

ENERGY MONITORING COMMITTEE (EMC)

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For Immediate Release

Energy Monitoring Committee (EMC) Raises Concerns about License Recommendations for EWI

Kingston, Jamaica:

Over the past several months, the Energy Monitoring Committee (EMC) has been observing the various developments relating to the 360 MW Project, including holding a series of meetings with the Office of Utilities Regulation (OUR), the last one being on March 20, 2014 and recently, having access to a limited number of documents via a data room established by the OUR.

The EMC has noted the recent statement by the OUR indicating its intention to proceed with a positive recommendation for a license to be issued by the Honourable Minister of Science Technology, Energy and Mining to the Preferred Bidder, Energy World International (EWI).

While the EMC recognizes the OUR's responsibility in this matter, it has reservations over the lack of concrete information provided by the Preferred Bidder to support its application for a license, specifically in the areas of financial capability, fuel supply availability and fuel export permissions. This information gap substantially persists despite requests made by the OUR (see its recent press release of February 27, 2014) to the Preferred Bidder.

The EMC feels bound to express its concern with the procurement process that has led the project to this advanced stage without requiring the provision of the above-referenced information, which the Committee considers vital in the assessment of the Preferred Bidder's capability to undertake, arguably, the largest single investment in Jamaica in recent times, in a critical area of our economy.

The Committee notes the OUR's indication that the information described above will form part of what will be required from the Preferred Bidder in the coming months under the Power Purchase Agreement (PPA) and license. However, the Committee is of the view that the OUR would have been better served by having much of this information prior to the licensing stage, given the importance of this step in the overall process.

As part of its role as an oversight body, for the duration of the bid/implementation process, the Committee will continue to monitor future developments and inform the public of its findings.

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