

**PERFORMANCE OF THE RURAL ELECTRIFICATION PROGRAMME LTD. FOR THE 2004/2005 FINANCIAL YEAR AND FOCUS FOR THE 2005/2006 FINANCIAL YEAR.**

**1.0 Purpose of Ministry Paper**

The purpose of this Ministry Paper is to outline the progress and performance of the Rural Electrification Programme Ltd. (REP) for the 2004/2005 Financial Year and its focus for the 2005/2006 Financial Year.

**2.0 Background**

The Rural Electrification Programme (REP) was incorporated in 1975 as an executing agent of the Government, following a feasibility study that determined there was a need for such an entity. The Company was formed to carry out the expansion of electricity services to rural areas, where the provision of such service would not be financially viable for a commercial entity. Its mandate was, and still is, the construction of electrical distribution pole lines in non-electrified areas and the provision of house wiring assistance through affordable loan programmes to householders who would be given access to the service by the newly erected lines. Additionally, REP offers house-wiring assistance to needy householders in already electrified areas through a Revolving Fund Programme.

**3.0 Mission, Roles and Function**

**3.1 Mission of Agency**

The mission of the REP is to contribute to the economic growth and development of the country by providing affordable access to electricity, and regularizing urban electrification.

To achieve the mission, the Agency is committed to:

- Securing sustained funding for projects and activities;
- Offering the highest quality service to clients by utilizing the best available technology;
- Developing workforce skills through training and offering opportunities for participation in a wide range of activities and projects;

- Forging alliances and partnerships with competent organizations and or individuals to provide the resources to effectively execute projects and programmes in a cost effective manner;
- Diversifying the scope of engineering services; and
- Striving to achieve teamwork and continuous improvement in all activities.

### **3.2 Functions of Agency**

The primary role and functions of the Agency are as follows:

- Raise the standards of living of rural householders by providing affordable access to electricity.
- Regularize and formalize the distribution and use of electricity in the inner city communities in order to foster and inculcate a culture of lawful utilization of electricity services based on agreed payment of electricity use.
- Remove the threat to personal and property safety posed by illegal abstraction of electricity and faulty house wiring.

### **3.3 Broadening of Mandate**

The mandate of the REP was expanded to incorporate the regularization of urban electrification. This in an attempt to minimize unauthorized connections and reduce the risk of fires and injury to persons. This began with the implementation of a pilot project aimed at regularizing electrical connections to one thousand (1,000) houses in selected urban communities.

### **4.0 Objectives and Targets set for 2004/2005**

For the 2004/2005 financial year, the REP was allocated a Budget of fifty three million dollars (\$53 M) as overhead support to complete the projects it had commenced during the previous year. These projects included:

- i. The GOJ 2003/04 project targeting the construction of 40km of electrical distribution pole lines and wiring of eight hundred (800) houses;
- ii. The Revolving Fund 'M' project which targeted the wiring of one thousand three hundred (1,300) houses; and
- iii. The pilot phase of the Urban Electricity Regularization Programme (UERP) which targeted the wiring and regularization of access to electricity for one thousand (1,000) houses in selected inner city areas. The target was subsequently reduced to eight hundred (800) to facilitate the unplanned for extension of pole lines to provide access to some high-density problem areas.

The Revolving Fund “N” project targeting the wiring of one thousand (1,000) houses was to be undertaken in the same financial year.

Some special projects, funded outside the budget were undertaken in the previous year and were completed within 2004/2005. These included:

- i. West Albion Sub-division, St. Thomas, funded by NHDC (\$5.03M)
- ii. Norwich Subdivision, Portland, funded by NHDC (\$6.0M)
- iii. Quarry Hill, St. Catherine, funded by NHDC/Ministry of Water and Housing (\$2.9M)

Additionally, within the 2004/2005 reporting year, REP undertook two (2) more special projects: -

- i. Duckenfield Estate, St. Thomas (\$2.2M) – to provide electrical infrastructure for seventy (70) housing units; funded by the Sugar Company of Jamaica.
- ii. Ragsville Subdivision, St. Catherine (\$800K) – to provide electrical infrastructure to subdivision; funded by NHDC.

## 5.0 Highlights of Achievements – Financial Year 2004/2005

**Table 5.1: Summary of Achievements for Financial Year 2004/2005**

<b>Target</b>	<b>Actual</b>
(a) GOJ 2003/04 (\$35M) - 40km distribution lines and 500 houses	Pole line construction 90% completed with 8 extensions being certified. 896 houses marketed, 699 paid deposits, 576 houses contracted for House wiring assistance, 355 completed and certified.
(b) Revolving Fund ‘M’ 2003/04 (\$18M) - 1,300 houses	1,354 houses contracted for House wiring. 1,104 completed and certified.
(c) Revolving Fund ‘N’ 2004/05 (\$15.8M) – 1,000 houses	1,261 houses marketed. 671 paid deposits. 450 contracted for house wiring.
(d) UERP – 800 houses	8 constituencies targeted out of which 692 houses were marketed. 110 households have responded by paying 10% deposits.
(e) West Albion	Completed and certified
(f) Norwich	Completed and certified.
(f) Quarry Hill	Completed and to be certified.
(h) Duckensfield Estate	60% completed
(i) Ragsville	50% completed

## **6.0 Main Targets and Budget for Financial Year 2005/06**

The main targets for the current financial year are as follows:

- (a) Complete remaining fifteen percent (15%) of pole line construction in GOJ 2003/2004 40km project.
- (b) Increase number of customers responding to marketing in GOJ 2003/04 project to the targeted eight hundred (800) houses and have house wiring completed and certified.
- (c) Increase number of inner city householders responding to marketing in pilot phase of UERP to the targeted eight hundred (800) houses, and complete wiring and certification.
- (d) Complete wiring and certification of remaining two hundred and fifty (250) houses in Revolving Fund 'M'.
- (e) Increase the number of customers responding to marketing in Revolving Fund 'N' to the targeted one thousand (1,000) houses, and complete wiring and certification of houses.
- (f) Wiring of one thousand (1,000) houses to be funded from Revolving Fund 'O'.
- (g) Complete private projects funded outside the budget and continue to market the services of the Agency so as to become more involved in private ventures as a means of revenue enhancement.

The approved budget for the 2005/2006 Financial Year is \$53.3 M.

---

**Phillip Paulwell**  
**Minister**  
**Ministry of Commerce, Science and Technology**  
**May 20, 2005**