

FOR IMMEDIATE RELEASE

OUR approves interim rates for St. Jago Hills Development

(KINGSTON, Jamaica; 2019 July 12): The Office of Utilities Regulation (OUR) has made an interim decision on the tariff application submitted by St. Jago Hills Development Company Limited (SJHDC).

The company, which supplies water to residents of St. Jago Hills in St. Catherine, submitted an application to the OUR for a rate increase in 2018 November. This is its first application since it received a Water Supply Licence in 2014 July. SJHDC has been supplying residents of the St. Jago Hills community with water, and had been charging residents for the service, although it had not applied for, nor received the approval from the OUR on the rate to charge its customers.

Consequently, SJHDC's application, which was made as a result of the OUR's enforcement measures, represented an effort by the company to regularise the economic side of its operations.

The new interim rates took effect on 2019 July 5, and are valid for eighteen (18) months, subject to the fulfillment of certain quality of service related obligations by SJHDC.

The OUR has determined that SJHDC shall charge its customers the following interim charges and rates:

- Fixed Charge (monthly): \$1,514.19
- Variable Charge per 1000 gallons :
 - 1st 3,000 gallons: \$ 421.29
 - 2nd 3,000 gallons: \$ 742.88
 - 3rd 3,000 gallons: \$ 802.11
 - 4th 3,000 gallons: \$ 1,023.87
 - 12,000 20,000 gallons: \$ 1274.91
 - Over 20,000 gallons: \$ 1,641.14

The OUR's decision means that the bill of a typical residential customer with an average water consumption of 6,000 gallons/month will move from \$3,249.06 to \$5,006.68. This represents an increase of 54%.

The OUR has also developed a set of Overall and Guaranteed Standards to bring the company into alignment with acceptable service levels within the industry.

SJHDC has also been mandated to undertake the following and submit to the OUR for approval:

- Develop measures to supply water on a regular (daily) basis to customers in order to eliminate the existing water supply schedule over time;

OUR approves interim rates for St. Jago Hills Development .../2

- Within six (6) months of the effective date of this Determination Notice, develop a policy which will govern the process to repair leaks, replace mains and other equipment and restore areas that were disturbed as a result of its activities;
- Within three (3) months of the effective date of this Determination Notice develop a Customer Service Charter outlining its service delivery commitments and customers' rights and responsibilities;
- Within three (3) months of the effective date of this Determination Notice, review and revise its bill format.

The St. Jago Hills Development Company Limited Interim Water Rates Determination Notice can be found on the OUR's website: www.our.org.jm.

-30-

Contact: Elizabeth Bennett Marsh – Public Education Specialist: 876-968-6053