



STRICTLY PRIVATE & CONFIDENTIAL
MINUTES OF GENERAL BOARD MEETING
HELD 15 AUGUST 2024

BOARD SECRETARY
OFREG



Utility Regulation and Competition Office

Board Meeting Minutes – General Board Meeting #8 of 2024

Minutes

Meeting Details

Team Name:	Board of Directors
Meeting Date:	15 August 2024
Time:	9.41am – 6.31pm
Venue:	OfReg Conference Room
Attendees:	Samuel Jackson, Chair Frank Balderamos, Deputy Chair Wrendon Timothy, Member Mike Gibbs, Member Gavin Baxendale, Member Natasha Bodden, Member Osbert Francis, Member Sonji Myles, ICEO Alison Maxwell, AGC
Zoom Attendees:	None
Apologies/excused:	None
Minute Taker:	Joanne Conolly (BS)

Agenda Details

AGENDA OVERVIEW
1. Welcome & Declarations of Interest
2. Minutes of Previous Meetings
3. Committees
4. ICEO Report
5. CORE+ Presentation
6. Legal Advice
7. Sector Matters
8. AOB

Meeting Minutes


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		dedicated IT equipment for OfReg business, to be compliant and certified under the ISO 2102 standard. It ensures OfReg can show they have control over data wherever it exists. Discussion around data breaches and 2FA on devices. The BoD may require a blended approach rather than mimicking the OfReg policy.	
5.	CORE+ Presentation redacted under FOI Act (2021 Revision) s23(1)	[REDACTED] attended the meeting to speak to the presentation which is in the Board folder and which was given to the Energy Committee during the last meeting. Discussion around the use of temporary generation; allowing third-party solar providers into the market; definitions of firm power; managing risks with regard to solar provision and BESS.	15 16
6.	Legal Advice	Dr Epp presented his report to the BoD, which is in the Board folder, and subject to legal privilege.	17
7	Sector Matters		18
7.1	E&U		19
7.1.1	Dashboard	<ul style="list-style-type: none"> • Point to note was that resolutions made should have full reasoning behind them. • AEDE to send reason and resolution from 23 May General BoD meeting re COSS, to CUC. • AEDE to change the name of the solar RFP to distinguish it in the dashboard. • PPA for CUC was discussed, with the Chair noting that previously the Board had agreed that a PPA would be required, not a virtual PPA, and CUC should create a wholly owned subsidiary in order to bid. AEDE to ensure CUC are aware. 	20 A21 A22 A23
7.1.2	CUC Lifecycle Upgrade – Natural Gas Supply RFP	<ul style="list-style-type: none"> • AEDE informed the BoD this was something new for both CUC and OfReg. There will be meetings between OfReg and CUC on this subject, in order to clarify regulations and international standards, with Fuels Sector also having to understand inspection methods. • Chair clarified the Board Paper submitted is asking the BoD to provide CUC with the authority to proceed with an RFP for natural gas. OfReg should ensure a sunset date is set. Member Bodden pointed out they say they expect gas delivery by 2027 (18-36 months). <p>Board were in favour of permitting CUC to carry out a Natural Gas Supply RFP. No objections.</p>	24 25 D26
7.1.3	CUC Gas Procurement RFP Draft	See 7.1.2. -this is the document that accompanies the request.	27
7.1.4	CUC's Renewable Energy Self-Consumption Proposal (RESC)	<ul style="list-style-type: none"> • Discussion around this subject, and CUC's place in the market. Chair's opinion is that OfReg should take a wholesale approach to renewables and go back to the legislation and what is required. Chair to send document to ICEO or BS for circulation, based upon a wide scope approach to renewable energy as the law required, from the unfinished part of CUC's current licence. • Chair informed the BoD that the NEP should be used to inform OfReg of how the Government intends renewable energy to progress, and what laws may be amended which may become binding on the Office. 	28 A29 30

	<p>E&U AOB</p> <p>redacted under FOI Act (2021 Revision) s23(1)(a)(ii)</p> <p>redacted under FOI Act (2021 Revision) s21(1)(b)</p>	<ul style="list-style-type: none"> • Chair asked about the Island Energy Ltd's RCAM methodology which they wish to apply 1st October. AEDE confirmed a paper would be available for the September BoD meeting, therefore rate changes would be dropped back to 1 November if approved. This has been outstanding since last June. • Member Bodden pointed out [REDACTED] have also requested a meeting. Their representative on island claims to have a PPA from 2018, however there is nothing signed and CUC have said there is no PPA. Chair confirmed they have been informed that if the PPA is still valid, to go back to CUC with it re-dated. • AEDE confirmed other new technology providers are approaching the E&U Sector to request the opportunity to present to the BoD. Chair was of the opinion that these companies should go through the Ministry of Sustainability where they can present, and then prove their technology so that OfReg can continue to put consumer protection first, prior to accepting new entrants into the market. ICEO was of the opinion that anyone seeking a grant of a generation licence, minimum they need to show they can generate energy and if they cannot cross that threshold there is an innovation sandbox opportunity to allow someone to test and develop. It was decided that a process would need to be developed, so that an application form and non-refundable fee were required by applicants. Member Gibbs forwarded the link to the NEP online document. • AEDE informed the BoD that a company called [REDACTED] is purchasing the BT solar farm from BMR. ICEO commented this was being sold as a going concern, and all due diligence will be performed on the potential new owners. It was noted that the Office has yet to deal directly with the prospective licensee, and the ICEO will have a letter written to BMR to inform them of this. BoD would also like to see BMR confirm this sale had been floated to possible Caymanian purchasers also. Chair would like to see Licensees abide by URCA s47, in particular (2), which deals with change in control of a licensee. 	<p>31</p> <p>32</p> <p>33</p> <p>A34</p>
7.1.5	North Sound Land Purchase	<p>Discussion around land use. Member Francis suggested this could be part of the lifecycle upgrade. AEDE suggested it could be for using the large floor areas to lay down parts which are bigger than the current available areas where their generators are.</p> <p><i>Motion: After considering the materials and the advice of the Executive Director Energy, the Board approves the CUC North Sound Land Purchase Proposal and authorises the Executive Director Energy to advise CUC, with immediate effect, was agreed unanimously by the Board, on condition that the cost of acquisition and remediation should not be added to the rate base unless the property is being used for generation purposes. All in favour, no objections. Motion carried.</i></p>	<p>35</p> <p>D35</p>
7.1.6	CUC Temp Gen	Discussion around CUC's further application for temporary generation, and the CON. AGC's legal advice was discussed.	36

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		<p>storage sheds and a fuel storage service yard. Questions arose about the meaning of the 'fuel storage service yard'. DCFI to obtain the stamped approved plans for this site. Chair pointed out this was not permitted by OfReg, and in future, the Office should be satisfied that applicants have planning permission approved, prior to issuing permits. On the Planning website for the decision made in respect of this matter at the Planning meeting, it was quoted: <i>"OfReg has no objections to the proposed extension. Key requirements relating to MEP & Code Compliance, extension and interconnectivity of Fuel lines, etc. to be complied with at BTU Stage."</i> Chair pointed out that even if OfReg had no objection to the plans, the applicant would still require a permit. No objections to a fuel storage yard does not <i>ipso facto</i> give carte blanche to have storage for ISO tanks at the yard. Member Bodden pointed out this was an amendment to an existing permit. DCFI found a report from the then CFI who had written: <i>"taking into consideration the pending application for expansion to the gas station is technically considered regulated premises under the DSA with storage capacity of 40k imperial gallons. Storage above this limit is therefore not permitted by law. Storage is not parked on an impermeable surface to reduce the risks of any accidental leaks."</i> It was noted this relates to the Port Authority not wishing to have empty ISO containers stored at their premises. Therefore it was envisaged empty ISO containers awaiting return to the port would be what was stored on the property for a 24-48 hour window. Member Bodden requested the DCFI send this email to the Board Group.</p>	A45
	redacted under FOI Act (2021 Revision) s23(1)	<p>Jack's Esso and mediation. Chair's opinion was that this should be given to an outside mediator to handle. Payment for the same would be agreed between the parties involved – if it were indeed required at this stage. DCFI noted [REDACTED] had not responded to the Office's last correspondence. Chair instructed DCFI to write another letter to [REDACTED] providing him with a date to respond by, or we will close out this matter.</p>	A46
7.3	ICT		47
7.3.1	Dashboard	ICEO/EDI highlighted Dashboard items.	48
8.	AOB		49
8.1	Water Sector	Discussed earlier during the meeting.	45
10	Adjournment and date of next meeting	<p>Next General BoD meeting set for Thursday 12 September 2024 at 0930hrs.</p> <p>Special Board meeting set for Thursday 29 August 2024.</p> <p>Meeting adjourned at 1744hrs.</p>	46
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Signed _____
Samuel Jackson, Chairman

Signed _____
Joanne Conolly, Secretary