



**Board of Directors Meeting of the
Utility Regulation and Competition Office (“OfReg”)
held on Thursday, 25 July 2019,
at its Offices, 3rd Floor Alissta Towers
General Meeting 5 of 2019**

Minutes

In attendance:

Dr. the Hon. Linford Pierson, Chair (Chair)
Mr. Ronnie Dunn, Deputy Chair (RD)
Mr. Rudy Ebanks, Non-executive Director (RE)
Mr. Paul Byles, Non-executive Director (PB)
Mr. Phillip Ebanks, Non-executive Director (PE)
Mr. Alee Fa’amoe, Acting CEO/Executive Director ICT (ACEO)
Mr. Gregg Anderson, Executive Director Energy & Utilities (EDEU) (departed at item 5.7.3 due to family emergency)
Mr. Duke Munroe, Chief Fuels Inspector/Director Fuels Markets (CFI)
Ms. Alison Maxwell, Assistant General Counsel/ Assistant Secretary (AGC/AS)

Mr. Gene Banks, Nominated Non-executive Director (GB) (by invitation)
Mrs. Melissa Powery, Financial Controller (FC) (by invitation, for item 4.2.3, 4.2.4, 4.2.5 and 4.2.6)

Apologies:

Mr. Christen Suckoo, Chief Operating Officer (COO)
Dr. John Epp, General Counsel/ Secretary (GC/S)

Start: 10:30 AM End: 5:00 PM

1. General

- 1.1 Welcome and Prayer
The Chair welcomed all members and said a prayer. RE gave apologies for being late. COO and GC/S gave their apologies for being absent.
- 1.2 Approval of Agenda
Motion, PB and seconded by RD: that the agenda as amended (items 3.4, 7.4 and 7.5) be adopted for this meeting. CARRIED
- 1.3 Remarks by Chair
The Chair welcomed GB to the Board and expressed his gratitude for his detailed email correspondence dated July 23, 2019, in which he outlined options for the Board to consider regarding the investigation into the leaked draft board



minutes of August 20, 2018. (See item 3.4) He also reminded the Board that the aim is to finish the meetings by 3:30 pm.

2. **Declaration of Interest**

██████ declared ownership of ██████████ and informed the Board that he is ██████████. In the meantime, he will recuse himself from voting on ██████████ related matters.

██████ informed the Board that ██████████ does marketing for ██████████ ██████████

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3. **Minutes of Previous Meetings**

3.1 Approval of the Minutes of:

- General Meeting no. 4, held June 13, 2019, version 4 considered.
Motion, RD and seconded by RE: that the Minutes as amended be adopted.
CARRIED

3.2 Hon. Premier's request (May 31, 2019) for comments on The Standards in Public Life Law, 2014 by June 30, 2019

The reply to the Premier's request was made on June 30, 2019. The memorandum subsequently submitted by OfReg was inserted into the Board Papers. See item 4.1.

3.3 Matters Arising From Previous Minutes

3.3.1 EDEU requested a round robin vote on July 17, 2019 for the Board to approve the determination and the Water Sector (Licence, Fee, Offence and Penalty) Regulations. A vote was not communicated by the Board, and therefore the EDEU presented a request for Board approval. (Chair reminded members that round robins are the exception rather than rule, and encourages the Board to utilise the mechanism only for emergency issues that cannot wait until the next Board meeting.)

RE had two minor amendments which were addressed by the AGC prior to the meeting. RE congratulated the EDEU and his team on the completion of the Regulations.

Motion, RE and seconded by PE: That the Board approve the proposed Water Sector (Licence, Fee, Offence and Penalty) Regulations and directed that the EDEU present the proposed Regulations as a recommendation to Cabinet as per the Water Sector Regulation Law (as revised). CARRIED.

3.3.2 The Board noted that OfReg, by continuing to carrying out the regulatory functions of the water sector without a formal agreement with the Cabinet, may be presently violating section 46(2) of the Public Management and Finance Law (as revised), which states the following:



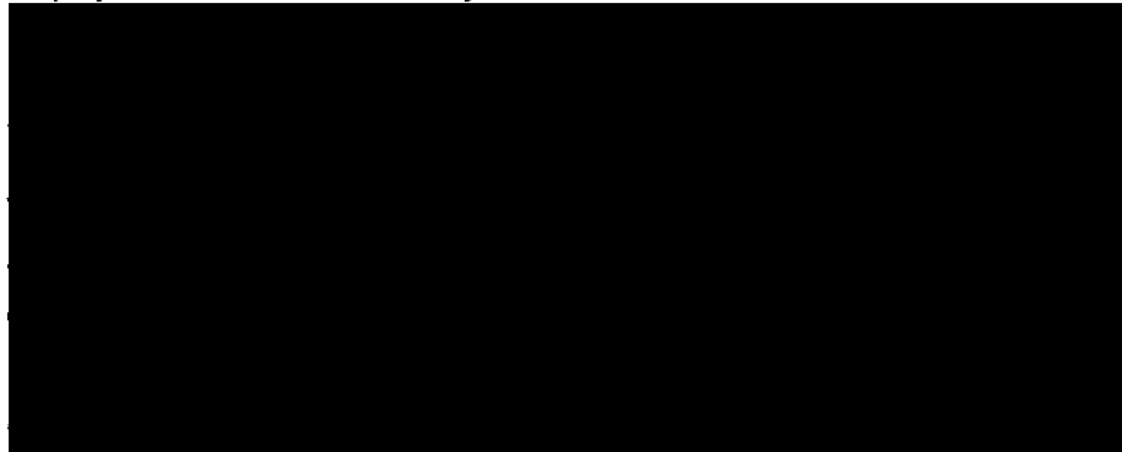
- (2) A statutory authority or government company shall not produce an output during a financial year unless -
- (a) the output is within the nature and scope of the activities that are set out in the ownership agreement of the authority or company; and
 - (b) the Cabinet, or another entity or person has, by way of formal agreement, agreed to pay for the full cost of the output to be produced.

Motion, RD and seconded by RE: That the ACEO bring the potential violation of the PMFL to the attention of the Cabinet and seek their advice for a timely resolution. CARRIED.

3.4 BAIL

List of Amendments to the BAIL-

8-11-2018/4.2.2. Employee Handbook. The Chair noted that the COO is presently working on employee handbook and conducting a search for office space. However, the Board is not satisfied with the progress of the employee handbook. The Board directs the ACEO to circulate the updated draft of the employee handbook to the Policy Sub-Committee.



from GB (email).

Redacted under Sec 16 (b) (1) Records relating to law enforcement

14-02-2019/4.2 Complete content of Website. ACEO reported that he instructed the hosting company to redesign the website and engaged [REDACTED] to manage the website to ensure quality and use of the brand guidelines. He had received a new design from [REDACTED] and a quote from [REDACTED]. The ACEO informed the Board that the website re-design would be completed by end of August 2019.

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05-03-2019/email CAPE. COO in charge of completing the recruitment.

Email re item **10-01-2019/4.2.9** Industry meetings on a quarterly basis. The Executives were to present a proposed schedule for the quarterly meetings by August 29, 2019.

11-04-2019/4.2 Annual Audit. The FC provided an update under item 4.2.3.

13-06-2019/7.3 – The Chair gave an update regarding his foreword to the draft Annual Report 2018.



13-06-2019/4.2 Collect overdue fees. Work on fee collection was ongoing and progress had been made.

13-06-2019/4.2 Policy on collection. An internal consultation was ongoing. Warning letters were issued, and licensees were advised that if they are still delinquent as at July 31, 2019, their licenses may not be renewed. ACEO planned to present a new ICT licensing framework to the Board in August and will issue a new form of licenses. Licensees who are still delinquent by August 2019, may be served letters ordering them to cease and desist in the conduct of their business. In terms of the license fee collection and verification, DDICT working with the FC to document the processes before August 29, 2019.

4. Board Matters

4.1 Board Correspondence

- 4.1.1 June 17, 2019 Board (Secretary), email to Cabinet Secretary regarding (1) Risk & Audit Committee Chair, (2) Operational date of URCL amendment 2018 and (3) Indemnity for Staff by government;
- 4.1.2 June 28, 2019, Board (Secretary), email to P.A. to Hon. Premier with report on the Standards in Public Life Laws stating "no concerns".
- 4.1.3 July 8, 2019, Board (Secretary), email to P.A. to Hon. Premier with report and suggested improvement (set out process of the removal of a Director by Cabinet).
- 4.1.4 July 8, 2019, Board (Chair), email to Cabinet Secretary regarding completion of the payment of CoLA as at June 28, 2019.
- 4.1.5 July 10, 2019 Board (Secretary), email to Cabinet Secretary reminder regarding (1) Risk & Audit Committee Chair, (2) Operational date of URCL amendment 2018 and (3) Indemnity for Staff by government;
- 4.1.6 July 19, 2019 [REDACTED] email to Board (Secretary) stating that the [REDACTED] report is expected to be released by July 30, 2019. Redacted under Sec 23 (1) of FOI law 2020 revision Personal Info.

4.2 Board Administration

- 4.2.1 Arrival of CEO Designate
CEO Designate Cummings [REDACTED] He is due to arrive on September 15, 2019. Redacted under Sec 23 (1) of FOI law 2020 revision Personal Info.
- 4.2.2 Risk and Audit Committee
To date, Cabinet had not communicated its approval of the proposed stipend for the committee chair.
- 4.2.3 Financial Report and Analysis
The FC presented a summary of the report, which was inserted into the Board Papers.
- 4.2.4 Auditor General's Report FY 2018
FC gave a summary and informed the Board that the Executive Directors needed to expand on the management's responses in the ISA 260 Management Letter.



4.2.5 2020-2021 Budget Process

The Non-Executive Directors requested more information and answers to questions about the budget documentation before the Board could grant approval. RD and PB volunteered to review the budget documentation in more detail.

4.2.6 Funding Proposal

COO was to prepare a Business case on lease accommodation proposals by the next Board meeting.

(The FC departed meeting at 2:15 pm.)

5. Regulatory

- 5.1 [REDACTED] decision in Judicial Review application (argued June 2018, decision dated July 2019) Redacted under Sec 17 (1) (c) of FOI law 2020 revision. Record subject to legal privilege

ACEO provided an update. The final judgement was received on July 25, 2019, shortly before the Board meeting commenced, and has been inserted into the Board Papers folder.

- 5.2 Anti-Competitive Practices Penalties Rules Determination

The Office prepared draft Anti-Competitive Practices Penalties Rules and launched a public consultation. The Consultation period ended on March 29, 2019. The Office prepared a final administrative determination which was placed in the Board papers. The AGC requested Board approval of the draft Determination and the final set of Rules.

Motion, RE and seconded by PB: that the Board approve the draft Determination and the final set of Rules. CARRIED

- 5.3 Consumer Complaints Appeals Procedure Guidelines Draft Determination

The Office prepared draft Consumer Complaints Appeals Procedure Guidelines to outline the Office's procedures in relation to the resolution of consumer complaints. The Office launched a consultation on the proposed guidelines on April 16, 2018, and the consultation period ended on June 15, 2018. The Office reviewed the responses and prepared a draft determination (along with the final set of Guidelines) in response to the Consultation. The draft determination and final set of Guidelines were submitted to the Board for review and approval in June 2019. The AGC requested Board approval.

Motion, PB and seconded by PE: that the Board approve the draft Determination and the final set of Guidelines. CARRIED

- 5.4 Truth in Advertising Rules Determination

The Office prepared draft Truth in Advertising Rules and launched a public consultation on the draft administrative determination in the form of the proposed rules on February 15, 2019. The Consultation period ended on March 29, 2019. The Office reviewed the submission and prepared a final administrative determination, which is in the Board papers. The AGC requested Board approval.

Motion, PB and seconded by RD: that the Board approve the draft Determination and the final set of Rules. CARRIED.

- 5.5 Water Sector (Licence, Fee, Offence and Penalty) Regulations, Draft Determination (for approval.) - see agenda item 3.3.



5.6 Energy and Utilities

5.6.1 E&U Monthly Update

The current Report was placed in the Board Papers. The EDEU provided summary of the E&U Monthly Dashboard Report and an update on 5.4.2 and 5.4.3 of his report.

(GB left the meeting for items 5.6.2, 5.6.3 and 5.6.4.)

5.6.2

5.6.3

5.6.4


5.7 Fuels

Redacted under Sec 19 Public Authority Law Regulatory decision

5.7.1 Fuels Sector Monthly Dashboard - The CFI provided a summary.

5.7.2 Appointment of a consultant for Fuels Market Assessment - The CFI gave an update.

5.7.3 Renewal of Operating Permits - SOL Petroleum Cayman Ltd. and Rubis Cayman Islands Ltd.

(EDEU gave his apologies and left the meeting due to a )

5.8 ICT

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5.8.1 ICT Monthly Dashboard - The ACEO provided a summary.

5.8.2 Conference Report - Caribbean Regional Cyber Crime Conference. The report is in the Board Papers. The ACEO provided an update.

5.8.3 Cyber Law Initiative - Document in the Board papers. The ACEO provided an update.

5.8.4 National Cybersecurity (update) – Document in the Board papers.

5.8.5 Digital Cayman Initiative - Document in the Board papers. The ACEO provided an overview.

5.8.6 ICT Licensing Framework Consultation (update) - The ACEO provided an update. Consultation ends on July 29, 2019. He planned to issue draft determination in August and issue new licenses in September.

5.8.7 SEACAT (update) - Document in the Board papers. The ACEO provided an update.

6. Chief Executive's Report

The ACEO's report was inserted into the Board Papers. The ACEO apologized for not submitting a report for the last Board Meeting on June 13, 2019, and presented a summary of the current report.



7. Any Other Business

7.1 Search for new office space - see item 4.2.6.

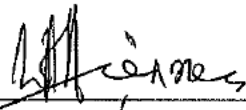
7.2 Annual Report 2018 – an update on the progress made was given.

7.3 [REDACTED] Report was received on July 19, 2019, and was inserted into the Board Papers folder. Redacted under Sec 23 (1) of FOI law 2020 revision Personal Info.

7.4 Communications policy – The Board stated the need for a Communications policy regarding Office communications with stakeholders and the media. Tabled for next board meeting. Motion by consensus: develop draft communications policy to outline how the Office will communicate with stakeholders for Board's review and approval. All agree. CARRIED.

7.5 Annual Plan 2019 Progress Report – The Board directed the Chief Executive Officer, in conjunction with the Executive Directors, to produce a quarterly Red Amber Green (RAG) report in relation to the goals set out in the Annual Plan 2019 which would be attached and presented as a part of the CEO's Report. Motion, PB and seconded by PE: that the Chief Executive Officer, in conjunction with the Executive Directors, produce a quarterly Red Amber Green (RAG) report in relation to the goals set out in the Annual Plan 2019 which will be a part of the CEO's report. CARRIED.

8. Date of next meeting August 29, 2019

Signature of Chair: 

Date: 18/9/19