



To: All News Editors

## **NWC DISAPPOINTED WITH OUR 23% INCREASE IN RATES**

The National Water Commission (NWC) remains fully committed to providing the best possible water supply service to its customers across Jamaica even with the disappointing decision of the Office of Utilities Regulation (OUR) in failing to accept the need for a more meaningful adjustment in the NWC tariff to reflect the cost of providing the water and wastewater services across Jamaica's hilly and challenging terrain.

NWC's application for a 44% increase in rates was based on a number of compelling issues including the fact that the existing rates do not cover the cost of providing service; enormous increases in costs since the last tariff adjustment as far back as 2004; a deteriorating infrastructure in desperate need of replacement or rehabilitation; tremendous demands for infrastructure improvement and expansion in service at great cost; as well as a requirement to operate within a policy framework in which it funds all of its requirements from revenues generated.

The NWC had made therefore its increase in water rates in an attempt to bring rates closer to the cost of providing the service and enable the effective implementation of continuing improvement projects with a view to moving closer to the Development Millenium Goals of universal access to potable water by 2015.

Unfortunately, the OUR's determination for granting a 23% increase in tariffs while also imposing increasingly stringent conditions of service will have the effect of preventing

the Commission from all the improvement projects that were proposed in our request for the tariff increase.

According to the NWC's Corporate Public Relations Manager Charles Buchanan, the Commission is disappointed with the level of increase. This is especially so as the NWC had set out clearly that there was a positive relationship between the rates received and the amount of project improvements and the level of service delivery possible to our valued customers.

In the past several years the NWC completed a number of water supply improvement projects and are currently in the process of constructing a number of others to address real needs. While it is obvious that the speed with which the NWC will be able to continue with these projects islandwide will be affected, the NWC will be closely examining the OUR's Tariff Determination and remains resolute in our commitment to provide the best possible level of service to our customers across Jamaica.

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