



**GIS MARKETING &
COMMUNICATIONS**
CAYMAN ISLANDS GOVERNMENT

MEDIA RELEASE

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ERA – Winner of Energy Bid

The Cayman Islands Electricity Regulatory Authority (ERA) has determined that the bid submitted by Caribbean Utilities Company (CUC) to supply Grand Cayman with new power is best for consumers.

Congratulating CUC, ERA Chairwoman Sherri Bodden-Cowan described the process as open and competitive, and said that all bid parameters had been outlined in the request for proposals (RFP) for the project.

The ERA carefully scrutinised all bids, with the assistance of consulting firm, ICF International, over the past two months. We evaluated them in accordance with the criteria set out in the RFP, and CUC provided the best solution, she added.

CUC scored highest in both the price aspect of the competition (for the lowest cost per kilowatt-hour), and had the highest total points in other areas – such as environmental impact, fuel- and equipment-supply plans, financing, construction and operating plans, although it was not the highest scorer in all areas.

Officials said that while the lowest total price was the most important aspect of the evaluation, the non-price factors demonstrated the strength of the bids in other areas.

Commenting on the process, ERA Managing Director, Charles Farrington noted that it represents the competition in generation that was the objective of the new CUC licences:

Since this generation will provide power for 25 years and the price, other than fuel, is substantially fixed for the period from the outset, this result represents the benefits of competition in generation to consumers+, Mr. Farrington remarked.

He noted that, %CUC offered the most fuel efficient solution at the lowest non-fuel cost by a significant margin. At the same time without the competition provided by Dart Enterprises Real Estate and the Louis Berger Group Grand Cayman, consumers may not have gotten the benefit of such an economic firm power solution+.

As CUC cannot sign a Power Purchase Agreement with itself, to bind it to the terms offered, the ERA will regulate CUC to ensure that consumers receive the benefits of the winning bid. Specific provisions were written into CUC's licences in 2008 to accomplish this.

For more information on the bid process including details of the bids and the evaluation report, interested persons should visit the ERA website at www.caymanera.ky

(GIS)

For the official Cayman Islands Government web portal, www.gov.ky:

Web title: Power Contract Awarded

Web blurb: CUC is the successful bidder for increased electricity generation on Grand Cayman.