

Office of Utilities Regulation

OCEANPOINTE UTILITIES LIMITED INITIAL SEWERAGE RATES

Determination Notice



OFFICE OF UTILITIES REGULATION

2025 September 17

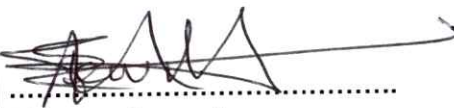
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2. DOCUMENT TITLE: OCEANPOINTE UTILITIES LIMITED INITIAL SEWERAGE RATES														
3. PURPOSE OF DOCUMENT This document sets out the Office's decisions on Oceanpointe Utilities Limited's application for approval of initial rates to be charged to its customers subsequent to the granting of a sewerage service provider licence by the Minister with responsibility for water and sewerage on 2024 November 07.														
4. ANTECEDENT PUBLICATIONS <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Publication Number</th> <th style="width: 50%;">Publication Title</th> <th style="width: 25%;">Publication Date</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>			Publication Number	Publication Title	Publication Date									
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5. Approval This document is approved by the Office of Utilities Regulation and the decisions therein become effective on 2025 October 1. On behalf of the Office:  Director-General Ansord E. Hewitt 2025 September 17														

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Definitions, Acronyms, and Abbreviations

ANPAM	-	Annual Price Adjustment Mechanism
CDL	-	Can-Cara Development Limited
CPI	-	Consumer Price Index
FX	-	Foreign exchange
Government	-	Government of Jamaica
GS	-	Guaranteed Standards - Quality of Service
kWh	-	Kilowatt hours
Licence	-	Oceanpointe Utilities Limited Sewerage Service Provider Licence, 2024
Licensed Business	-	The collection, conveyance, and treatment of sewage and the disposal of effluent as authorized by the Licence
Licensee/OUL	-	Oceanpointe Utilities Limited.
Minister	-	Minister of Government with portfolio responsibility for water and sewerage
NHT	-	National Housing Trust
NWC	-	National Water Commission
OUR/Office	-	Office of Utilities Regulation
OUR Act	-	The Office of Utilities Regulation Act
PAM	-	Price Adjustment Mechanism
RESL	-	Richmond Environmental Services Limited
Service Area	-	This is the Oceanpointe Development in Sandy Bay, Hanover, more particularly described in Schedule 1 of the Licence, and being the area within which the Licensee is authorised to provide sewerage services pursuant to its Licence.

1. Executive Summary

- 1.1. Oceanpointe Utilities Limited (OUL) is a privately owned limited liability company with its registered office in Montego Bay in the parish of St. James. The company provides sewerage services to 431 customers in the OceanPointe Development located in Sandy Bay, Hanover.
- 1.2. On 2025 May 05, OUL applied to the Office of Utilities Regulation (OUR) for its initial tariff, pursuant to the terms of Schedule 3 of the Oceanpointe Utilities Limited Sewerage Service Provider Licence, 2024 (the Licence).
- 1.3. In its tariff proposal, OUL requested rates and charges for both residential and commercial customers. The proposed tariff structure is shown in Table 1.1 below. The company rate structure consists of volumetric charges, flat rates, a service charge, and miscellaneous fees.

Table 1.1 Oceanpointe Utilities Limited's Proposed Tariff Structure

Proposed Tariff Structure	
<i>Service Charge</i>	
Service Connection Size	Charge
5/8" (15MM)	\$ 1,055.00
<i>Volumetric Sewerage Rates</i>	
Consumer Category	J\$/000' litres
Residential (Metric Metered)	
0 to 14,000	\$ 170.00
For the next 13,000	\$ 302.00
For the next 14,000	\$ 329.00
Over 41,000	\$ 562.00
Commercial (Metric Metered)	
0 to 9,100,000	\$ 649.00
Over 9,100,000	\$ 378.00
Monthly Flat Rate	\$ 3,000.00
<i>Miscellaneous Fees</i>	
Type	Fees
Connection	\$ 11,000.00
Reconnection	\$ 13,000.00
Customer Deposit (Residential)	\$ 9,000.00
Customer Deposit (Commercial)	\$ 15,000.00

- 1.4. In assessing the reasonableness of OUL's proposed initial rates and charges, the OUR was guided by its 'No Objection Policy' and benchmarking, which approaches are permissible under Schedule 3 of the Licence.
- 1.5. Under the No Objection Policy, the OUR may approve the rates and/or charges proposed by a private water and/or sewerage service provider, where those rates and charges are below those being charged by the National Water Commission (NWC) for comparable services.
- 1.6. In determining the sewerage rates, the proposed sewerage volumetric rates submitted by OUL were compared by the OUR with those charged by the NWC and two other private providers of sewerage services: Can-Cara Development Limited (CDL) and Richmond Environmental Services Limited (RESL).
- 1.7. OUL's proposal contained submissions proposing both a volumetric rate and a flat rate to be charged to its customers. Billing for the volumetric rate would be derived from NWC meter reading data supplied to OUL for potable water consumed by OUL's customers. The flat rate, however, was only proposed because of the irregular way in which OUL receives the meter reading data from the NWC and would be applied where it did not receive the said data. It should be noted that there are no customers within OceanPointe Development who have unmetered water supply.
- 1.8. The OUR is of the view that it would not be prudent for OUL to have an option to apply the flat rate or the volumetric rate to bill its customers in any given month, as the billing of customers could become irregular or inconsistent. Considering this issue, the proposed flat rate was not approved.
- 1.9. In instances where meter reading data is not available, OUL is allowed to issue estimated bills to its customers. The estimated bills should be based on the average of the three (3) most recent actual readings.
- 1.10. At the next tariff review, which according to the Licence shall be no more often than once every two (2) years, the OUR will examine the meter reading information and revisit the approach by which OUL can bill its customers. At that time, the knowledge and applicable rate setting information as culled from the historical experience between the NWC and OUL will become available.
- 1.11. The approved rates and charges are shown in Table 1.2 below.

Table 1.2: Approved Rates, Charges, and Miscellaneous Fees for Oceanpointe Utilities Limited

Oceanpointe Utilities Limited Rate Schedule	
<i>Service Charge</i>	
Service Connection Size	Charge
5/8" (15MM)	\$ 1,055.00
<i>Volumetric Sewerage Rates</i>	
Consumer Category	J\$/000' litres
Residential (Metric Metered)	
0 to 14,000	\$ 170.00
For the next 13,000	\$ 302.00
For the next 14,000	\$ 329.00
Over 41,000	\$ 562.00
Commercial (Metric Metered)	
0 to 9,100,000	\$ 649.00
Over 9,100,000	\$ 378.00
<i>Miscellaneous Fees</i>	
Type	Fees
Connection	\$ 11,000.00
Reconnection	\$ 13,000.00
Customer Deposit (Residential)	\$ 9,000.00
Customer Deposit (Commercial)	\$ 15,000.00

1.12. Table 1.3 below shows the comparative rates between those approved for OUL, the NWC, and two (2) private sewerage providers, CDL and RESL.

Table 1.3: Comparative Rates Between OUL and Other Sewerage Providers

Sewerage Volumetric Rates					
	OUL	NWC	Percentage Difference (OUL vs NWC)	CDL	RESL
	JS/000' litres	JS/000' litres		JS/000' litres	JS/000' litres
Residential					
0 to 14,000	\$ 170.00	\$ 178.97	-5.01%	\$ 153.70	\$ 38.95
For the next 13,000	\$ 302.00	\$ 318.54	-5.19%	\$ 273.56	\$ 54.52
For the next 14,000	\$ 329.00	\$ 347.19	-5.24%	\$ 298.16	\$ 67.89
Over 41,000	\$ 562.00	\$ 592.24	-5.11%	\$ 508.61	\$ 67.89
Commercial					
0 to 9,100,000	\$ 649.00	\$ 683.95	-5.11%	\$ 587.38	N/A
Over 9,100,000	\$ 378.00	\$ 398.67	-5.18%	\$ 342.38	N/A
Service Charge					
Service Connection Size					
5/8" 15MM	\$1,055	\$1,216.53	-13.28%	\$1,044.76	\$736.88

- 1.13. The service connection fee should not be charged to any existing customers who are already connected to OUL's sewerage system. For the avoidance of doubt, the service connection fee shall apply only to new customers who will be connected to the sewerage system.
- 1.14. The OUR approves a customer deposit of nine thousand dollars (\$9,000) for residential customers and fifteen thousand dollars (\$15,000) for commercial customers, to assure the prompt payment of bills. The request made by OUL to upgrade the deposit amount was not approved.
- 1.15. The OUR approves the inclusion of a price adjustment mechanism (PAM) component in OUL'S billing system with the following conditions:
- The monthly adjustment rate shall be equivalent to the NWC PAM adjustment rate with a one-month lag:
 - Every month, before issuing its bills, OUL shall submit to the OUR a request for verification and approval of the applicable PAM adjustment rate.
 - OUL shall submit an application to the OUR for the verification and approval of the annual price adjustment mechanism (ANPAM) adjustment rates.

- 1.16. OUL shall adhere to the Service Standards and reporting requirements specified in Schedule 2 of the Licence. This includes, but is not limited to, providing the various reports to the OUR within the times specified, as well as complying with the Guaranteed Standards—Quality of Service (GS).

2. Introduction

- 2.1. Oceanpointe Utilities Limited (OUL) is a privately owned limited liability company with its registered office in Montego Bay in the parish of St. James. The company was granted a licence cited as the “**Oceanpointe Utilities Limited Sewerage Service Provider Licence, 2024**” on 2024 November 07 (Licence) to provide sewerage services to the OceanPointe Development located in Sandy Bay, Hanover.
- 2.2. OUL is currently providing sewerage services to 431 customers. The company indicated that in its plans, the service will be extended to National Housing Trust (NHT) houses and a shopping centre, which will be built on the lands adjoining the Oceanpointe Development.
- 2.3. On the granting of its Licence, OUL is required to submit a proposal for the initial tariffs to be charged in respect of services to its customers. On May 05, OUL applied to the Office of Utilities Regulation (OUR or Office) for its initial tariff.
- 2.4. This Determination Notice outlines the contents of OUL’s initial tariff application, the OUR’s analyses and determinations on the application.

3. Legal Framework

- 3.1. The OUR is a multi-sector utility regulator established pursuant to the Office of Utilities Regulation Act (OUR Act), with regulatory oversight of the provision of prescribed utility services in Jamaica. Section 4(1)(a) of the OUR Act provides as follows:

“4.-(1) Subject to the provision of this Act, the functions of the Office shall be to –

(a) regulate the provision of prescribed utility services by licensees or specified organizations”

- 3.2. The provision of sewerage services is included among the prescribed utility services defined in section 2 and the First Schedule of the OUR Act.

- 3.3. Section 4(4) of the OUR Act expressly provides for the authority of the OUR to determine the rates charged for the provision of a prescribed utility service. This section reads in part:

“ (4)the Office shall have power to determine, in accordance with the provisions of this Act, the rates or fares which may be charged in respect of the provisions of a prescribed utility service. ”

- 3.4. OUL was issued the Licence by the Minister with responsibility for sewerage services (the Minister) pursuant to section 4A of the OUR Act. Under the Licence, OUL is authorised to conduct the Licensed Business, that is the collection, conveyance and treatment of sewage and disposal of effluent, within the service area defined in the Licence.

- 3.5. Clause 4.2 of the Licence reinforces the OUR’s statutory powers to regulate the Licensed Business where it states:

“The Licensee in carrying out the Licensed Business shall be subject to regulation by the Office pursuant to the OUR Act and any other applicable legislation.”

- 3.6. With respect to tariffs and price controls, clauses 13.1 and 13.2 of the Licence provide as follows:

“13.1 The Licensee is subject to the conditions and procedures set out in Schedule 3.

13.2 *The rates to be charged by the Licensee in respect of the Prescribed Utility Service in relation to the Licensed Business shall be as determined by the Office from time to time.*

- 3.7. Schedule 3 of the Licence sets out some of the key considerations to be taken in account when determining the rates to be charged by OUL and stipulates that these rates and charges as determined by the OUR should provide a reasonable opportunity for the Licensee to make a reasonable return on its capital after taking into account all reasonable costs incurred in the provision of services. Some relevant extracts from Schedule 3 of the Licence are set out below:

“The rates for the supply of services by the Licensed Business shall be set such that the rates provide a reasonable opportunity for the Licensee to make a reasonable return on capital employed after taking into account all reasonable costs incurred in the provision of the services.”

Revenue Requirement = operating costs + depreciation + taxes + return on investment, with each component defined as follows:

*“**Operating costs**”: All prudently incurred costs which are not directly associated with investment in capital plant...*

*“**Return on Investment**” ...The return on investment shall be calculated by multiplying the allowed rate-of-return by the Licensee’s total investment base (“Rate Base”) for the test year. The allowed rate of return is the Licensee’s Weighted Average Cost of Capital (WACC). The WACC (“K %”) will balance the interests of both consumers and investors and be commensurate with returns in other enterprises having corresponding risks which will assure confidence in the financial integrity of the enterprise so as to maintain its credit and to attract capital...”*

- 3.8. With regard to the application for an initial tariff, Schedule 3 of the Licence provides that:

“On the granting of this Licence, the Licensee shall submit a proposal for the initial tariffs to be charged in respect of services and the Rate Review Process as set out herein shall be applicable.”

- 3.9. The Rate Review Process prescribed by the Licence requires that the OUR's review of OUL's rate application consists of "...an evaluation of the revenue requirements including prudent operating costs, depreciation expenses, taxes and a return on investment." However the Licence also permits the OUR to utilize alternate rate review methodologies to determine a temporary or interim rate if it deems necessary including its "No Objection Policy" and benchmarking methodologies. The relevant provision of Schedule 3 of the Licence states:

"Notwithstanding the requirements of paragraph 3 under the "Rate Review Process" section above, the Office may, if it deems it necessary in the circumstances, determine a temporary or interim rate, taking into account factors other than those prescribed (i.e. revenue requirements including prudent operating costs, depreciation expenses, taxes and a return investment), such as, but not limited to, benchmarking methodologies or the OUR's "No Objection Policy". Under the No Objection Policy, the Office may approve the rates proposed by a private water or sewerage service provider where those rates are below the rates charged by the National Water Commission for comparable services."

- 3.10. The No Objection Policy is applied primarily in circumstances where a private water or sewerage service provider is unable to provide adequate cost data to allow for a comprehensive tariff review that takes account of all the elements prescribed in the Rate Review Process specified in the Licence.
- 3.11. The Licensee is permitted to apply to the OUR for subsequent tariffs when it wishes, but no more frequently than once in every two (2) years. Schedule 3 of the Licence provides that:

"Subsequent Tariff:

At such intervals as the Licensee may determine but no more often than once in every two (2) years, the Licensee may submit an application for a tariff review. The Application must be supported with data and information as the Office will determine."

- 3.12. The Licence expressly states in Clause 12 and Schedule 2 that the Licensee shall observe the service standards prescribed in the Licence and authorizes the OUR to introduce new standards or vary the existing, environmental, service, guaranteed and billing standards specified in the Licence, and schemes from time to time to enhance customer service and quality of service generally.

4. Summary of the Tariff Proposal

- 4.1. In its application, OUL has requested the approval of its initial rates, based on OUR's No Objection Policy. The company indicated that it has been providing the service to its customers from 2020 September, and as such, the approval of its proposed rates is needed to maintain the operations of the company.
- 4.2. OUL indicated that they have a contractual agreement with the NWC, the potable water provider in the Service Area, to receive monthly water supply meter readings for its customers. This agreement provides OUL with the ability to calculate and issue bills to its customers. OUL indicated, however, that at times, the provision of water supply meter readings from the NWC is sporadic.

Tariff Structure

- 4.3. OUL proposed rates and charges for both residential and commercial customers. The proposed tariff structure consists of volumetric rates, flat rates, service charges, and miscellaneous fees, which are shown in Table 4.1 below.

Table 4.1: Oceanpointe Utilities Limited's Proposed Tariff Structure

Proposed Tariff Structure	
<i>Service Charge</i>	
Service Connection Size	Charge
5/8" (15MM)	\$ 1,055.00
<i>Volumetric Sewerage Rates</i>	
Consumer Category	J\$/000' litres
Residential (Metric Metered)	
0 to 14,000	\$ 170.00
For the next 13,000	\$ 302.00
For the next 14,000	\$ 329.00
Over 41,000	\$ 562.00
Commercial (Metric Metered)	
0 to 9,100,000	\$ 649.00
Over 9,100,000	\$ 378.00
Monthly Flat Rate	
	\$ 3,000.00

<i>Miscellaneous Fees</i>	
Type	Fees
Connection	\$ 11,000.00
Reconnection	\$ 13,000.00
Customer Deposit (Residential)	\$ 9,000.00
Customer Deposit (Commercial)	\$ 15,000.00

Service Charge

- 4.4. OUL's proposal for the service charge, was based on the service charge of another private sewerage service provider, Can-Cara Development Limited (CDL). This charge is below the service charge applied by the NWC.

Volumetric and Flat Rate

- 4.5. Under the No Objection Policy, OUL requested a volumetric rate that is below the rates charged by the NWC. The company also requested a flat rate, which is proposed to be billed to customers in circumstances when it does not receive water supply meter reading data from the NWC. OUL would determine whether the volumetric rates or the flat rate would be used in any given month's billing to its customers.

Reconnection Fee

- 4.6. The initial tariff proposal also included a reconnection fee that would be payable to reconnect a customer to the sewerage infrastructure that had been previously disconnected due to the non-payment of bills.

Connection Fee

- 4.7. OUL requested the approval of a connection fee, which is intended to cover its initial capital cost of the sewerage system, which has been utilized by the residents of Oceanpointe Development for over four years, with no revenues flowing to the company.

Customer Deposit

- 4.8. OUL requested approval for a customer deposit for both its residential and commercial customers to mitigate non-payment of bills by customers and prevent disconnections. The company also requested approval to implement deposit upgrades where the initial customer deposit required is increased if the customer is ever disconnected from the service.

- 4.9. This upgrade would be the equivalent value of the last two months' consumption for a residential customer and last three months' consumption for a commercial customer. OUL requested that it be permitted to increase the customer deposit from time to time to such amount and in such manner as it may determine.

Price Adjustment Mechanism

- 4.10. Finally, OUL proposed that a price adjustment mechanism (PAM) be a component of its monthly billing, also proposing that the PAM should be equivalent to the NWC's PAM, with a one-month lag.

5. Evaluation of the Application

- 5.1. As is permitted under the Licence, OUL's proposal for its initial tariff has been evaluated using OUR No Objection Policy, as well as a benchmarking methodology. Under the No Objection Policy, the OUR may approve a service provider's proposed rates and charges, where they are below those being charged by the NWC for comparable services.
- 5.2. The No Objection Policy is deemed by the OUR to be the most suitable methodology for the assessment and determination of the company's initial tariffs, as the company would just be starting up revenue generating operations, and is not in a position to provide audited financial statements and costing data to allow for a cost-based assessment of its operations and determination of its tariffs.

Sewerage Rates

- 5.3. OUL proposed both a variable rate and a flat rate for its volumetric service. The general principle associated with the billing of sewerage service is the assumption of a one-to-one ratio relationship between potable water consumption and sewage (i.e., the amount of potable water input into the customer infrastructure is equal to the amount of wastewater/sewage outflow from the customer infrastructure). Logically, not all the potable water that is piped into customer facilities flows back out as sewage. A portion of the potable water that flows into customer facilities will be consumed for cooking, drinking, gardening, etc., and does not end up as outflow in the sewerage system. However, the established practice is to use the meter reading of potable water consumption as a proxy for the commensurate amount of sewage outflow. In keeping with this practice, the OUR has determined that this methodology will be used for OUL's volumetric rate in which the sewerage services to be billed on a one-to-one relationship with the water consumed by its customers from the NWC.
- 5.4. The company stated that it currently has a contractual agreement with the NWC to provide it with the water meter readings of its customers to enable the computation of the volumetric portion of the sewerage bills. However, in the event that this data is not available from the NWC, OUL has proposed charging a flat rate. The frequency of these occurrences concerning any non-submission of water consumption data by the NWC was not indicated.

- 5.5. Table 5.1 below shows the comparison of the proposed volumetric rates from OUL against those of the NWC and two other private sewerage service providers regulated by OUR: Can-Cara Development Limited (CDL) and Richmond Environmental Services Limited (RESL).
- 5.6. The rates proposed by OUL are 5% below the current rates charged by the NWC, and higher than those charged by CDL and RESL.

Table 5.1 Sewerage Volumetric Rate Comparison between OUL and Other Sewerage Providers

Sewerage Volumetric Rates					
	OUL Proposed	NWC	Percentage Difference (OUL vs NWC)	CDL	RESL
	J\$/000' litres	J\$/000' litres		J\$/000' litres	J\$/000' litres
Residential					
0 to 14,000	\$ 170.00	\$ 178.97	-5.01%	\$ 153.70	\$ 38.95
For the next 13,000	\$ 302.00	\$ 318.54	-5.19%	\$ 273.56	\$ 54.52
For the next 14,000	\$ 329.00	\$ 347.19	-5.24%	\$ 298.16	\$ 67.89
Over 41,000	\$ 562.00	\$ 592.24	-5.11%	\$ 508.61	\$ 67.89
Commercial					
0 to 9,100,000	\$ 649.00	\$ 683.95	-5.11%	\$ 587.38	N/A
Over 9,100,000	\$ 378.00	\$ 398.67	-5.18%	\$ 342.38	N/A

- 5.7. The company argued that its proposal for both a volumetric rate and a flat rate was solely due to the irregular manner in which it receives the meter reading data from the NWC. A flat rate is normally applied in circumstances where consumption of services is unmetered. There was, however, no indication that the company had customers within the Service Area who did not have NWC meters. The OUR considered that the simultaneous implementation of the volumetric and fixed rates to all customers, where either rate may be applied from time to time as determined by OUL, could result in the inconsistent application of rates, inaccuracies in billing that do not reasonably account for changes in customer consumption, and a sporadic billing system. The OUR therefore does not agree with the implementation of a fixed rate and is of the view that the application of volumetric rates would be the most appropriate in the circumstances.

- 5.8. In order to address the information gaps that may occur where the NWC fails to submit meter reading data for OUL's customers' water consumption, the OUR will permit the company to issue estimated bills to its customers. This method of billing should ensure that the billing recorded is linked to customers' actual usage. When the NWC meter reading data becomes available, then the necessary adjustments should be made to customers' bills in order to align the customers billed consumption with the customers' actual usage.
- 5.9. The estimated bills should be based on the average of the three (3) most recent actual readings, based on the time of the bills. That is, for a bill with usage for May, the average readings of February, March, and April usage (if based on actual NWC water consumption data) should be used for the computation.
- 5.10. The OUR understands the impact on accurate billing that can be caused by non-submission or delays in the submission of metering information from the NWC, and so is willing to reexamine the issue, if it continues, and to revisit the solution of estimated billing, at OUL's next tariff review. The OUL will be required to present its audited financial statements for the Licensed Business and other operational data which can inform the deliberations on the issue at that time. If necessary, the company may also report to the OUR on the impact on its operations due to the issuing of estimated bills.
- 5.11. In keeping with the No Objection Policy, the OUR approves the proposed rates as shown in Table 5.2 below.

Table 5.2 Approved Sewerage Rates for Oceanpointe Utilities Limited

Sewerage Rates	
	OUR Approved
	J\$/000' litres
Residential	
0 to 14,000	\$ 170.00
For the next 13,000	\$ 302.00
For the next 14,000	\$ 329.00
Over 41,000	\$ 562.00
Commercial	
0 to 9,100,000	\$ 649.00
Over 9,100,000	\$ 378.00

DETERMINATION 1:

1. The OUR approves the initial variable rates as proposed by OUL as follows:

Residential	
0 to 14,000	\$ 170.00
For the next 13,000	\$ 302.00
For the next 14,000	\$ 329.00
Over 41,000	\$ 562.00
Commercial	
0 to 9,100,000	\$ 649.00
Over 9,100,000	\$ 378.00

2. The variable rates shall be billed based on the monthly potable water consumption recorded for each customer by the NWC.
3. Where the NWC meter data is not available for any billing period, OUL may issue estimated bills to customers which are based on the average of the three (3) most recent bills that are based on actual meter reading data from the NWC.

Service Charge

- 5.12. OUL's proposal for a service charge was aligned with its proposal for a flat rate. However, as discussed earlier, the OUR will not consider approving a flat rate at this time. It is however, willing to consider the service charge component, which is customarily associated with the approval of volumetric rates.
- 5.13. OUL's proposal was for a single service charge, even though the company has proposed the introduction of two (2) categories of customers, residential and commercial. The proposal is for a single size 5/8-inch connection to the sewerage system. There was no other specification; hence, the OUR's understanding is that the service charge proposed is the same for both residential and commercial customer classes.
- 5.14. Furthermore, OUL proposed two (2) conflicting amounts for the service charge. These are as follows:
- 5.14.1. In the section of its tariff application headed "Tariff Request 2" OUL proposed a service charge in the amount of \$1,055.00 per month, which it outlined was derived from the service charge approved for CDL.
 - 5.14.2. In the table entitled '*proposed monthly service charge rates*' in its tariff application, the company presented a monthly charge of \$1,155.00 as the difference between its proposed rate and that of the NWC.
- 5.15. The OUR considered the service charge proposal of \$1,055.00 per month since OUL provided an argument or basis for this amount but did not do the same for the figure in the table. Table 5.3 below shows the comparison of OUL's proposed service charge of \$1,055.00 and those approved by the OUR for NWC, CDL and RESL.

Table 5.3: Service Charge Comparison between OUL, CDL, and RESL

Service Charge					
	OUL Proposed	NWC	Variance OUL vs NWC	CDL	RESL
	J\$	J\$	%	J\$	J\$
Service Connection Size	1055.00	1216.53	-13.28%	1044.76	736.88
5/8" 15MM					

5.16. As shown in Table 5.3 above, the proposed rate from OUL is 13% less than the rate currently charged by NWC. Additionally, the rate is higher than both CDL and RESL, by 1% and 43% respectively.

5.17. In keeping with the No Objection Policy the OUR approves OUL's proposal for a service charge of \$1,055.00 per month, considering that it is lower than the service charge approved for the NWC.

DETERMINATION 2

The OUR approves a service charge of \$1,055.00 per month payable by both residential and commercial customers.

Price Adjustment Mechanism

5.18. The Price Adjustment Mechanism (PAM) is an indexation mechanism that is applied to the base rate and charges typically for water and/or sewerage services in order to preserve the real revenue of a company. The PAM is considered critical to the financial viability of a company, as the adjustment made to the rates and charges periodically reflects the changes

to the input costs that are exogenous (external) to the operations of the company. Exogenous factors captured by the PAM are as follows:

- Changes in inflation rate (CPI – Consumer Price Index),
- Foreign exchange rate movements (FX), and
- Changes in electricity rates (kWh).

5.19. The mathematical computation of the PAM is:

$$\text{PAM} = (\text{wfx} * \Delta\text{FX} + \text{wcp}i * \Delta\text{CPI} + \text{wkWh} * \Delta\text{kWh}) * 100$$

Where:

ΔFX is the monthly percentage change in the J\$/US\$ exchange rate,

ΔCPI is the monthly percentage change in the CPI,

ΔkWh is the monthly percentage in the kilowatt hour charge for electricity,

wfx is the approved weight for the J\$/US\$ exchange rate,

wcp*i* is the approved weight for the CPI, and

wkWh is the approved weight for the kilowatt hour charge for electricity.

5.20. The CPI value is usually published by the Statistical Institute of Jamaica monthly. The foreign exchange rate should be the average monthly rate that is reported by the Bank of Jamaica, and the average price of electricity is the total electricity bills for the preceding month divided by the total kWh of energy used in that month. Typically, the PAM that would be applied in a specified month uses the indices of the prior month; that is, a May PAM would be based on the April indices.

5.21. Additionally, on the twelve-month anniversary of the PAM rate adjustment, an Annual Price Adjustment Mechanism (ANPAM) is applied to the base rates. This is a reset of the PAM and is achieved by rolling in the PAM rate adjustment up to the anniversary date into the base rates, and to reset the base values for the three (3) indices in the mechanism. The purpose of the ANPAM is to minimize the monthly PAM adjustment amount that is billed and displayed as a separate line item on customers' bills.

- 5.22. OUL requested a PAM rate adjustment component in its billing system, where the PAM rate adjustment percentage amount would be equal to the NWC's PAM rate adjustment percentage amount, with a one-month lag. That is, the PAM rate adjustment percentage applied by NWC in April would be the PAM rate adjustment percentage for OUL in May.
- 5.23. The OUR has no objection and approves the request, as the aim of the PAM is to maintain the company's costs in real terms, which would be affected by external factors that OUL would not be able to control. As OUL's costs cannot be analyzed at this time, the NWC's PAM is a good proxy. Additionally, the month's lag is needed to allow time for OUR's verification of the NWC's PAM. The PAM will remain in effect until the next tariff application, when it will be reviewed.

DETERMINATION 3

The OUR approves the inclusion of a PAM component in the billing system with the following conditions:

1. The monthly adjustment rate shall be equivalent to that of the NWC PAM adjustment rate with a one-month lag:
2. Every month, before issuing its bills, the company shall submit to the OUR a request for verification of the applicable PAM adjustment rate.
3. An application shall be made to the OUR for the verification and approval of the annual price adjustment mechanism (ANPAM) adjustment rates.

Miscellaneous Fees

Reconnection Fee

- 5.24. OUL proposed a reconnection fee of \$13,000.00, which it argues is the appropriate amount to be charged to reconnect customers to the sewerage network. The amount is equivalent to the amount that was approved for CDL, and it also falls within the range of reconnection fees approved for the NWC. Considering this, the OUR has no objection to the amount that the company has proposed to charge its customers for the reconnection fee.

- 5.25. Due to the impact of sewerage service disconnection, the main concern being the potential health concerns, OUL shall submit a Disconnection Policy to the OUR for approval. The policy should outline, among other things, the conditions and procedures to be undertaken when it is necessary to disconnect a customer from the sewerage system. The policy should also be aligned with all the applicable guidelines of the National Environment and Planning Agency (NEPA).

Connection Fee

- 5.26. OUL has requested the approval of a connection fee. The company argues that the amount is for the recovery of the initial capital cost, which was invested in the setting up of the sewerage system, which has been serving the Oceanpointe community for over four (4) years. The OUR is of the view that all initial costs form part of the net investment in the Licensed Business and should be capitalized and treated as an equity investment in the capital plant. The value of the net investment at the end of the financial year for which there are audited accounts is defined as the rate base on which OUL will be allowed to make a reasonable return at the time of the next rate review. Furthermore, the principle of rate setting is that rate payers ought not to be charged retroactively for a service. Considering this, the connection fee applied for is not approved for existing customers.
- 5.27. As part of its ongoing connecting operations, OUL is, however, allowed to recover operational costs by charging a fee to connect new customers to its system.
- 5.28. OUR approves a connection fee of \$11,000.00, which is equal to that approved for CDL.

Customer Deposit

- 5.29. OUL proposed a customer deposit of nine thousand dollars (\$9,000) for residential customers and a minimum of fifteen thousand dollars (\$15,000) for commercial customers. OUL argued that the proposed customer deposit will aid in the reduction/prevention of disconnected customer services as it could be applied to payment of the customer's outstanding and overdue bill.
- 5.30. The company expressed its intentions to upgrade these deposit amounts after a customer has been disconnected from the sewerage system. The proposed new deposit amount would be

equal to the last two (2) months' consumption value for a residential customer, and the last three (3) months' consumption value for a commercial customer.

- 5.31. Additionally, the company requested the right to change this deposit amount at its discretion and to exercise control over the option of refunds, which are made before the service is discontinued. The company argued that once there is a final discontinuance of the service and full settlement of bills, the deposit, which was not previously refunded, will be returned to the customer or used to pay any unpaid balance on the customer's account.
- 5.32. The proposal made by OUL is, for the most part, in line with the customer deposit framework in place at the Jamaica Public Service Company Limited (JPS), with the exception that OUL has not included the payment of annual interest on deposits to customers.
- 5.33. The OUR therefore has no objection to OUL collecting a customer deposit fee of nine thousand dollars (\$9,000) for residential customers and fifteen thousand dollars (\$15,000) for commercial customers, as in principle such an arrangement will mitigate the company's exposure to cash flow risks due to bill payment delinquency. However, it should be noted that the OUR does not approve the customer deposit of \$15,000 for commercial customers, being a minimum fee which can be changed by OUL at its discretion. OUL is therefore not authorized to determine a fee other than the said \$15,000.00 as the customer deposit fee for commercial customers.
- 5.34. Regarding the deposit upgrading framework which was suggested by OUL, the OUR has not approved this framework. While the OUR understands the need for the collection of a deposit, as stated by the company, no revenues are collected by OUL, and there is no data from which the behaviour of the customers concerning bill payment and delinquency can be analysed and used as a justification for the deposit upgrading proposal.
- 5.35. At the time of the next rate review, the matter of the upgrading of the deposit fee may be revisited. It is anticipated that at that time, all the relevant historical customer information in regard to payments and their usage should be available to facilitate an informed examination of the issue. Also, the next rate review process is expected to be based on a cost-based analysis, and the latest twelve (12) month period of operation for which there are audited accounts examined.

5.36. OUL shall adhere to all the Service Standards as set out in Schedule 2 of the Licence, which includes but is not limited to the provision of the reports within the times specified therein.

DETERMINATION 4:

The OUR approves the following:

1. A reconnection fee of \$13,000.00 with the following conditions:
 - a. Before implementation, OUL shall submit a Disconnection Policy within four (4) months of the effective date of this Determination Notice to the OUR for approval.
 - b. The Disconnection Policy should detail, among other things, the conditions and procedures to be undertaken when it is necessary to disconnect a customer from the sewerage system. The policy should also be aligned with all the necessary guidelines of the NEPA.s
2. A connection fee payable by new customers of \$11,000. This fee should not be charged to existing customers.
3. A customer deposit of \$9,000 for residential customers and \$15,000 for commercial customers. Upgrading of this fee is not approved.
4. OUL shall comply with all the Service Standards as set out in Schedule 2 of the Licence, which includes the provision of the reports within the time periods specified.

All fees/charges are to remain unchanged until the tariff review, which should be at such intervals as OUL may determine, but no more often than once in every two (2) years.

5.37. The OUR approved rates, charges, and miscellaneous fees are shown in Table 5.4 below.

Table 5.4: OUL's Approved Rates and Charges

Oceanpointe Utilities Limited Rate Schedule	
<i>Service Charge</i>	
Service Connection Size	Charge
5/8" (15MM)	\$ 1,055.00
<i>Volumetric Sewerage Rates</i>	
Consumer Category	J\$/000' litres
Residential (Metric Metered)	
0 to 14,000	\$ 170.00
For the next 13,000	\$ 302.00
For the next 14,000	\$ 329.00
Over 41,000	\$ 562.00
Commercial (Metric Metered)	
0 to 9,100,000	\$ 649.00
Over 9,100,000	\$ 378.00
<i>Miscellaneous Fees</i>	
Type	Fees
Connection	\$ 11,000.00
Reconnection	\$ 13,000.00
Customer Deposit (Residential)	\$ 9,000.00
Customer Deposit (Commercial)	\$ 15,000.00

6. Technical Review

- 6.1. Given that OUL had recently undergone a comprehensive technical review as part of its Sewerage Service Provider Licensing application process, which Licence was issued in 2024 November, a full reassessment of the system's technical adequacy is not considered necessary at this time. OUL remains fully accountable for meeting all technical obligations, as specified in its Licence.

Overview of OUL's Utility Systems and Operations

- 6.2. OUL operates a centralized sewerage system that provides full sewerage service coverage to the Oceanpointe Development. The system design and configuration are generally consistent

with industry standards for small-scale sewerage utilities, encompassing the key service functions of sewage collection, conveyance, treatment, and effluent disposal. The infrastructure is considered adequate to serve the defined Service Area throughout the terms of its Licence.

System Design and Functional Specifications

6.3. Based on the detailed technical assessment undertaken during its 2024 Licensing application process, the OUL's sewerage system is configured as follows:

- The central collection network receives sewage from individual households via 4" laterals connected to an 8" underground sewer main.
- Sewage flows by gravity through a manhole network and is conveyed via an 8" trunk main to two lift stations.
- The lift stations discharge through a 6" force main into four (4) anaerobic baffled reactor (ABR) tanks, each with a capacity of 432 m³.
- Treated flows is then moved by gravity into four (4) reed beds (total surface area: 1,034 m²), which discharge into four (4) effluent beds, each with a capacity of 306.4 m³.
- Final treatment occurs in a 72.8 m³ multi-chamber septic tank, where effluent is disinfected by chlorination and discharged as irrigation water.

Scope of OUL's Operations

6.4. In its 2025 tariff application, OUL stated that it had been providing sewerage services to the Oceanpointe community since 2020. The company reported that at present, it provides sewerage services to a customer base of 431 households in the defined Service Area, and to date, no revenue has been collected for services provided to the occupied units. The OUL's treatment facility has a current design capacity of 434.3 m/day, which is sufficient for the existing demand. The company also indicated that there are plans to increase the capacity of the facility to accommodate proposed National Housing Trust (NHT) houses to be built on adjoining lands, as well as an approved shopping centre located adjacent to the community. A satellite image which highlights OUL's defined service area, is presented in Figure 6.1 below.

Figure 6.1: Highlights the OUL's defined service area.



Regulatory Reporting and Monitoring Requirements

- 6.5. In order to strengthen compliance and oversight during the tariff control period, the OUR has consolidated OUL's regulatory reporting and monitoring obligations. These obligations, with clearly defined timelines and deliverables, are summarized in Table 6.1 below.

Table 6.1: Regulatory Reporting and Monitoring Requirements for the Tariff Period

Regulatory Reporting and Monitoring Requirements for the Tariff Period			
Category	Reporting Requirement	Frequency	Submission Deadline
Effluent Quality	Quarterly effluent quality Test Reports	Quarterly	January 14th, April 14th, July 14th, October 14th for the preceding quarter.
Service Standard	Reports on blocked mains and odour concerns, in accordance with Schedule 2, Paragraph B of the 2024 Licence.	Quarterly	January 30th, April 30th, July 30th, October 30th for the preceding quarter.
Technical Summary	Annual Technical Report (As per paragraph 3(a), Schedule 2, of the 2024 Licence)	Annual	April 30th each year

Technical Determination

- 6.6. Based on the technical review completed during the Licensing application process and the information provided in the tariff application, the sewerage system operated by OUL is deemed technically adequate for the purposes of the assessment and approval of its initial tariff application. The company is expected to maintain full compliance with the technical and reporting obligations pursuant to the provisions of its Licence. Any expansion of operations will be subjected to appropriate licensing requirements and further regulatory review.

DETERMINATION 5

1. OUL shall fully satisfy all the regulatory reporting and technical requirements specified in its Sewerage Service Provider Licence, 2024.
2. OUL shall provide the Office with copies of any such licences/permits (including renewals), standards, special requirements and restrictions issued by the Natural Resources Conservation Authority (NRCA) from time to time.
3. OUL shall comply with the Service Standards stipulated in Schedule 2, Paragraph 2, of its Licence.
4. In relation to effluent quality, OUL shall:
 - a. Submit to the Office quarterly effluent quality reports, within fourteen (14) days after the end of each quarter.
 - b. Ensure that the required effluent quality tests are conducted by an Accredited Testing Laboratory.
5. OUL shall maintain and repair all relevant utility assets throughout the term of its Licence, in accordance with prudent utility practice, to enable the company to meet its Licence obligations.
6. OUL shall comply with all the technical requirements specified in this Determination Notice. And, where the company is unclear about certain elements of the Office determinations, it may choose to consult with the OUR on such matters.

7. Quality of Service Standards

- 7.1. As is set out in Schedule 2 of its Licence, OUL is required to adhere to the established Quality of Service Standards, which is comprised of the Overall and Guaranteed Standards. The Overall Standards represent general performance targets to be met by OUL but will not result in compensatory payments being made to customers where the targets are not met. The Overall Standards to be met by OUL, as outlined in Table 7.1, are as follows:

Table 7.1: Overall Standards

Category	Performance Measure
Environmental	OUL shall conform to all and any standards that may be established by NEPA/NRCA.
Correction of sewerage problems	(a) Blocked Mains OUL shall clear ninety percent (90%) of all reported blocked mains within four (4) hours of the report being received. (b) Odour OUL shall maintain the plant in such a manner as to minimize complaints of odour. There shall be no more than five (5) complaints per one hundred (100) customers regarding odour in any month.

- 7.2. The Guaranteed Standards (GS) prescribe service levels for: Service Connection, Billing, Complaint Investigation, Disconnection, Reconnection and Compensation Payment, which are to be met by OUL. Failure of OUL to adhere to any individual Guaranteed Standard can result in compensatory payment to the affected customer. The Guaranteed Standards to be met by OUL, are outlined in Table 7.2 below.

Table 7.2: Guaranteed Standards

Code	Guaranteed Standard	Mode of Compensation
GS1 – Connection of New Customers	OUL shall connect all new customers within three (3) working days after signing the contract for connection.	Claim
GS2 – Issue of First Bill	OUL shall issue (print and mail/deliver) a bill to a customer within thirty (30) working days after the account is established.	Claim
GS3(a) – Response to complaints - Acknowledgements	OUL shall acknowledge written customer complaints within three (3) working days.	Claim
GS3(b) – Response to Complaints - Investigations	Unless it is an investigation involving a 3 rd party, OUL shall, within fifteen (15) working days of receipt of complaint, complete investigation and inform the customer of the results.	Claim
GS3(c) – Investigations involving 3rd party	OUL must, within thirty (30) working days of receipt of a complaint, complete investigation involving 3 rd party and inform the customer of the results.	Claim
GS4(a) – Wrongful Disconnection	OUL shall not disconnect the service of an account which is either not in arrears or is the subject of an investigation by OUL or by the OUR.	Automatic
GS4 (b) – Reconnection after wrongful Disconnection	OUL shall, within twelve (12) hours, reconnect any supply that the company wrongfully	Automatic

	disconnected, and a written apology extended.	
GS7 – Reconnection after Payment of Overdue Amount	OUL shall, within twenty-four (24) hours of receipt of all applicable payments (reconnection fee, etc.) reconnect customers disconnected for overdue amounts.	Automatic
GS8 – Payment of Compensation	OUL shall credit a customer's account within one (1) billing period after a breach in the case of automatic compensation, or within one billing period of submission of claim in the case of compensation by claim for any of the prescribed Guaranteed Standards. For the avoidance of doubt, if OUL does not compensate the customer within the specified time, this results in another breach. Where applicable, the customer must submit claims within one hundred and twenty (120) days after the breach.	Automatic

Guaranteed Standards Compensation

- 7.3. The Office will retain the GS compensation mechanism set out in OUL's Licence, which provides that 'Claim' and 'Automatic' be the prescribed modes. In the case of breaches that shall be compensated by way of a claim, these shall be made by submission of a written claim by or on behalf of the affected customer on a form to be developed by OUL and approved by the OUR (the "GS Claim Form"). Customers must submit claims within one hundred and twenty (120) days after the date of the occurrence of the breach.
- 7.4. OUL will be required to, within three (3) months of the effective date of this Determination Notice, develop its GS Claim Form for submission to and approval by the OUR. Following approval, OUL will be required to make the Claim Form accessible to its customers, such as

placing the forms on the company's website. In the interim, while OUL is developing its GS Claim Form, its customers shall be permitted to make claims for breaches of the GS, for which the mode of compensation is not automatic, by submitting claims in writing to OUL within one hundred and twenty (120) days after the occurrence of the breach.

- 7.5. For breaches that attract automatic compensation, OUL will verify the identified or reported breach and apply the applicable credit to the affected customer's account.

Methodology for compensation calculation

- 7.6. The Office has further determined, in keeping with OUL's Licence provisions under Schedule 2, the compensation amount for a breach of any of the GS *"...will be equivalent to the reconnection fee, except that in the case of "Wrongful Disconnection", "Reconnection after wrongful disconnection" and "Reconnection after Payment of Overdue Amounts", the payment shall be one and an half times the reconnection fee"*. Accordingly, compensation for a breach of:
- a) Wrongful Disconnection, Reconnection after wrongful disconnection, and Reconnection after Payment of Overdue Amounts will be \$19,500.00 (\$13,000 x 1.5).
 - b) All other Guaranteed Standards will attract a compensation payment of \$13,000.00.
- 7.7. As part of its 2025-2026 Workplan, the OUR will undertake a comprehensive review of the GS applicable to private water and sewerage service providers, which includes OUL. This review may result in changes to OUL's GS and such changes will be applied in keeping with the decisions of the comprehensive review.

Reporting Requirements

- 7.8. OUL shall adhere to the performance criteria for the GS outlined in Table 7.2 above, along with the Overall Standards (OS) and all the other standards in OUL's Licence and service contracts.
- 7.9. OUL shall be required to submit quarterly reports to the Office regarding its performance against the GS within thirty (30) working days of the end of the applicable reporting period. These reports shall indicate the number of breaches committed against each standard and the potential and actual payout for each breach.
- 7.10. However, considering that this is OUL's initial tariff application and it is just beginning operation of the Licensed Business, the OUR will delay OUL's first GS reporting submission to the quarter beginning 2026 January. Where OUL is unclear about its GS reporting requirements, it may consider using the period before 2026 January to consult with the OUR.

DETERMINATION 6

1. OUL shall adhere to the Overall Standards specified in Table 7.1 above, the Guaranteed Standards stipulated in Table 7.2 above, and all the other standards in its Licence and any other applicable licences and permits issued by public authorities.
2. OUL shall be required to submit quarterly reports to the Office on its performance against the Guaranteed Standards within thirty (30) working days of the end of the reporting period. These reports shall indicate the number of breaches committed against each standard and the potential and actual payout for each breach. OUL's first GS reporting submission is due for the quarter beginning 2026 January.
3. OUL shall, within three (3) months of the effective date of this Determination Notice, develop its Guaranteed Standards Claim Form and submit same to the OUR for approval.
4. Compensation for a breach of:
 - a. Wrongful Disconnection, Reconnection after wrongful disconnection, and Reconnection after Payment of Overdue Amounts will be \$19,500.00 (i.e. \$13,000 x 1.5).
 - b. All other Guaranteed Standards will attract compensation of \$13,000.00.

8. Schedule of Determinations

DET #	DETAILS	DUE DATE OR FREQUENCY																
1	1. The OUR approves the initial variable rates as proposed by OUL as follows: <table><tr><th colspan="2">Residential</th></tr><tr><td>0 to 14,000</td><td>\$ 170.00</td></tr><tr><td>For the next 13,000</td><td>\$ 302.00</td></tr><tr><td>For the next 14,000</td><td>\$ 329.00</td></tr><tr><td>Over 41,000</td><td>\$ 562.00</td></tr><tr><th colspan="2">Commercial</th></tr><tr><td>0 to 9,100,000</td><td>\$ 649.00</td></tr><tr><td>Over 9,100,000</td><td>\$ 378.00</td></tr></table> 2. The variable rates shall be billed based on the monthly potable water consumption recorded for each customer by the NWC. 3. Where the NWC meter data is not available for any billing period, OUL may issue estimated bills to customers which are based on the average of the three (3) most recent bills that are based on actual meter reading data from the NWC.	Residential		0 to 14,000	\$ 170.00	For the next 13,000	\$ 302.00	For the next 14,000	\$ 329.00	Over 41,000	\$ 562.00	Commercial		0 to 9,100,000	\$ 649.00	Over 9,100,000	\$ 378.00	Effective 2025 October 1
Residential																		
0 to 14,000	\$ 170.00																	
For the next 13,000	\$ 302.00																	
For the next 14,000	\$ 329.00																	
Over 41,000	\$ 562.00																	
Commercial																		
0 to 9,100,000	\$ 649.00																	
Over 9,100,000	\$ 378.00																	
2	The OUR approves a service charge of \$1,055.00 per month payable by both residential and commercial customers.	Effective 2025 October 1																
3	The OUR approves the inclusion of a PAM component in the billing system with the following conditions: 1. The monthly adjustment rate shall be equivalent to that of the NWC PAM adjustment rate with a one-month lag. 2. Every month, before issuing its bills, the company shall submit to the OUR a request for verification of the applicable PAM adjustment rate. 3. An application shall be made to the OUR for the verification and approval of the annual price adjustment mechanism (ANPAM) adjustment rates.	Effective 2025 October 1 Monthly Annually																

DET #	DETAILS	DUE DATE OR FREQUENCY
4	The OUR approves the following: 1. A reconnection fee of \$13,000.00 with the following conditions: a. Before implementation, OUL shall submit a Disconnection Policy within four (4) months of the effective date of this Determination Notice to the OUR for approval. b. The Disconnection Policy should detail, among other things, the conditions and procedures to be undertaken when it is necessary to disconnect a customer from the sewerage system. The policy should also be aligned with all the necessary guidelines of the NEPA.s 2. A connection fee payable by new customers of \$11,000. This fee should not be charged to existing customers. 3. A customer deposit of \$9,000 for residential customers and \$15,000 for commercial customers. Upgrading of this fee is not approved. 4. OUL shall comply with all the Service Standards as set out in Schedule 2 of the Licence, which includes the provision of the reports within the time periods specified. All fees/charges are to remain unchanged until the tariff review, which should be at such intervals as OUL may determine, but no more often than once in every two (2) years.	2026 January 31 Effective 2025 October 1 Effective 2025 October 1 As per Licence provisions
5	1. OUL shall fully satisfy all the regulatory reporting and technical requirements specified in its Sewerage Service Provider Licence, 2024. 2. OUL shall provide the Office with copies of any such licences/permits (including renewals), standards, special requirements and restrictions issued by the Natural Resources Conservation Authority (NRCA) from time to time.	As per Licence provisions Periodically

DET #	DETAILS	DUE DATE OR FREQUENCY
	3. OUL shall comply with the Service Standards stipulated in Schedule 2, Paragraph 2, of its Licence. 4. In relation to effluent quality, OUL shall: a. Submit to the Office quarterly effluent quality reports, within fourteen (14) days after the end of each quarter. b. Ensure that the required effluent quality tests are conducted by an Accredited Testing Laboratory. 5. OUL shall maintain and repair all relevant utility assets throughout the term of its Licence, in accordance with prudent utility practice, to enable the company to meet its Licence obligations. 6. OUL shall comply with all the technical requirements specified in this Determination Notice. And, where the company is unclear about certain elements of the Office determinations, it may choose to consult with the OUR on such matters.	As per Licence provisions Quarterly
6	1. OUL shall adhere to the Overall Standards specified in Table 7.1 above, the Guaranteed Standards stipulated in Table 7.2 above, and all the other standards in its Licence and any other applicable licences and permits issued by public authorities. 2. OUL shall be required to submit quarterly reports to the Office on its performance against the Guaranteed Standards within thirty (30) working days of the end of the reporting period. These reports shall indicate the number of breaches committed against each standard and the potential and actual payout for each breach. OUL's first GS reporting submission is due for the quarter beginning 2026 January. 3. OUL shall, within three (3) months of the effective date of this Determination Notice, develop its Guaranteed Standards Claim Form and submit same to the OUR for approval. 4. Compensation for a breach of: a. Wrongful Disconnection, Reconnection after wrongful disconnection, and Reconnection after Payment of Overdue Amounts will be \$19,500.00 (i.e. \$13,000 x 1.5).	As per Licence provisions Effective 2026 January 1 Quarterly 2025 December 31 Effective 2025 October 1

DET #	DETAILS	DUE DATE OR FREQUENCY
	b. All other Guaranteed Standards will attract compensation of \$13,000.00.	