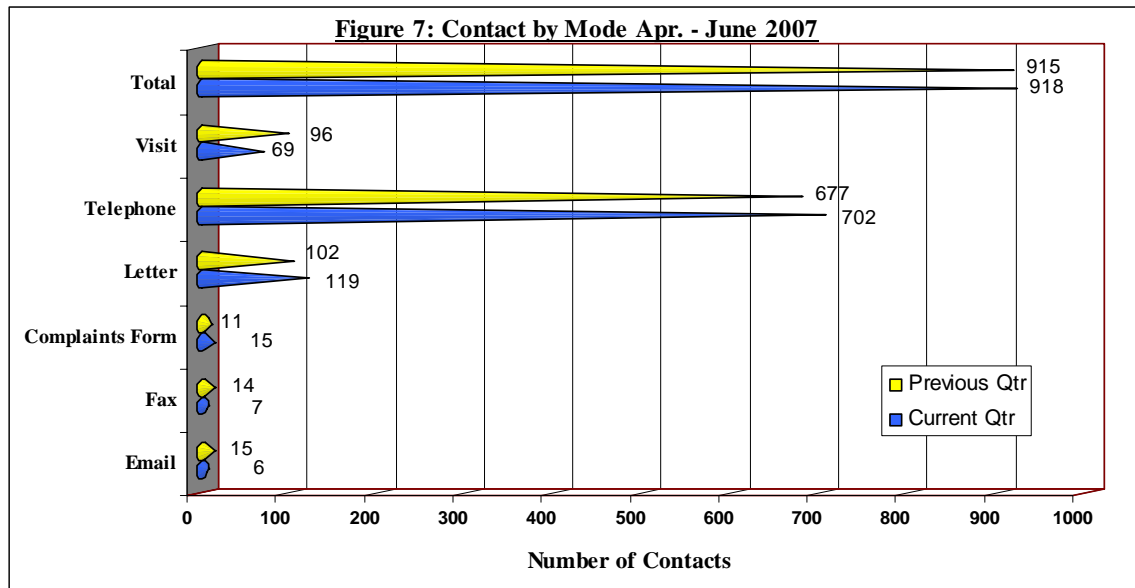
Utility Reports - Guaranteed Standards

Figures 4 & 6 compare potential compensation and actual claims (payout) for NWC and JPS. For both of these utilities, the actual payout is consistently lower than a quarter of a million dollars, while the potential compensation for total breaches committed for any quarter is at least ten million dollars.





Mode of Contact



Geographical Distribution of Contacts

Table 5: Geographic Distribution of Contacts

| PARISH | Corresponding Quarter (Apr – Jun 2006) | Current Quarter (Apr – Jun 2007) | Previous Quarter (Jan – Mar 2007) |
|---------------|---|-------------------------------------|--------------------------------------|
| Kingston | 80 | 63 | 91 |
| St. Andrew | 414 | 402 | 375 |
| St. Catherine | 284 | 163 | 177 |
| St. Thomas | 17 | 23 | 24 |
| Portland | 17 | 15 | 20 |
| St. Mary | 22 | 42 | 20 |
| St. Ann | 57 | 32 | 34 |
| Trelawny | 11 | 17 | 19 |
| St. James | 53 | 32 | 47 |
| Hanover | 15 | 20 | 5 |
| Westmoreland | 26 | 22 | 25 |
| St. Elizabeth | 32 | 18 | 30 |
| Manchester | 50 | 28 | 20 |
| Clarendon | 49 | 41 | 28 |
| TOTAL | 1127 | 918 | 915 |

Responses from Utilities:

Table 6: Case Letter Acknowledgement Summary (Apr –Jun, 2007)

| | JPS | NWC | CWJ | CWJ Mobile | Digi | GOTEL | Total |
|---------------------------------------|------------|-------------|----------|---------------|----------|----------|------------|
| Cases Submitted | 12 | 4 | 0 | 0 | 0 | 0 | 16 |
| Acknowledged | | | | | | | |
| - <i>Within 5-day Standard</i> | 6 | 3 | - | - | - | - | 9 |
| Acknowledged | | | | | | | |
| - <i>Outside 5-day Standard</i> | 0 | 1 | - | - | - | - | 1 |
| Not acknowledged | 6 | 0 | - | - | - | - | 6 |
| % of Case letters Acknowledged | 50% | 100% | - | - | - | - | 63% |

**Table 7: Complaints Response Summary -Utilities compliance with 30- day standard
Apr. – Jun. 2007)**

| | DESCRIPTION | UTILITIES | | | | | | Total |
|-------------------------------|---|------------|------------|----------|---------------|----------|----------|--------------|
| | | JPS | NWC | CWJ | CWJ Mobile | DIGI | GOTEL | |
| Responses Received | Total Responses Received | 43 | 13 | - | - | - | - | 56 |
| | Within 30 day standard | 9 | 3 | - | - | - | - | 12 |
| | Outside 30-day standard | 34 | 10 | - | - | - | - | 44 |
| | % of responses received within 30 day standard | 21% | 23% | - | - | - | - | 21.4% |

CRU'S Performance on Service Standards:

Table 8: CRU Performance on Service Standards Apr - Jun 2007

| Parameter | Service Standards | % Compliance | |
|--------------------------------|---|------------------------------------|-------------------------------------|
| | | Current Qtr. (Apr - Jun 07) | Previous Qtr. (Jan -Mar '07) |
| Acknowledgement Letters | Within 3 Business days of receipt of customer's letter | 92% | 100% |
| Case Letters | Within 5 business days of receipt of complaint information from customer. | 47% | 31% |
| Final Letters | Within 5 business days of receipt of necessary information from relevant parties. | 17% | 20% |

APPENDICES

Appendix I

Service Standards for the Consumer Relations Unit (CRU)

- Written complaints should be acknowledged within 3 business days of receipt.
- Customers should be advised of the CRU's forty (40) business days standard to complete investigations.
- Case letters (*the CRU's written requests to the utilities for information*) should be prepared and sent to the utility companies within 5 business days of receipt of a complaint.
- Case letters are to be copied to the customer.
- Customers should be notified of the progress of the investigation within 30 working days after receipt of the complaint.
- If investigations are likely to extend beyond 40 business days, the customer should be so advised.
- A 'Pending letter' is to be dispatched to customers if additional information is required. The letter must advise the customer to submit this information within 20 business days. The customer's file is to be closed if the requested information is not received within the specified time.
- Final letters should be dispatched to customers within 5 days of completed investigations.

Appendix II

DEFINITION OF TERMS USED IN DOCUMENTING CUSTOMER CONTACTS

- Complaint:** Any contact expressing dissatisfaction with the terms of service, practice or action of a utility company or its employees. A complaint would result from a concern made by a consumer about a utility company which, in the opinion of the consumer, was not satisfactorily addressed.
- Referral:** Any contact advised by the OUR to consult the relevant utility company because the complainant had not initially utilized, or exhausted the complaint procedures within the relevant utility company.
- Inquiry:** Any contact requiring verification/confirmation of information relating to a utility service, policy and/or practice, etc.
- Opinion:** Any contact expressing a view about the actions, practice or terms of service, etc. of a utility company.