Jamaica Public Service Customer Satisfaction Report
September 2011

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Executive Summary

This report summarizes the key results of our study into the knowledge and attitude of consumers towards the Jamaica Public Service Co. Ltd. (JPS). The aim of the study is to gain insight into the issues being faced by the residential customers of JPS throughout the island. The results are intended to form an evidenced based platform for the appropriate intervention, be it, *inter alia*, advocacy, consumer education, consumer protection, policy /legislative reform, etc.

Though the study examined the demographics, housing, tenure, metering arrangement, energy sources of consumers, particular focus was placed on persons who were customers of JPS: their history of service and general attitude and behavior towards the company. Specific issues included the quality of customer service, the company's response to the needs of its customers, billing rates and frequency and the likelihood of them switching to another electricity service provider should one become available. Consumers' knowledge of the JPS license was also examined.

The Jamaica Public Service Company Limited (JPS) was granted an all-island franchise in 1966, and today remains the sole public supplier of electricity in Jamaica.[1] Most recent data reveals that the company has a customer base in excess of 585,000. The nature of the ownership of JPS has changed several times throughout its history. Marubeni Caribbean however remains the majority shareholder; the Government of Jamaica and a small group of minority shareholders own the remaining shares. Under the provisions of the license granted to the JPS by the government of Jamaica, the company has the exclusive right to transmit, distribute and supply electricity in the island for public and private purposes subject to regulation by the Office of Utilities Regulation (OUR) which was established pursuant to the Office of Utility Regulation Act, 1995.

Part I of the report focuses on the history of JPS operations in Jamaica, its ownership and rights under its license. It also looks at recent developments which have led to public outcry and the launch of a number of probes into the billing and other operations of the JPS. Part I of the report also provides a background into the nature of consumer complaints against the utility company, received by the Consumer Affairs Commission (CAC) within the last three and one half years. Utility complaints are one of the fastest growing complaint categories at the CAC. In fact, while total complaints to the CAC

[1] http://www.myjpsco.com/about_us/our_history.php last accessed 14/9/2011

increased by 10% in 2010 over 2009; utility complaints to the CAC grew by 81% during that period. Within the Utilities category, complaints against JPS, which represent just over 40% of total utility complaints, increased by 93% over the previous year.

The findings from this assessment reveal that, especially **within the last eighteen months, excessive billing /adjustment, other billing issues and wrongful disconnection have emerged as the main sub-categories of complaints against the JPS**. For the period under review, of the 353 JPS complaints received, excessive billing /adjustments, other billing issues and wrongful disconnection accounted for 37%, 11% and 10% respectively. The general category which included a wide range of issues regarding efficiency of service delivery to customers was 21%.

The review of the CAC complaint database provided valuable insight into the nature of consumer concerns and shaped the kinds of exploratory research questions we set out to answer. Part II of the report outlines the methodology of the investigation and the main findings, which revealed that:

- Of the sample of 1,163 consumers, the majority (1,083 or 93%) of the respondents indicated that their lighting was provided by a public utility company. Interestingly, eleven respondents or 0.9% relied on privately generated electricity. Also interesting was the number of respondents 59 or 5.3% who indicated that their source of lighting came from **kerosene lamps** and **candles.**
- 91% of respondents (1,079) indicated that their bills had undergone some change since the start of the year, 5% indicated that no changes had been observed, while 4% were unable to say.

When respondents were asked to gage their general attitudes and behavior towards JPS by stating whether they “strongly agreed”, “agreed”, were “neutral”, “disagreed”, or “strongly disagreed” with nineteen (19) statements about JPS, the following were the main findings:

- With regard to overall level of satisfaction with JPS, of 1,091 respondents, 10% (107) had some level of satisfaction, while the majority, (66% or 711) respondents had some level of dissatisfaction.
- The JPS received its highest marks for bill payment options provided and its lowest marks for customer service and frequency of rate increases:

- On punctuality of bills, adequacy of bill delivery and payment options provided, over 59% of the sample was satisfied with these areas of service provided by JPS. 48% and 49% of the sample was satisfied with the frequency of meter reading and the frequency of actual bills respectively while 28% and 31% respectively were dissatisfied.
- In the areas of quality customer service, service staff, sensitivity to customer needs, professionalism, response level, rate of response to emergency calls, swiftness in reconnection after payment, frequency of estimated bills, accuracy in the consumption calculation, a majority of the sample, between 35% and 88% were dissatisfied.

- An overwhelming majority believed that JPS should not hold a monopoly in the provision of electricity. 91% of respondents indicated that the JPS should no longer remain the only distributor of electricity in Jamaica. Similarly, 92% of respondents of the sample agreed that other players should be allowed to distribute electricity. When asked if they would switch to another supplier however, 67% of respondents stated that they would while 26% indicated that their decision was hinged on certain criteria being met, i.e., lower rates and better service.
- With respect to knowledge of who can produce and distribute electricity in Jamaica, 68% of respondents indicated that they were aware that anyone could generate electricity for their private use. Thirty percent (30%) of respondents however were unaware that JPS' license only gave them a monopoly on distribution.

The study concluded that JPS' residential customers have mixed perceptions about the product and services offered by this utility company. Among its customers, the JPS was ranked fair with regards to their urgency in restoring disconnected power supply (a slim majority of 35% of respondents were satisfied while 28% dissatisfied). A fair number of their residential customers expressed the view that the power supply seems to be a safe one, in that 40% of respondents felt the supply was safe and consistent while 38% did not. Most customers also expressed satisfaction with bill delivery options (68% of the respondents were satisfied while 18% were dissatisfied) and the frequency in which the JPS conducted the reading of their meters (48% were satisfied while 28% were dissatisfied). JPS received its highest marks for the adequacy in providing bill payment options (79% of respondents were satisfied while 10% were dissatisfied).

On the other hand a number of areas of disgruntlement with the JPS were revealed in this study. The most outstanding issue was the cost of electricity where well over three quarters of respondents (88%) considered that the cost was unreasonable. Most were also concerned that the JPS seems to be very insensitive to their plight (67% were dissatisfied) and as such most (66%) were very dissatisfied with the overall service offered by the JPS. Their grouses were summed up in the indication of desire to change to a new power company by majority of respondents (67%), should one come on stream.

This result however indicates that although consumers are disgruntled with JPS, some remained cautious in committing themselves to passing judgment and sentence on the company. This was shown by the numbers (between 3% - 20%) who remained neutral on the 17 key service areas and those who were "unable to say" (2% - 26%). Also, on the question of changing service providers, the 26% who indicated a level of uncertainty, showed that, their move would be hinged on an improvement in service.

This demonstrates in some way, that what consumers want are fairer rates, reasonably spaced rate increases and better customer service and if JPS was willing to improve in these key areas, they would be able to retain at least 33% of their customer base (26% unsure, 7% would not change service providers).

Given the findings of the survey, the following recommendations were made:

Consumer Education

There should be included in the CAC's consumer education campaign, a component to educate consumers about the limits of the JPS monopoly and expose them to viable low cost alternatives to generating /producing their own energy.

Feasible and efficient solutions

More dialogue between the government of Jamaica and the JPS as it relates to reducing the plight of consumers should be urgently conducted and feasible solutions which benefit both parties and which are also in the direct interest of consumers should be pursued.

INTRODUCTION

History of JPS Co. Ltd.'s operations in Jamaica

The Jamaica Public Service Company Limited (JPS) was granted an all-island franchise in 1966, and today remains the sole public supplier of electricity in Jamaica.[2] Its roots of supplying electricity to the Jamaican population date back to 1892, when its ancestor, the Jamaica Electric Light Company became the first electricity service in the island. In the early days, several towns had their own electric companies; but through a process of consolidation, buy-outs and amalgamations, Jamaica Public Service Company Limited emerged and was registered in 1923. At that time, JPS had 3,928 customers. Today the company has a customer base in excess of 585,000.

The Company owns and operates: 4 power stations, 8 hydroelectric plants, 43 substations and approximately 14,000 kilometres of distribution and transmission lines and employs some 1,375 persons.[3]

Ownership and License

The nature of the ownership of JPS has changed several times throughout its history. The company started out as a private company, owned by foreign shareholders. In 1970, the Government of Jamaica acquired controlling interest. In 2001, ownership of JPS returned to private hands when Mirant Corporation, a US-based energy service provider acquired 80 percent of the company, with the Government retaining almost 20 percent. The remainder, amounting to less than 1 percent, is owned by a small group of shareholders.

In 2007, Mirant sold its majority shares to Marubeni Caribbean Power Holdings (MCPH) Inc, a subsidiary of Marubeni Corporation of Japan. In early 2009 Abu Dhabi National Energy Company (TAQA) of the United Arab Emirates, joined Marubeni as co-owner of the Jamaica Public Service Co. Ltd. Majority shares were therefore jointly held by Marubeni TAQA Caribbean. In addition to Jamaica, MCPH had interests in utility companies in Trinidad and Tobago, the Bahamas, and Curacao.

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[2] http://www.myjpsco.com/about_us/our_history.php last accessed 14/9/2011

[3] Pg 4, JPS 2010 Annual Report

In the first quarter of 2011, TAQA withdrew from the partnership with Marubeni in the Caribbean, due to a change in its corporate strategy. TAQA signaled its intention to focus primarily on the power sector in the Middle East and North Africa region. Thus today, Marubeni Caribbean remains the majority shareholder in the Jamaica Public Service Company Ltd.[4]

Regulatory arrangements and tariff structure

Under the provisions of the license granted to the JPS by the government of Jamaica, the company has the exclusive right to transmit, distribute and supply electricity in the island for public and private purposes subject to regulation by the Office of Utilities Regulation (OUR) which was established pursuant to the Office of Utility Regulation Act, 1995. With subsequent amendments to the Act, the OUR has been empowered to require observance and performance by the JPS of its obligations under the License, and to regulate the rates charged by the company.

Residential Customers - Issues

According to JPS's 2010 Annual Report, as at December 31, 2010, the company had an average of 570,801 customers, 89% of which (509,660) were residential customers. In 2008, the JPS commenced a change out of its electromechanical meters to digital meters. Since then some 60,000 meters have been changed.[5] In addition to this, a reduction of the system losses of 1.52% was achieved by the first deployment of the company's Residential Automated Metering Infrastructure (RAMI). The communities connected through this innovative system were: Seaview Gardens, Tivoli Gardens, Retirement, Old Harbour Bay, Pitfour, Hurlock, among other communities. This accounted for 6,500 new customers. Losses in these neighbourhoods were at 70% and were reduced to the technical minimum of 5%.[6]

[4] http://www.myjpsco.com/about_us/our_history.php last accessed 14/9/2011

[5] Comments by J Paul Morgan, Independent Investigation into JPS' Billing Practices, Press Conference – August 31 2011

[6] Pg 8, JPS Annual Report, 2010

In recent months however, there has been much public outcry about the frequent rate increases, excessive bills and poor customer service from the JPS, as well as the perceived failure of its regulator, the OUR to protect consumers. Consumer complaints have inundated the daily talk shows, letters to the editor in the daily newspapers. Complaints have also been received by the offices of the OUR and the Consumer Affairs Commission (CAC).

In August 2011, the JPS contracted the services of an independent external auditor to undertake an audit into the meter-replacement programme and the billing of customers.[7] In spite of this, the government of Jamaica commissioned the OUR to conduct an independent investigation to "establish whether the complaints have merit and if this is found to be the case to enable the Office [of Utilities Regulation] to prescribe appropriate remedies with a view to restoring public confidence".[8]

Role of the Consumer Affairs Commission

The Ministry of Industry, Investment and Commerce, the portfolio ministry responsible for the promotion and protection of the interest and welfare of consumers in Jamaica, could not ignore the outcry of consumers. Dr. the Honourable Christopher Tufton, Minister in the MIIC mandated the CAC to conduct a study of consumer's knowledge of, and attitude towards JPS with a view to developing an evidence based campaign and platform for advocacy and consume protection.

The study would be conducted in two phases: Phase 1 – Residential Customers, Phase 2 – Commercial & Industrial Customers. Consumer complaints were not a sufficient platform to use to assess the perception of JPS by all Jamaicans and specifically its own customers. In reviewing the statistics, it was observed that the CAC received a small percentage of JPS' residential customer base in terms of complaints received (0.013% as at July 2011; the highest being 0.31% recorded as at Dec 2010). Therefore, a more representative sample needed to be sought. See Table 1 below:

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[7] Gleaner article :"Jamaica Public Service Company gives in" published Friday, August 19, 2011

[8] Comments by J Paul Morgan, Independent Investigation into JPS' Billing Practices, Press Conference – August 31 2011

TABLE 1. COMPARATIVE STATISTICS				
	2008	**2009**	**2010**	**2011 (July)**
Population (End of Year Figures, STATIN)	2,692,400	2,698,800	2,705,800	2,868,380
JPS Residential Customers (2010 Annual Report)	526,492	521,837	509,660	500,000* est
CAC Utility Complaints	197	199	361	167
CAC JPS Complaints	48	81	157	67
Total Complaints Filed	1502	1946	2145	969
JPS Residential Customers as a % of total population	20%	19%	19%	17%
CAC JPS Complaints as a % of JPS Residential Customers	0.009%	0.016%	0.031%	0.013%
CAC JPS Complaints as a % of Utility Complaints	24%	41%	43%	40%
CAC Utility Complaints as a % of Total Complaints	13%	10%	17%	17%
CAC JPS Complaints as a % of Total Complaints Filed	3%	4%	7%	7%
CAC complaints Filed as a % of total population	0.06%	0.07%	0.08%	0.03%
** Note that JPS customers are households, not individuals. The average household size in Jamaica is 3.5. (STATIN 2001 Population Census Report)*				

The CAC reviewed its complaint data for the last three and half calendar years, i.e., Jan 2008 to July 2011. This inquiry revealed that the agency had received **nine hundred and twenty-four** utility complaints[9], **three hundred and fifty three** (38%) of which were filed against the JPS. The review further revealed that the majority of these complaints (48%) were related to billing issues. The breakdown is as detailed in Figure 1 below.

[9] The Utilities category includes the NWC, JPS, all the telecommunications providers, as well as other private water supply / water treatment companies

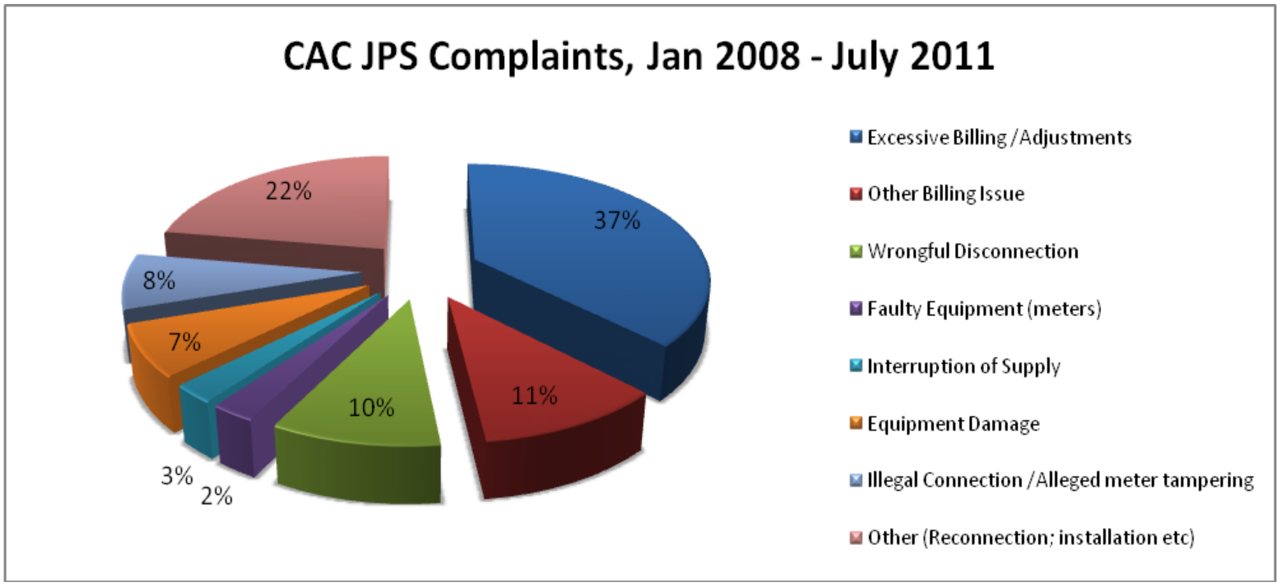

Figure 1 showing the sub-categories of CAC Utilities complaint category, Jan 2008 – July 2011

It was also observed that complaints against the JPS surged in 2010 over 2009 by 93%. The increase from 2008 to 2009 was 68%. The sub categories which recorded the most significant change were excessive billing /adjustment, other billing issues and wrongful disconnection. See Figure 2 below

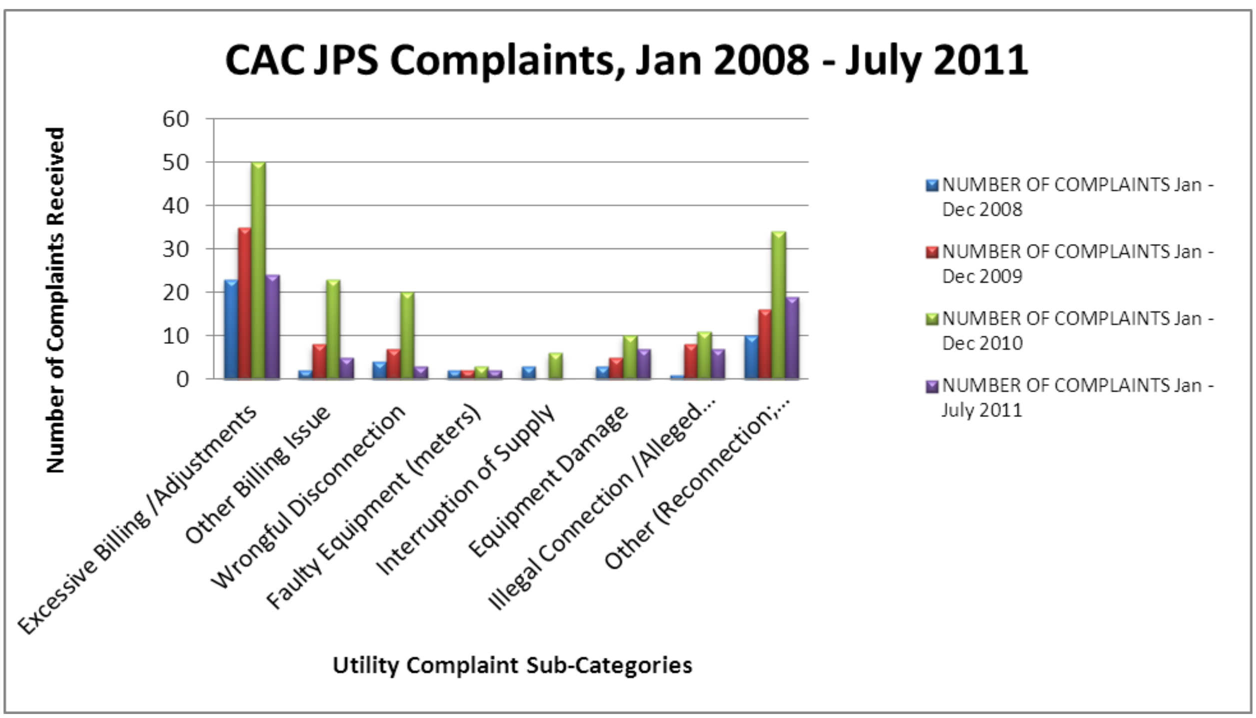

Figure 2 showing the growth in sub-categories within the CAC utility complaint category, Jan 2008 – July 2011

Phase I – Study of Residential Customers

Methodology

The study was undertaken during the period September 1- 14, 2011. It targeted **residential customers** and captured information from this category of consumers in all parishes across Jamaica. It was cross sectional in nature and utilized both primary and secondary sources of data. Primary data was collected with a questionnaire. The questionnaire was selected as the survey instrument due to several benefits it offered. Firstly, it was a relatively quick and inexpensive method of meeting the survey's objectives. Secondly, it allowed for coverage of a fairly large number of respondents in a reasonable time frame. Thirdly, the data garnered could be collated and analyzed with statistical ease and it also provided for flexibility in the analysis of the data. Finally, as expressed by a renowned social researcher, Earl Babbie, questionnaire data are strong on reliability-there is no ambiguity in the results and therefore it is more straightforward to draw conclusions.[10]

The questionnaire consisted of 17 questions and was comprised of both open- ended and closed ended items. The questionnaire solicited information on the, respondents' knowledge and perception of the service offered by the Jamaica Public Service Company to its customers, respondents' history of service with the company, their geographical location , their dwelling type and tenure as well as their personal demographic and socioeconomic characteristics.

Pilot test

On August 31, 2011, the questionnaire was pilot tested in Kingston. This test revealed that 3 of the 17 items on the questionnaire needed to be amended. The amendments needed were the expansion of the response options for questions 9 and 14 and the simplification or rewording of item 16 (See Appendix 1).

Secondary sources

Secondary sources were reviewed to identify the areas that should constitute the key focus of study. They included but were not limited to the following:

[10] Babbie E. 2001. The Practice of Social Research. 8th Edition. Wadsworth Publishing Company. New York.

- Reports on CAC's Analysis of JPS customer complaints.
- Demographic Reports from the Statistical Institute of Jamaica
- News reports on JPS in the local print and electronic media.
- The JPS Annual Report, 2010
- TOR for the OUR's independent Investigation into the JPS

Data Analysis

This was mainly in the form of quantitative analysis. The completed questionnaires were compiled as a database in the Statistical Programme for the Social Sciences (SPSS) version 19. Statistical analysis involved the use of descriptive measures including frequencies and central tendencies. Bivariate techniques were also used to identify associations in the data. In addition, significance tests were also performed using Chi Square test for statistical significance.

The Sample

As reported previously, the JPS Annual report for the year 2010 indicated that as at December 2010, the company has a total of 570,801 customers, 509,660 or the majority of these being residential customers. In order to generalize and extrapolate to the total population of JPS residential customers islandwide, a fairly large number of JPS customers was needed to constitute the survey sample. Using The MaCorr and Raosoft Research Sample Size calculator, it was revealed that a sample size of 1067 respondents would be representative with the survey tolerating a margin of error of only +/-3% at the 95% confidence level. An additional 8 % or 96 questionnaires were added to the sample for contingency. Thus the sample comprised a total of 1163 respondents.

In order to ensure islandwide coverage, respondents were selected from all parishes in Jamaica. The members selected for each parish were almost equated with the proportional distribution of the country's population for each parish. This ensured that there would be adequate representation for each parish. Thus, as Table 2 shows, Kingston and St. Andrew accounted for the highest number of respondents, while St. Mary, Portland, St. Thomas and Trelawny accounted for the least number of respondents. Secondly, individuals over the age of eighteen years were selected for participation in the survey. As JPS residential customers are households, by using these individuals, the CAC was attempting to target heads of households who could speak on behalf of the rest of the household in so far as that particular household's experiences with the JPS were concerned. In order to create a balance, significant attempts were made to capture both male and female heads of households.

Table 2: Distribution of Jamaica's population (2010).

Parish	Total Population at (year end 2010)	Percentage of Jamaica's population in each parish	Percentage of Sample in each parish
Kingston & St. Andrew	667,778	25	12
St. Thomas	94,471	4	4
Portland	82,442	3	4
St. Mary	114,591	4	4
St. Ann	173,830	6	12
Trelawny	75,799	3	4
St. James	184,854	7	5
Hanover	70,094	3	5
Westmoreland	145,335	5	7
St. Elizabeth	151,484	6	8
Manchester	191,378	7	8
Clarendon	247,109	9	9
St. Catherine	499,645	19	18
Total	**2,698,810**	**100**	**100**

Source: http://statinja.gov.jm/populationbyparish.aspx (last accessed 14/9/11)

RESULTS OF THE SURVEY

Housing

There were 1,156 responses to the question as to what type of dwelling their household occupied. Of this number, majority (63%) occupied an undivided private house (This was followed by 20% who occupied part of a private house and 9% who lived in apartments. Four per cent (4%) of dwellings were combined with business. Very few respondents lived in other housing such as townhouses and barracks (Table 3).

<u>Question 1: What type of Dwelling does this household occupy?</u>

Table 3. Type of Dwelling Household Occupies		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Undivided private house	727	62.5	62.9	62.9
	Part of a private house	229	19.7	19.8	82.7
	Flat, apartment, condominium	101	8.7	8.7	91.4
	Townhouse	25	2.1	2.2	93.6
	Double house/duplex	28	2.4	2.4	96
	Combined business & dwelling	42	3.6	3.6	99.7
	Barracks	3	0.3	0.3	99.9
	Other	1	0.1	0.1	100
	Total	1156	99.4	100	
Missing	System	7	0.6		
Total		1163	100		

Ownership & Tenancy

There were 1,156 responses to the question as to the ownership of the property that their household occupied. Fifty five percent (55%) of the respondents lived in homes that they actually owned. Thirty-one percent (31%) occupied homes that were either rented or leased. A minority (151 or 13.1%) of respondents lived in homes for which they did not pay. Of this number, 142 or 12.3% lived rent free, 8 or 0.7% indicated that they were actually squatting on the land (Figure 3).

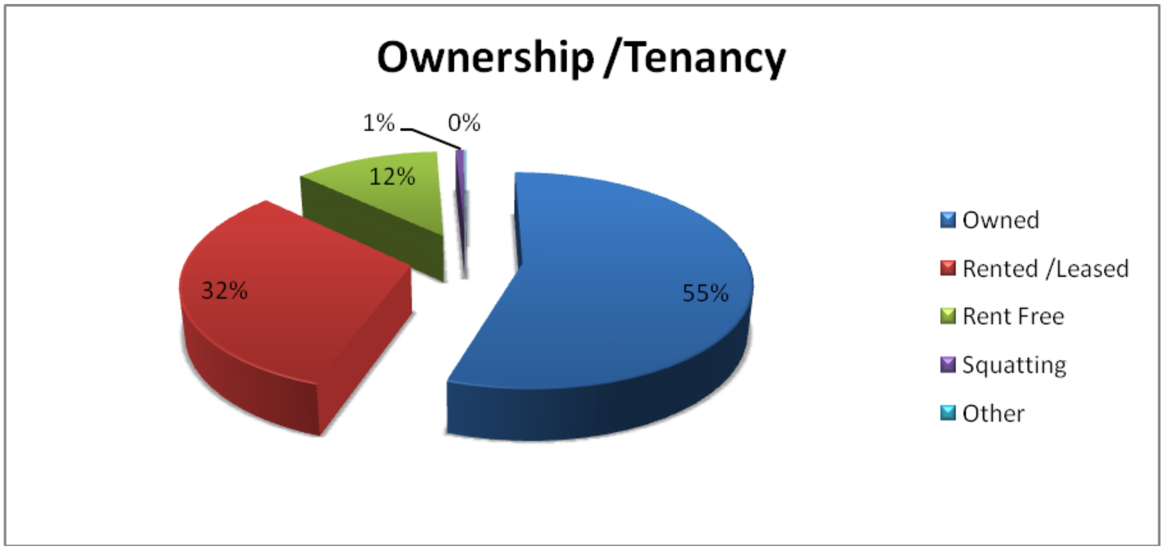

Figure 3: showing ownership/ tenancy of dwelling

Tenure

There were 1,102 (95% of respondents) responses to the question of tenure. The majority of respondents (48%) indicated that they had lived at their current address for over 10 years. Forty three per cent (43%) had lived at their current address between 1 and 9 years and 8% indicated that they had lived at their current address for less than 12 months. This implied that the majority of our sample (92%) had lived at their location long enough to speak to trends in rates and services received from JPS (Figure 4).

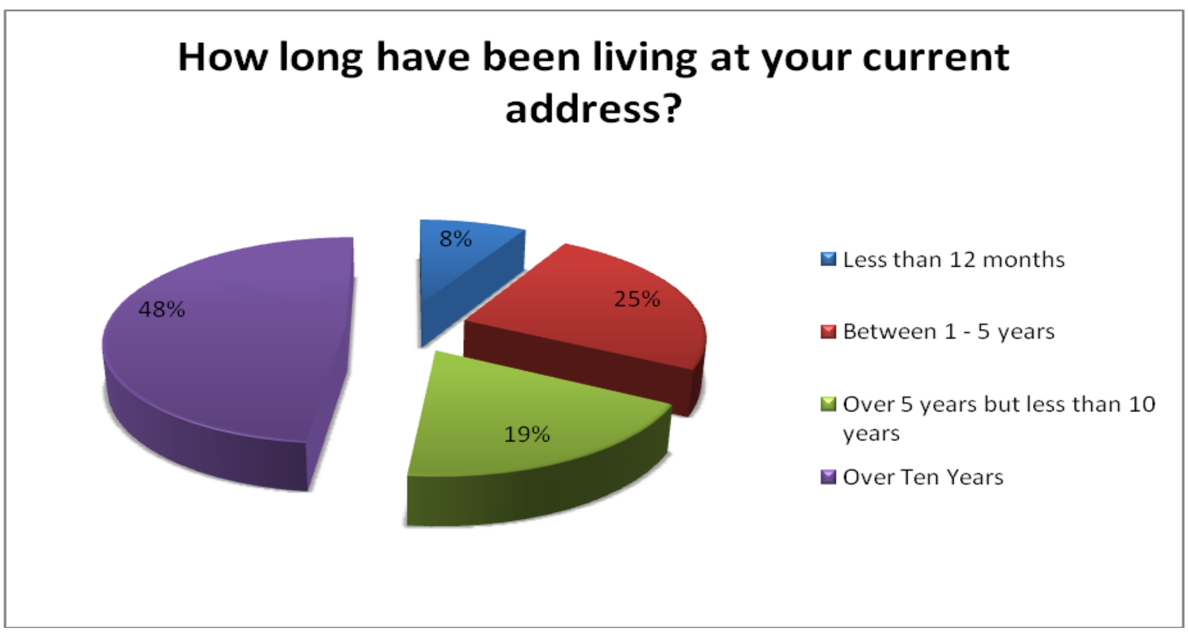

Figure 4: showing length of time person has been living at their current address

Energy Source

What type of lighting does this household use most?

Table 4. Type of Lighting household uses most		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Gas	3	.3	.3	.3
	Kerosene	59	5.1	5.1	5.3
	Electricity - Public	1,083	93.1	93.3	98.6
	Electricity - Private Generator	11	.9	.9	99.6
	None	2	.2	.2	99.7
	Other (Please Specify)	3	.3	.3	100.0
	Total	1,161	99.8	100.0	
Missing	System	2	.2		
Total		1,163	100.0		

As seen in Table 4, almost all respondents (1,161 or 99.8%) answered the question with regard to the type of lighting which was most used in their household. The majority (1,083 or 93%) of the respondents indicated that their lighting was provided by a public utility company. Interestingly, eleven respondents or 0.9% relied on privately generated electricity. Also interesting was the number of respondents 59 or 5.3% who indicated that their source of lighting came from **kerosene lamps** and **candles.**

Of the 1,083 respondents who indicated that their main energy source was provided by a public electricity supplying company, the majority (1,047 or 97%) indicated that a JPS meter was installed on their premises while the other 36 or 3% indicated that they did not have a JPS meter.

Of the 36 respondents who indicated that they relied on public electricity but did not have a JPS meter installed at their house, thirty (30) offered a reason for this situation. Of this number, the majority (13 or 43%) indicated that they never applied for a meter, 11 or 37% indicated that their electricity had been disconnected and the meter removed and 3 respondents (10%) indicated that they had applied for a meter but were rejected. One respondent had applied but was awaiting approval.

One thousand and fifty seven persons (97% of total respondents who indicated that they relied on electricity as their main energy source) responded to the question about the metering arrangement on their dwelling. The majority (886 or 84%) of respondents indicated that their household had its own meter while 16% indicated that their household shared meter with other tenants on the property. Interestingly, the total number of respondents to this question (1,057) is 1% above the number of respondents who indicated that they had a JPS meter attached to their dwelling (Figure 5).

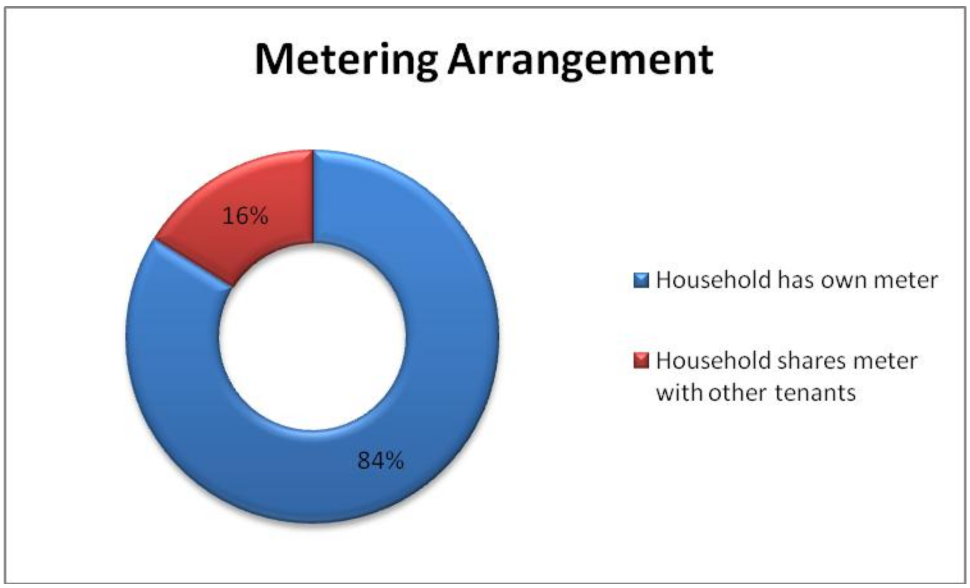

Figure 5: showing Metering arrangement at dwelling

History of Service from JPS

The history of service with the JPS speaks to the level of eligibility the sample had, to credibly comment on trends in rates and level of service received from the JPS. One thousand and forty seven (1,047) of total respondents had indicated that they relied on public electricity as their main source of lighting and had a JPS meter attached to their premises. It is therefore not surprising that there were 1,041 respondents to the question: Did you always have electricity at the premises? 95% of these respondents answered in the affirmative while 5% said no.

Of the respondents who indicated that they did not always have electricity at their premises, the question was asked, when did they acquire electricity? Interestingly, 113 persons responded to this question, 34% of whom indicated that the question was not applicable to them. Seventy-five (75) persons specified time periods: 52 or 46% indicated that they received electricity at their premises over 4 years ago, 7 or 6% indicated that they received electricity at their premises within the last 2 to 4 years, 23 or 19% had received electricity within the last 23 months. Of this number 8 or 7% were relatively new clients to JPS as they had received electricity within the last 6 months.

Due to a directional error, the response rate was low to the question: Do you currently have electricity at your premises? 396 persons answered this question; 93% indicated that they had, while 7% indicated they did not. Though the results of this question are not representative of the sample, the main reason indicated as to why some persons did not currently have electricity at their premises was that their power had been disconnected.

Bill Trends

Respondents were asked the question: Since the beginning of 2011, what trend have you observed in your JPS bill? The response rate to this question was 93% (1,079). Of this amount, 91% indicated that their bills had undergone some change, 5% indicated that no changes had been observed, while 4% were unable to say.

Of those who observed changes, the majority (39%) indicated that their bills had increased steadily over the last eight months, while 33% indicated that it had increased suddenly during this period. Eighteen percent (192) of the sample indicated that their bills had fluctuated during the period. Very few respondents (8 or 0.8%) indicated that their bills had either decreased suddenly or steadily (Figure 6).

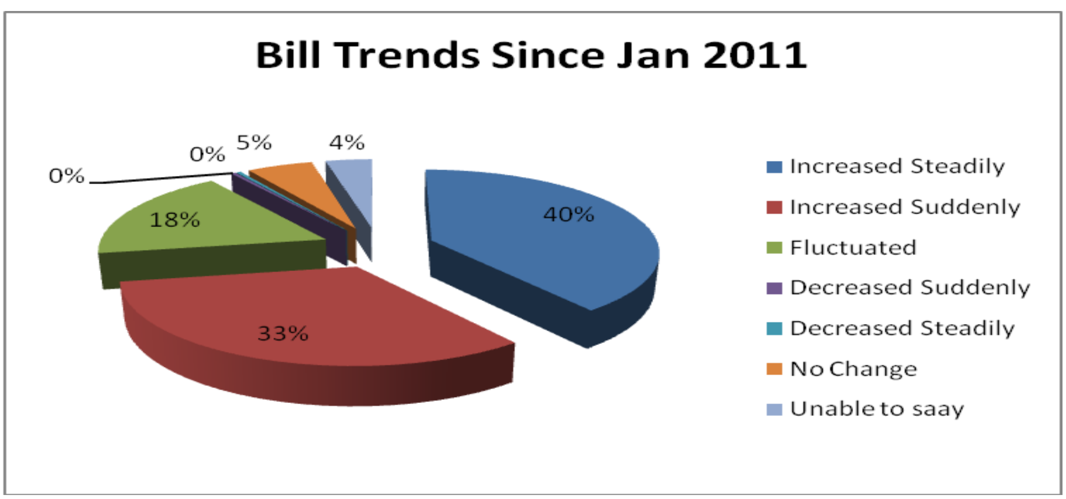

Figure 6: showing Bill trends since January 2011

General Attitude and Behaviour towards JPS

Respondents were asked to gage their general attitudes and behavior towards JPS by stating whether they "strongly agreed", "agreed", were "neutral", "disagreed", or "strongly disagreed" with nineteen (19) statements about JPS. If questions were not applicable to respondents, they had the option of responding "unable to say". The first question in this section sought to ascertain whether or not respondents were in agreement with the statement "JPS provides quality service to all customers". There were 1,099 valid responses. Of the valid respondents 3% (31) of the respondents strongly agreed, 25% (275) agreed, 12% (131) were neutral, 31% (341) disagreed, 25% (275) strongly disagreed, while 4% (46) of the respondents indicated that they were unable to say (see figure 7 below). In total 28% (306) respondents showed some amount of agreement with the statement, while the majority of respondents (56% or 616) showed some level of disagreement.

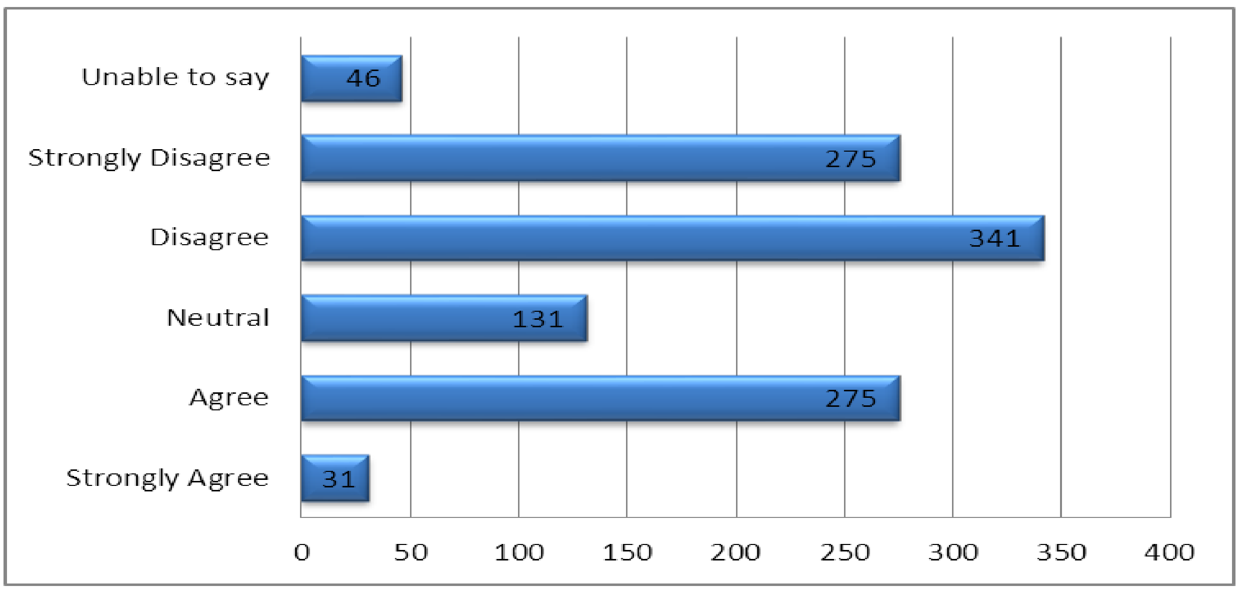

Figure 7: Showing respondents level of agreement with the statement "JPS provides quality service to all customers"

In the same vein, respondents were asked to evaluate, whether or not "JPS has excellent customer service representatives". There was a similar sentiment of disagreement as to the prior question. Of the 1098 valid respondents to the 2% (18) of the respondents strongly agreed, 23% (255) agreed, 16% (179) were neutral, 28% (303) disagreed, 20% (222) strongly disagreed, while 11% (121) of the respondents indicated that they were unable to say (see figure 8). In total 25% (273) respondents showed some level of agreement with the statement, while the majority of respondents (48% or 525) showed some level of disagreement.

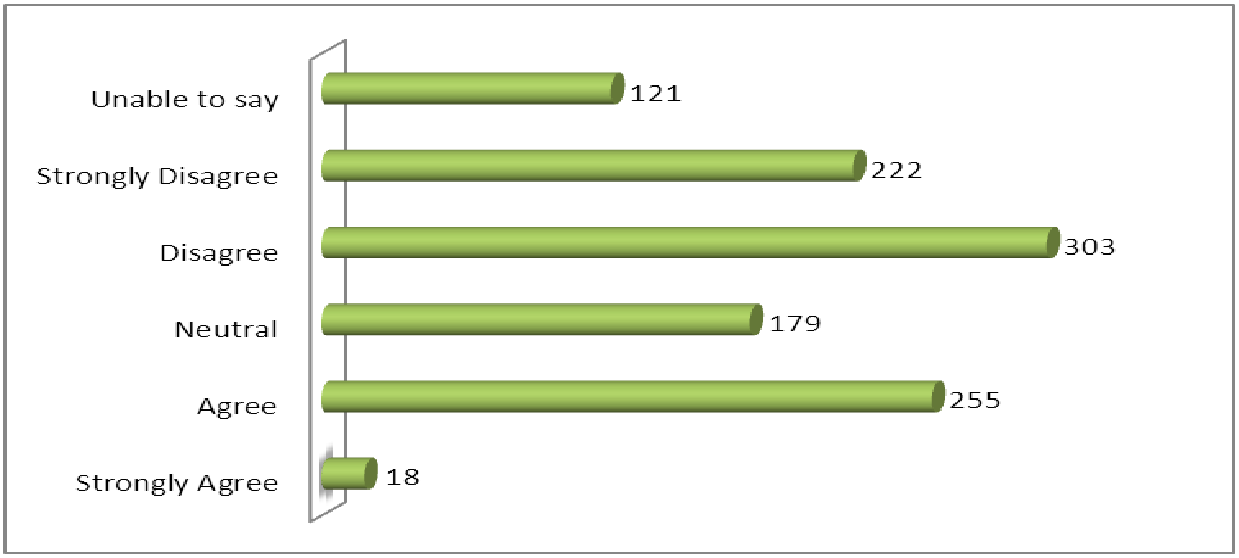

Figure 8: Showing respondents level of agreement with the statement "JPS has excellent customer service representatives"

To the statement addressing whether or not the respondents thought, "JPS is sensitive to the needs of its customers", there were 1,097 valid responses. Of the valid responses 1% (11) of the respondents strongly agreed, 13% (138) agreed, 15% (159) were neutral, 36% (393) disagreed, 31% (345) strongly disagreed, while 5% (51) of the respondents indicated that they were unable to say. In total 14% (149) respondents showed some level of agreement with the statement, while the majority of respondents (67% or 738) showed some level of disagreement. When asked to gauge their level of agreement with the statement "JPS exercises professionalism in dealing with the public," the responses followed a similar trend. Of the 1095 valid responses 1% (11) of the respondents strongly agreed, 17% (189) agreed, 20% (218) were neutral, 29% (321) disagreed, 26% (280) strongly disagreed, while 7% (76) of the respondents indicated that they were unable to say. In total 18% (200) respondents showed some level of agreement with the statement, while the majority of respondents (55% or 601) showed some level of disagreement (see figure 9).

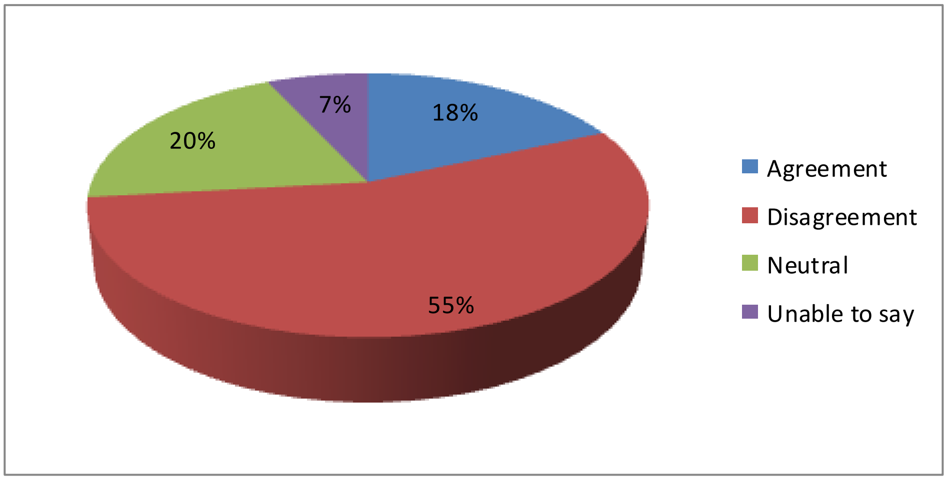

Figure 9: Showing respondent's level of agreement with the statement "JPS exercises professionalism in dealing with the public"

The next statement sought to ascertain whether or not respondents were satisfied with how JPS responded to consumer queries; there were 1086 valid responses. Of the valid responses 1% (11) of the respondents strongly agreed, 15% (164) agreed, 17% (181) were neutral, 31% (337) disagreed, 26% (285) strongly disagreed, while 10% (108) of the respondents indicated that they were unable to say. In total 16% (175) respondents showed some level of agreement with the statement, while the majority of respondents (57% or 622) showed some level of disagreement. Of the 1096 valid respondents to the statement "JPS responds quickly to emergency calls", 21% (227) respondents had some level of agreement, while the majority (47% or 519) showed some level of disagreement; 15% (166) were neutral and 17% (184) of the respondents indicated that they were unable to say (see figure 10).

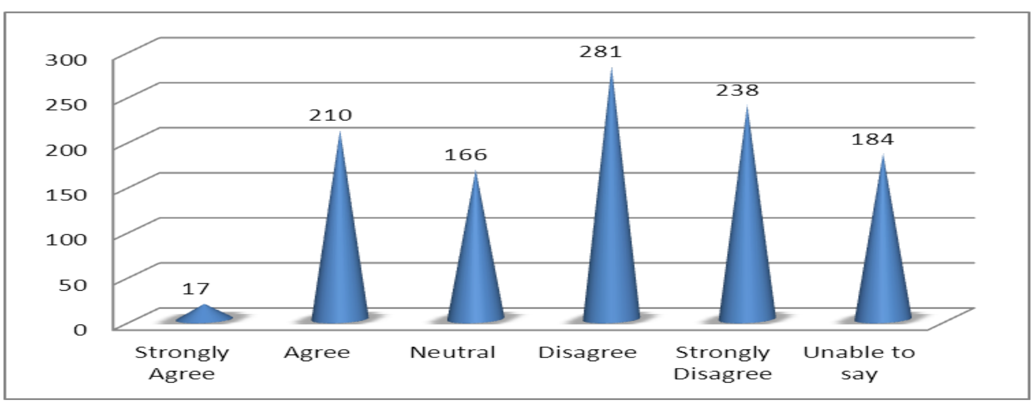

Figure 10: Showing respondent's level of agreement with the statement "JPS responds quickly to emergency calls"

When asked to scale their level of agreement with the statement, “JPS reconnection is swift after payment”, there were 1,096 valid responses. Of the valid responses 4% (43) of the respondents strongly agreed, 24% (262) agreed, 11% (118) were neutral, 18% (191) disagreed, 17% (189) strongly disagreed, while 26% (288) of the respondents indicated that they were unable to say (see figure 11). In total 28% (305) respondents showed some level of agreement agreed with the statement, while a small majority (35% or 380) showed some level of disagreement.

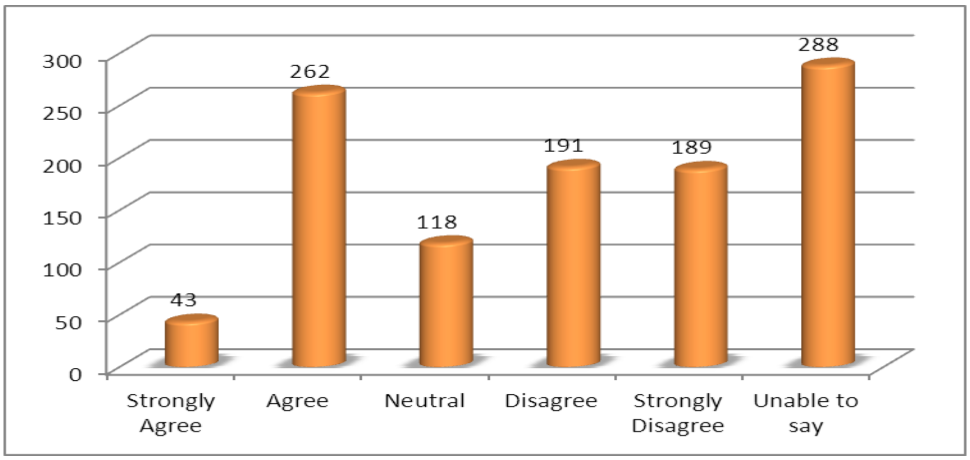

Figure 11: Showing respondent’s level of agreement with the statement “JPS reconnection is swift after payment”

To ascertain respondent’s attitude towards their electricity bills they were asked whether or not they thought “the price of electricity is reasonable”, and there were 1,089 valid respondents. Of the valid responses 0.3% (3) of the respondents strongly agreed, 3% (33) agreed, 5% (49) were neutral, 28% (305) disagreed, 60% (657) strongly disagreed, while 4% (42) of the respondents indicated that they were unable to say. In total 3% (36) respondents showed some level of agreement with the statement, while the majority of respondents (88% or 962) showed some level of disagreement. The respondent’s reactions to the statement “the frequency of rate increases is reasonable” followed the same pattern. Of the 1,094 valid responses, 4% (43) of the respondents had some level of agreement, while an overwhelming majority (86% or 940) showed some level of disagreement; 5% (59) were neutral and 5% (52) of the respondents indicated that they were unable to say (see figure 12).

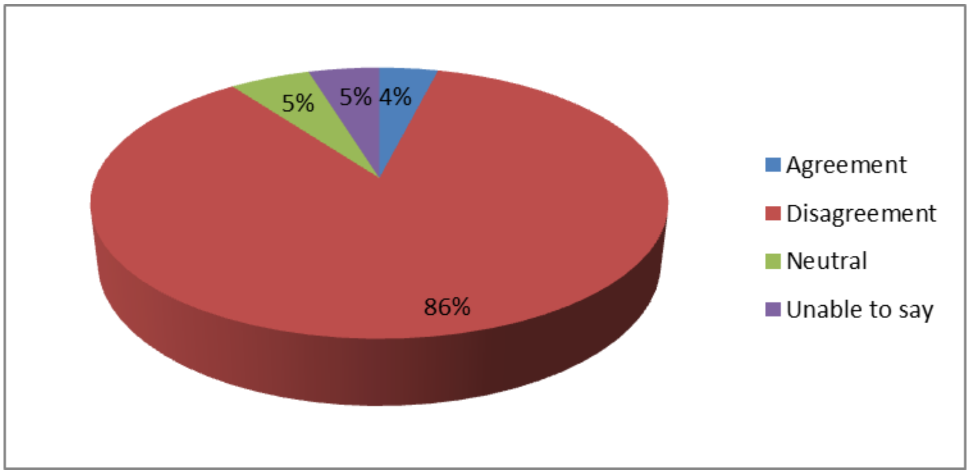

Figure 12: Showing respondent's level of agreement with the statement "the frequency of rate increases is reasonable"

Interestingly, respondents seemed to be in general agreement with the statement "the frequency of meter reading is satisfactory". Of the 1,096 valid responses, the majority of respondents (48% or 522) had some level of agreement, while 28% (308) showed some level of disagreement; 15% (166) were neutral and 8% (89) of the respondents indicated that they were unable to say. In the same vein respondents were generally satisfied with "the frequency of actual bills". Of the 1082 valid responses 5% (50) of the respondents strongly agreed, 44% (472) agreed, 13% (145) were neutral, 16% (172) disagreed, 16% (170) strongly disagreed, while 7% (73) of the respondents indicated that they were unable to say. In contrast however, the responses to the statement addressing whether or not the respondents thought "the frequency of estimated bills is reasonable" there was a greater general level of disagreement. Of the 1,092 valid responses 23% (253) of the respondents had some level of agreement, while the majority (43% or 465) showed some level of disagreement; 13% (146) were neutral and 21% (228) of the respondents indicated that they were unable to say. Following on this trend of disagreement, most respondents did not think that the reading of their electricity consumption was accurate. Of the 1,092 valid responses 1% (10) of the respondents strongly agreed, 10% (104) agreed, 10% (114) were neutral, 28% (304) disagreed, 44% (478) strongly disagreed, while 8% (82) of the respondents indicated that they were unable to say (see figure 13).

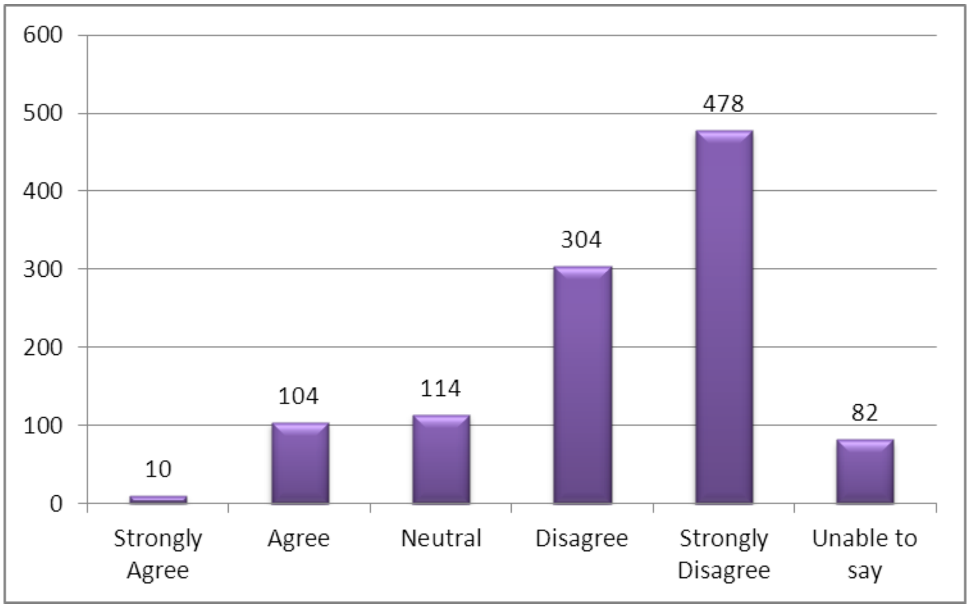

Figure 13: Showing respondent's level of agreement with the statement "I think the reading of my electricity consumption is accurate"

Respondents seemed to be generally satisfied with their bill delivery process. When asked to scale their level of agreement with the statement "I am satisfied with the punctuality in the delivery of my bills" a greater level of satisfaction as opposed to dissatisfaction was shown. Of the 1,086 valid responses 59% (637) of the respondents had some level of agreement, while 27% (296) showed some level of disagreement; 11% (119) were neutral and 3% (34) of the respondents indicated that they were unable to say. The respondents were also generally satisfied with JPS's bill delivery options. Of the 1092 valid responses 11% (117) of the respondents strongly agreed, 57% (625) agreed, 10% (113) were neutral, 9% (94) disagreed, 9% (93) strongly disagreed, while 5% (50) of the respondents indicated that they were unable to say. Respondents were also generally in agreement with the statement: "JPS provides adequate bill payment options". Of the 1083 valid respondents 14% (147) of the respondents strongly agreed, 65% (706) agreed, 9% (94) were neutral, 5% (49) disagreed, 5% (56) strongly disagreed, while 3% (31) of the respondents indicated that they were unable to say (see figure 10). In total, the majority of respondents (79% or 853) showed some level of agreement with the statement, while 10% (105) respondents showed some level of disagreement.

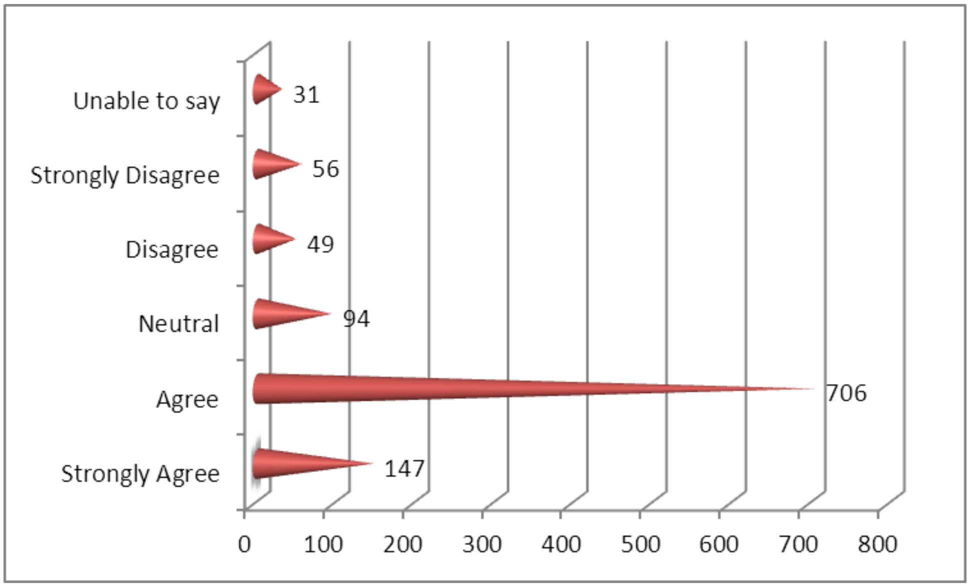

Figure 14: Showing respondent's level of agreement with the statement "JPS provides adequate bill payment options"

The next statement sought to ascertain whether or not respondents thought their "JPS power supply is safe and consistent" and there were 1,083 valid responses. Of the valid responses 4% (44) of the respondents strongly agreed, 36% (385) agreed, 20% (212) were neutral, 19% (204) disagreed, 19% (202) strongly disagreed, while 3% (36) of the respondents indicated that they were unable to say. In total, the majority of respondents (40% or 429) showed some level of agreement with the statement, while 38% (406) respondents showed some level of disagreement. Most respondents also believed that JPS should not hold a monopoly in the provision of electricity. Of the 1,095 valid respondents to the statement "JPS should remain the only distributor of electricity in Jamaica", 1% (6) of the respondents strongly agreed, 3% (27) agreed, 3% (37) were neutral, 17% (190) disagreed, the majority (74% or 806) strongly disagreed, while 3% (29) of the respondents indicated that they were unable to say. When asked to gauge their level of agreement with the statement, "Other players should be allowed to distribute electricity in Jamaica". Of the 1102 valid responses, the majority of respondents (92% or 1,010) had some level of agreement, while 3% (38) showed some level of disagreement; 3% (30) were neutral and 2% (24) of the respondents indicated that they were unable to say (see figure 15).

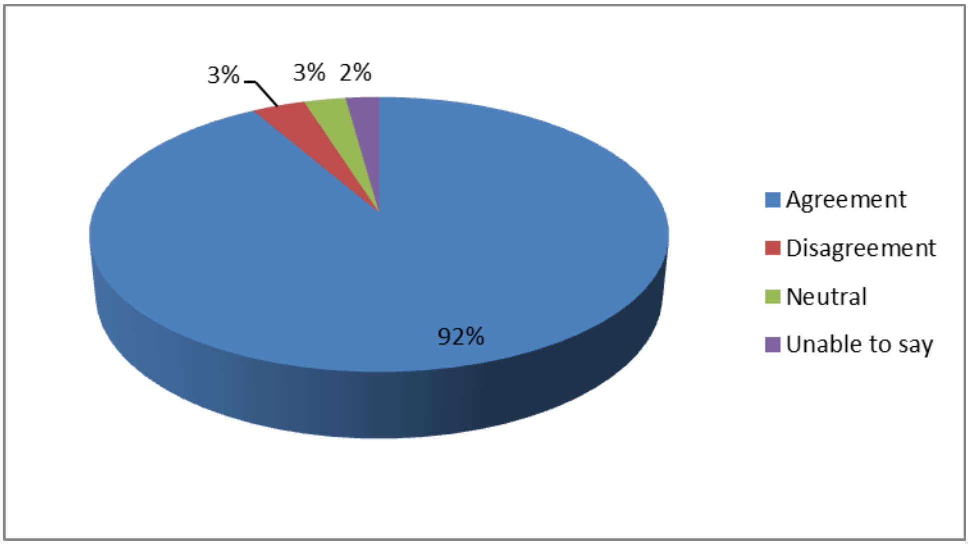

Figure 15: Showing respondent's level of agreement with the statement "Other players should be allowed to distribute electricity in Jamaica"

When asked to state how satisfied they were overall with JPS, 1% (11) indicated that they were very satisfied, 9% (96) were satisfied, 24% (263) were neutral, 43% (459) were dissatisfied and 23% (252) were very dissatisfied. In total 10% (107) respondents had some level of satisfaction, while the majority of respondents (66% or 711) had some level of dissatisfaction. There were 1091 valid responses to this question (see figure 16).

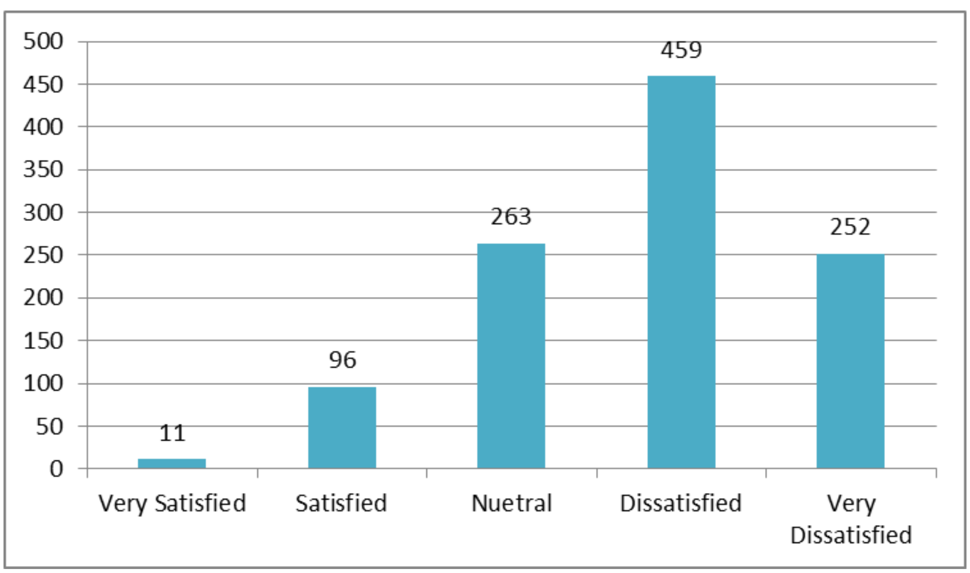

Figure 16: Showing respondent's overall level of satisfaction with JPS

Most respondents seemed ready for the end of JPS's monopoly in the sector. This, as of the 1,086 valid responses, 67% (729) respondents stated that they would sign on to a new power company if one were introduced, 7% (72) responded no, while 26% (285) were not sure (see figure 17).

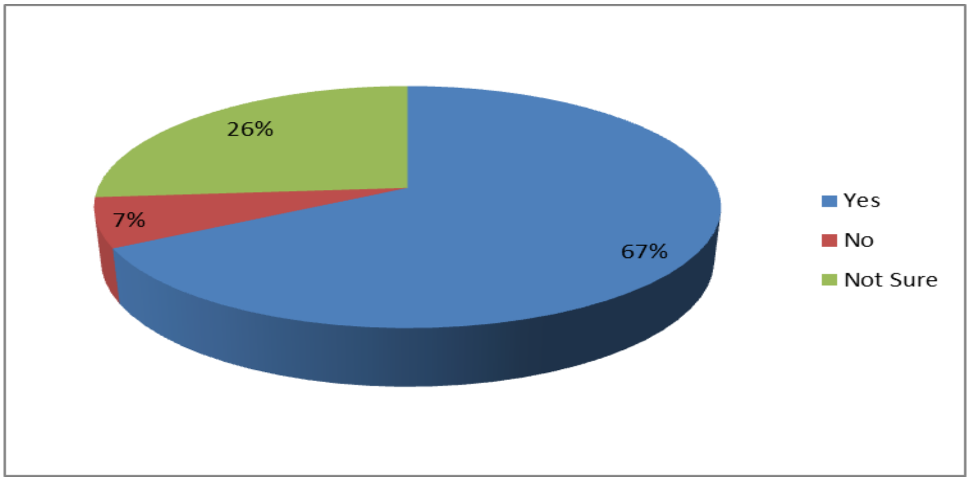

Figure 17: Showing whether or not respondents would sign on to a new power company

General Knowledge about JPS

One thousand, one hundred and forty five (1,145) persons out of 1163 persons (98.5%) responded to the question, **'Did you know that anyone can produce (generate) electricity for their own private use?'** Of this number 837 (73%) responded positively while 308 (27%) responded in the negative (See Figure 18).

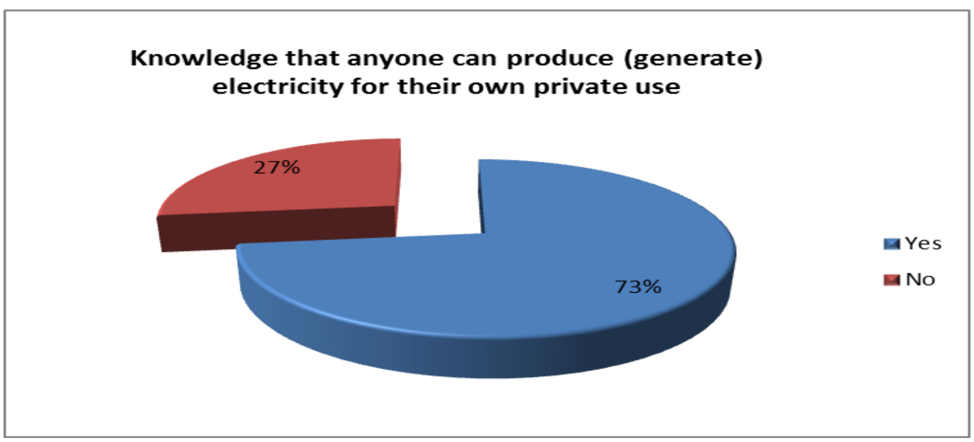

Figure 18: showing the amount of persons who are aware that they can produce electricity for their own private use.

There were 1,146 (98.5%) valid responses to the question '**Did you know that JPS's contract gives them a monopoly on the distribution of electricity only?'** Figure 19 shows that seven hundred and ninety eight (798) of 1,146 respondents (70%) were aware that JPS's contract gives them a monopoly while 30% of these respondents were unaware.

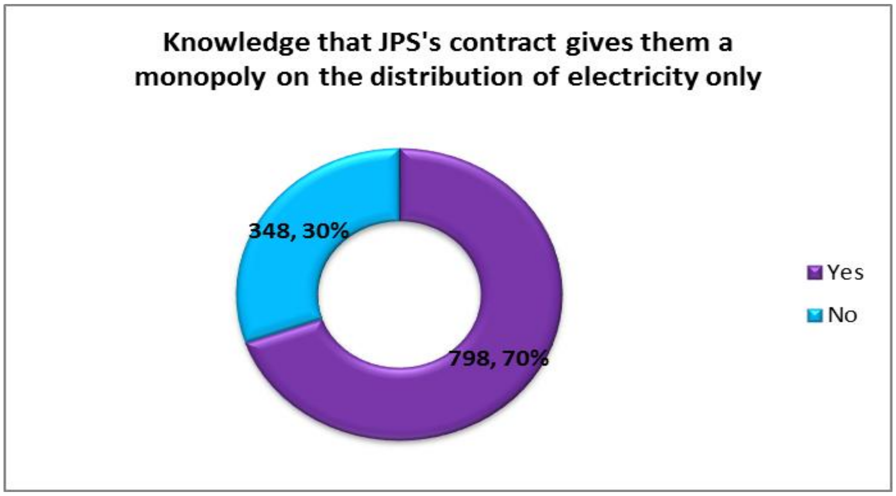

Figure 19: showing the amount of persons who are aware that JPS's contract gives them a monopoly on the distribution of electricity only

Demographic and Socioeconomic Characteristics

From 1,155 (99.3%) valid responses, it was noted that 618 (53.5%) of the respondents were females while 46.5% (537) were males (See Figure 20).

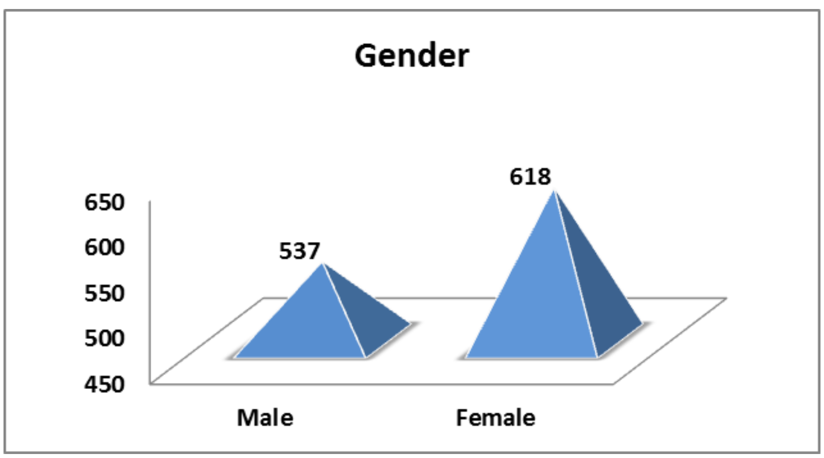

Figure 20: showing Gender of respondents

The majority of the persons interviewed, 99% (1,151 out of 1163), disclosed their age group. Of this number, 500 persons (43%) were between the ages 31 and 45 years, 281

(24%) were between 46-60 years and 252 (22%) were in the age group 18-30 years. One hundred and eighteen persons (10%) were in the over 60 age group (See Figure 21).

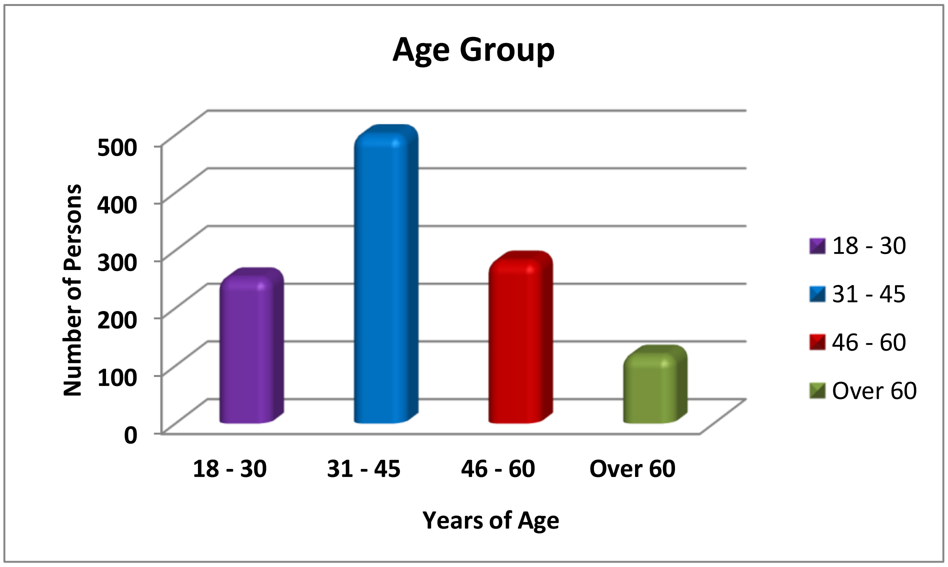

Figure 21: showing Age Group of respondents

Last level of formal training completed

From 1,163 persons interviewed, 1,125(97%) indicated their last level of formal training completed. Figure 22 shows that of the total respondents, 556 (49%) completed secondary school while 323 (29%) completed tertiary education, 11% completed a vocational course and 10% completed primary school only. Eight persons (0.7%) completed some other level of education.

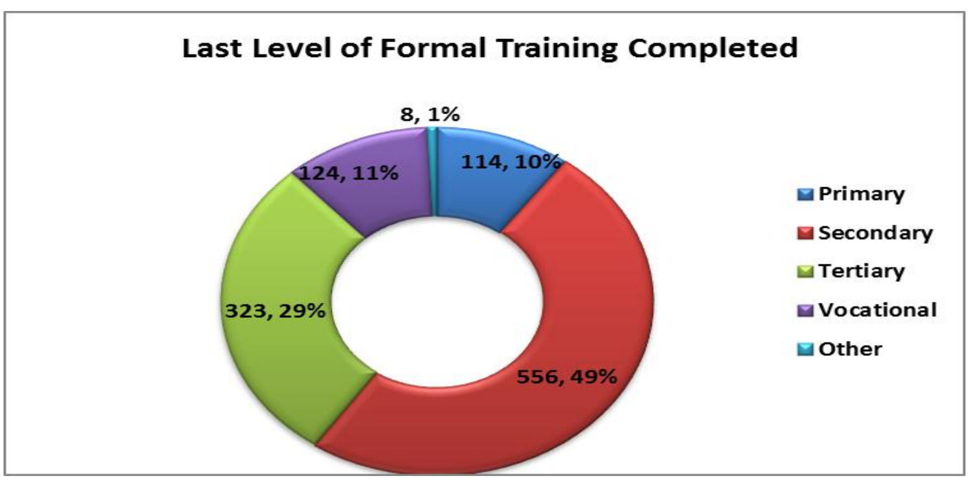

Figure 22: showing last level of formal training completed

Employment

The question enquiring about employment status was answered by 1,138 out of 1,163 (97.9%) of the persons interviewed. The majority, 841 (74%), were employed whether self-employed or otherwise. One hundred and eighty-one persons (16%) were unemployed while 84 (7%) were retired. The minority interviewed were students representing 3% or 32 persons (See Figure 23)

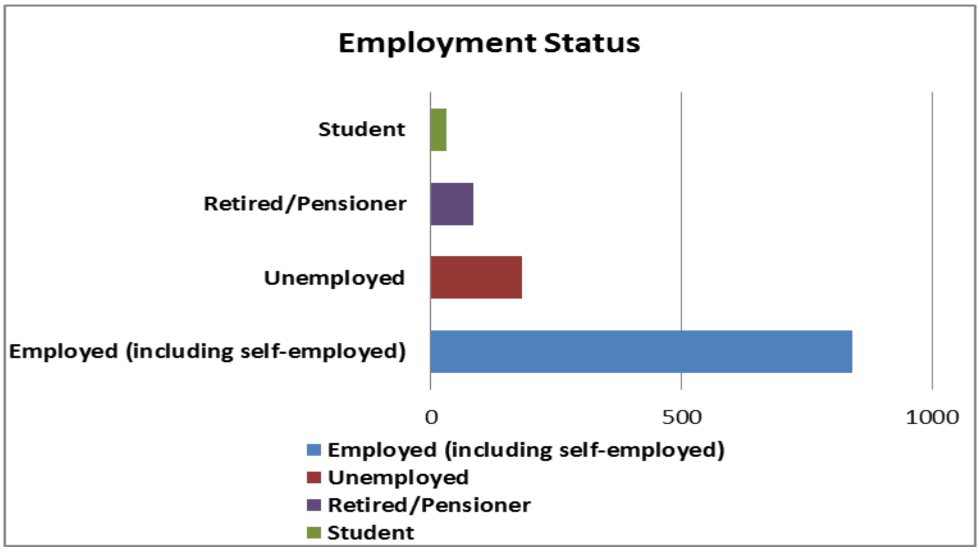

Figure 23: showing employment status

Salary

Of the 841 employed persons, 791 (94%) disclosed their gross monthly income level. From Figure 24, it is seen that two hundred and thirty two (232) respondents (29%) received salaries between $30,001 and $60,000 while 200 (25%) received salaries between $18,001 and $30,000. One hundred and twenty-five (16%) of the respondents received under $18,000 while 58 (7%) received $18,000 (minimum wage). It was noted that 12% and 10% of the respondents received between $60,001 and $90,000 and over $90,000 respectively.

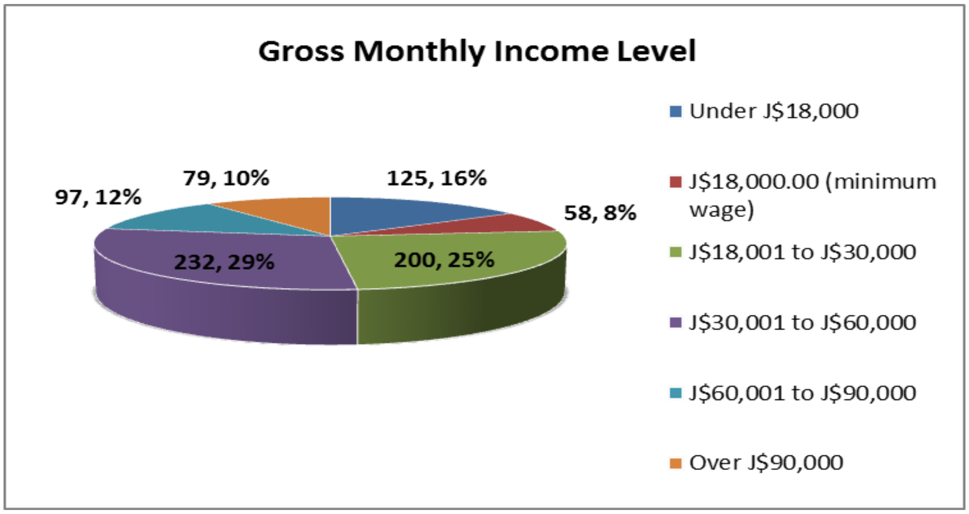

Figure 24: showing Gross monthly income level

Parish of Residence

Of the 1,163 persons interviewed, 1,156 (99.4%) valid responses were observed regarding their parish of residence. It was noted that 204 persons interviewed (18%) resided in the St. Catherine area. Kingston and St. Andrew and St. Ann both represented 12% of the persons interviewed. Ninety-nine (99) respondents (9%) resided in Clarendon while 93 (8%) resided in St. Elizabeth. Eighty five (85) respondents (7 %) resided in Westmoreland, while 66 persons (6%) resided in Manchester. 63, 60, 57, 54 and 52 persons resided in St. Mary, St. James, Portland, Hanover and St. Thomas respectively, each representing 5% of the valid responses. Persons residing in Trelawny (50) represented 4% of the valid responses (See Figure 25).

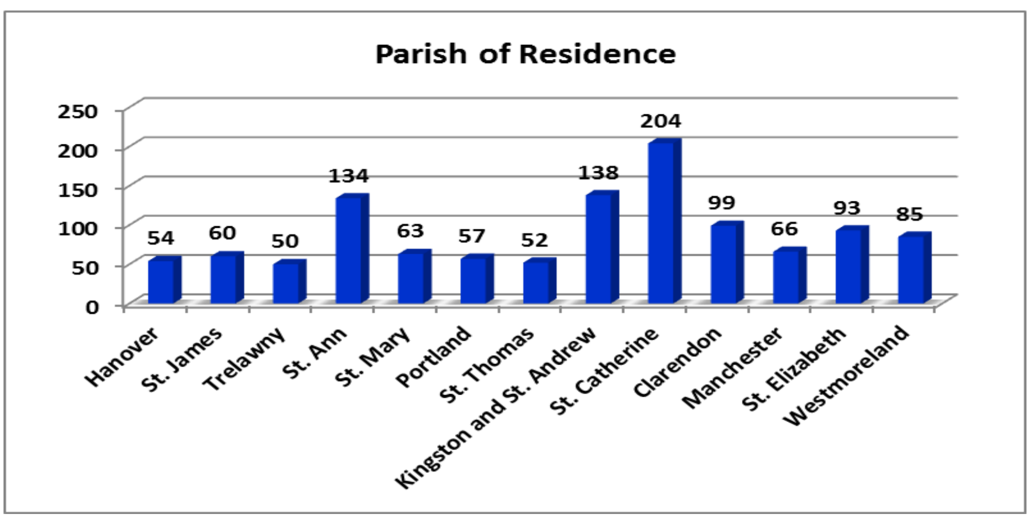

Figure 25: showing Parish of Residence of respondents

Limitations of the Study

The study was constrained by time and access to certain current secondary data.

At the time of reporting on the findings, the CAC was unable to request complaints figures from the Office of the Utilities Regulation.

Conclusion

The study concluded that JPS' residential customers have mixed perceptions about the product and services offered by this utility company. Among its customers, the JPS was ranked fair with regards to their urgency in restoring disconnected power supply (a slim majority of 35% of respondents were satisfied while 28% dissatisfied). A fair number of their residential customers expressed the view that the power supply seems to be a safe one, in that 40% of respondents felt the supply was safe and consistent while 38% did not. Most customers also expressed satisfaction with bill delivery options (68% of the respondents were satisfied while 18% were dissatisfied) and the frequency in which the JPS conducted the reading of their meters (48% were satisfied while 28% were dissatisfied). JPS received its highest marks for the adequacy in providing bill payment options (79% of respondents were satisfied while 10% were dissatisfied).

On the other hand a number of areas of disgruntlement with the JPS were revealed in this study. The most outstanding issue was the cost of electricity where well over three quarters of respondents (88%) considered that the cost was unreasonable. Most were also concerned that the JPS seems to be very insensitive to their plight (67% were dissatisfied) and as such most (66%) were just very dissatisfied with the overall service offered by the JPS. Their grouses were summed up in the indication of desire to change to a new power company by majority of respondents (67%), should one come on stream.

Interestingly all the correlation analyses and statistical tests conducted on the data showed that overall dissatisfaction with the JPS were not specific to any characteristic of the respondents for instance, gender, age, income, educational attainment level and geographical location. Therefore, amongst consumers there was just a general level of dissatisfaction with most of JPS activities and a general level of satisfaction with few areas of the power company's operations.

This result however indicates that although consumers are disgruntled with JPS, some remained cautious in committing themselves to passing judgment and sentence on the company. This was shown by the numbers (between 3% - 20%) who remained neutral on the 17 key service areas and those who were "unable to say" (2% - 26%). Also, on the question of changing service providers, the 26% who indicated a level of uncertainty, showed that, their move was hinged on an improvement in service.

This demonstrates in some way, that what consumers want are fairer rates, reasonably spaced rate increases and better customer service and if JPS was willing to improve, they would be able to retain at least 33% of their customer bases (26% unsure, 7% would not change service providers).

Recommendations

Based on the survey findings, the Consumer Affairs Commission is recommending the following:

Consumer Education

There should be included in the CAC's consumer education campaign, a component to educate consumers about the limits of the JPS monopoly and expose them to viable low cost alternatives to generating /producing their own energy.

Feasible and efficient solutions

More dialogue between the government of Jamaica and the JPS as it relates to reducing the plight of consumers should be urgently conducted and should pursue feasible solutions which benefit both parties and which are also in the direct interest of consumers.

Verification of Consumption

The OUR audit should provide some insight into the accuracy of the JPS metering and billing systems. Consumer confidence in the area is very low. Therefore, effort should be made to make these systems more transparent and verifiable by consumers, especially those under the RAMI system. This is consistent with Part IV; Section 19 of the Consumer Protection Act, 2005.

Customer Service

There is need for general improvement in customer service (staff training and standards) as well as a review of the guaranteed standards for service delivery.