

## **OUR's Automatic Compensation gives JPS Customers \$28.2 million pay-out**

**(KINGSTON, Jamaica; 2016 December 1):** Customers of the Jamaica Public Service Company Limited (JPS) benefitted from a \$28.2 million pay-out through automatic compensation as a result of 14,425 breaches of the Guaranteed Standards (GS) for the July-September 2016 quarter. The breaches committed by JPS represent an over 200% increase compared to the previous quarter.

The JPS GS Compliance Report for the period stated that it paid out 100% of amounts for breaches and this compares to only 18% of potential pay outs made in the previous quarter.

The standard with the highest incidents of breaches was that for *Estimated Bills*, which restricts the JPS from sending more than two consecutive estimates without accruing a penalty.

The Office of Utilities Regulation (OUR), as part of its review of JPS' 2014 rate application, determined that in keeping with Condition 17 of the All Island Electric Licence (2011), breaches of all JPS Guaranteed Standards will attract automatic compensation. The phased process of converting these Standards to automatic compensation for breaches started on June 1, 2015. As at September 1, 2016 only two Standards remain to be converted.

Presently, there are seventeen (17) JPS Guaranteed Standards measuring service delivery in the areas of: Access to Service, Investigation of Customer Complaints, Billing, Metering, Disconnection and Reconnection of Service. The compensation applicable to residential customers is equivalent to the reconnection fee of \$1,650 while that for commercial customers is four (4) times the customer charge. Breaches of individual standards will continue to attract compensation for up to eight (8) periods of non-compliance.

The NWC's Compliance Report on the Guaranteed Standards scheme for the July-September 2016 period showed that 424 breaches were committed. These 424 breaches had a potential pay-out of approximately \$1.33 million while actual payments amounted to \$978,052.2, representing 74% of total potential payments. The payments were by way of automatic credits to the affected accounts. Similar to the JPS, the standard with the highest incidents of breaches for the NWC related to estimated billing; which accounted for 37% of the total breaches.

The OUR continues to encourage JPS consumers to familiarize themselves with the Guaranteed Standards so that they can know when a breach has occurred. This is particularly important for standards that attract automatic compensation, since consumers need to know when to expect compensation to be applied to their accounts.

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The two remaining JPS Guaranteed Standards require the submission of a claim form and these are available at all JPS offices, on the company's website [[www.jpSCO.com](http://www.jpSCO.com)], and on the OUR's website [[www.our.org.jm](http://www.our.org.jm)].

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### **AUDIO INSERT: "C. Goode on Compensation"**

IN: The OUR continues ....

OUR: .... To their accounts

DUR: 19"

SPEAKER: Collette Goode, Consumer Affairs Specialist, OUR.

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