



**Board of Directors Meeting of the
Utility Regulation and Competition Office (“OfReg”)
held on Thursday, 24 September 2020, 9:00 am
(Via Virtual Conference)
General Meeting 7 of 2020**

Minutes

In attendance:

Dr. the Hon. Linford Pierson, Chair (Chair)
Mr. Ronnie Dunn, Non-executive Director (RD)
Mr. Rudy Ebanks, Non-executive Director (RE)
Mr. Paul Byles, Non-executive Director (PB)
Mr. Phillip Ebanks, Non-executive Director (PE) (left at 2:30 pm)
Mr. Gene Banks, Non-executive Director (GB)
Mr. Malike Cummings, Chief Executive Officer (CEO)
Mr. Duke Munroe, Chief Fuels Inspector/Director Fuels Markets (CFI)
Mr. Sonji Myles, Acting Executive Director ICT (AEDICT)
Ms. Alison Maxwell, Assistant General Counsel/Secretary (AGC/S)
Mr. Christen Suckoo, Chief Operating Officer (COO) (by board directive)
Mr. Louis Boucher, Deputy Director Energy & Utilities (AEDEU) (By invitation)

Apologies:

Mr. Gregg Anderson, Executive Director Energy & Utilities (EDEU)

Start: 9:07 am End: 3:14 pm

1. General

1.1 Welcome and Prayer

The Chair welcomed everyone, and the CEO said the prayer.

1.2 Approval of Agenda

Moved by RE and seconded by RD

1.3 Chair’s Remarks

My remarks, today, will be focused on procedural matters relating to OfReg as a whole, but in particular the Board of Directors, and by extension the Board group.

BEGIN WITH THE END IN MIND: *As a good leader*, this “means to begin each day, task, or project with a clear vision of your desired direction and destination, and then continue by flexing your proactive muscles to make things happen. ...It reaffirms who you are, puts goals in focus, and moves your ideas into the real world.” With this mantra in mind, the most important



qualities of a *good leader* include integrity, honesty, accountability, humility, resilience, vision, influence and positivity. “*Management* is about persuading people to do things they may not want to do, while *good leadership* is about inspiring people to do things they never thought they could.” To ‘*begin with the end in mind*’ reaffirms you are a *good leader* who leads by example and that you are “*one who knows the way, goes the way, and shows the way.*”

THE EFFECT OF EGO ON LEADERSHIP: *Humility is one of the key elements of good leadership.* There are serious negative effects from uncontrolled egos, which appear to be extant within OfReg. There are some of us who feel that we are ‘all knowledgeable’—*that we know everything about everything.* While, admittedly, OfReg is fortunate to have very talented Directors, Management and Staff, we should, each one, nonetheless do a thorough introspection of ourselves, which results could provide very useful assessments of our inherent weaknesses and limitations. It was therefore against such a self-centered background that we all pledged our altruistic and self-effacing bond of unity at our “One OfReg” Reset Workshop held in December 2019.

PROCEDURAL BOARD MATTERS: In my email dated 23 September 2020, I brought to the attention of the Board group the importance of ‘*beginning with the end in mind*’. In order for us to accomplish and maintain efficiency and effectiveness within OfReg, we need to observe best practice of good leadership within the Board and Management of OfReg—we need to operate as a “One OfReg”. In this connection, we can start by becoming more efficient in our attention to matters relating to the Board. For example, there is no acceptable excuse why Board Papers are delayed to within one day of a Board Meeting before they are sent to the Board Secretary to be placed in the Board Dropbox. These documents should be forwarded to the Board Secretary at least 5 days prior to our General Board Meetings—which are usually scheduled once per month. It is, of course, understood that the 5 days requirement would normally not apply to Special Board Meetings, which are usually called at short notice. However, where time allows, Board Papers, etc., should be made available to Board Members as soon as possible.

Further, as the dates of our General Board Meetings are usually scheduled a month in advance, there is no reasonable and rational excuse for OfReg’s full-time employees, including the senior executive members of the Board, to not be more efficient in submitting their Papers to the Board Secretary, to be placed in the Dropbox at least 5 days prior to a scheduled General Meeting. Such unreasonable delay, not only reflects inefficiency on the part of those officers who are delinquent in submitting their Board Papers in a timely manner, but may also suggest indifference towards other Board Members who have to spend long hours studying lengthy and sometimes complex Board Papers, placed in the Dropbox as late as a day prior to a

General Board Meeting. Such inconvenience is especially inconsiderate to our Non-Executive Directors, who are also engaged in fulltime employment, and who serve as part-time appointees to the Board. Of course, the Non-Executive Directors are similarly expected to provide their Papers and/or Agenda Items to the Board Secretary at least 5 days prior to a scheduled General Board Meeting. Further, I do not expect that any Member of the Board (Executive or Non-Executive) should be relegated to becoming a *“Rubber Stamping Member of the Board”* in order to accommodate the unreasonable late receipt of Board Papers. In such a situation, I would agree with any member of the Board who may wish to defer certain items on an Agenda, if there is insufficient time to properly study Papers, etc., not provided within the recommended 5 days’ timeline.

OFREG’S 2019 DRAFT ANNUAL REPORT: I realize that the draft 2019 Annual Report was circulated by the CEO to the Board group for feedback prior its completion. However as discussed with the CEO, I am not pleased with the manner in which the Report has, thus far, been prepared/produced. This Report is a most important document, and as such should be prepared with the professionalism in mind which is cognizant of the fact that the first impression of most things is lasting. For example, the cover page of a serious Report, such as the 2019 Annual Report, should provide the psychological effect that suggests to the reader the importance of a document prior to reading its contents. Also, there are too many unnecessary pictures which seem to be placed in the Report to fill space. However, as stated, I realize it is still in its draft stage and hopefully, when finalized, will reflect the significance of this important Report. ENDS.

2. Declaration of Interest

The AEDEU declared an interest in relation to Agenda Item #4, specifically in relation to the discussions regarding the recruitment of the Executive Director of Energy and Utilities.

3. Minutes of Previous Meetings and Round Robin Resolutions

3.1 Approval of the Minutes of:

- General Meeting no. 6, held 27 August 2020 v3

Approved as amended. Moved by RE and seconded by PB. CARRIED.

- Special Meeting no. 4 held 16 September 2020, v2

Approved as amended. Moved by RD and seconded by PB. CARRIED.

3.2 Matters arising from Minutes

3.3 Round Robin Resolutions

Confirmation of Round Robin vote regarding the DER to CORE reallocation Determination. Moved by RD and seconded by PB. CARRIED.

4. Chief Executive Officer Report

The CEO gave a summary of his report.

- The Chair asked if the 2021 Annual Plan will be done during the strategic planning meeting. The CEO responded that the 2021 Annual Plan, will commence and be informed by the outcomes of the strategic planning meetings.

- [REDACTED]

- The CEO also informed the Board that the Request for Proposal regarding the Battery Energy Storage System (BESS) was issued by Caribbean Utilities Company during first week of August. Potential respondents were given until 28 August 2020 to provide notice of intent to propose. Proposals are due electronically by 30 October 2020 as per the RFP.

- [REDACTED]

The AEDICT stated that he will prepare a report that

highlights the technical and regulatory concerns as well as recommendations as to how OfReg should proceed.

- RE requested if the Board can be provided with a project plan in relation to cabinet directive no.1 that outlines the timelines that the Office plans to comply with each component of the directive. The CEO stated that he will do a document that will outline the strategy and the timeline. The Board asked about the strategy in relation to resolving the C3 and Flow disputes. [REDACTED]

- **Motion:** [REDACTED]

- RD asked CEO why he decided to re-advertise the EDEU post. The CEO asked the AEDEU to recuse himself. The AEDEU agreed and left the meeting at 12:08 pm.

- [REDACTED]

5.1 **E&U**

5.1.1. CREA proposals, next steps

[REDACTED]

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- 5.1.2. OTEC, for further discussions and consideration by the Innovation Committee
- 5.1.3. CWC Cost of Service Study - Addressed in the CEO's Report. An invitation was sent to have a joint meeting with the Management of CWC to address any concerns they might have.

5.2 Fuels

- 5.2.1. Update on Fuel Price investigation – addressed in the CEO's report as well as the presentation by the CFI.
- 5.2.2. Status of Fuels Market Assessment - addressed in the CEO's Report and as well as the presentation by the CFI.

5.3 ICT

- 5.3.1. Update on Cabinet Directives
- 5.3.1.1. Achieving Full Liberalisation of the Cayman Islands Telecommunications Market and Developing a Robust Internet Infrastructure” – addressed in the CEO’s Report.
- 5.3.1.2. C3 Disputes – addressed in CEO’s Report.
- 5.3.2 Update on Internet Speed Testing Tool – addressed in the CEO’s Report and discussed at length.

6. Board Matters

6.1 Board Administration

6.1.1 Implementation of OAG E&E Report Recommendations:

- 6.1.1.1 Adoption of Core Values Paper (Rec. 5) – The CEO reminded the Board that one of the Office of the Auditor General's recommendations was the adoption of core values. A list of core values was identified at the OfReg Reset Workshop in December 2019, and the Board needs to officially adopt them.

Motion: The Board to approve the core values, which were identified during OfReg Reset Workshop, as listed in the board paper. Moved by RD and seconded by RE. CARRIED.

- 6.1.1.2 Identifying Missing Regulations and rules Paper (Rec. 2 & 16) – Update

The CEO provided a brief update, and confirmed that this item will address recommendations 2 and 9 of the OAG's report. The GC has prepared a catalog of existing regulations, rules, licence conditions, etc. The next step will be to identify which regulations, rules, etc. are missing that are needed for OfReg to properly regulate the sectors. The third phase will entail identification and prioritisation of activities and work related to the missing regulations, rules, etc. The GC is doing a final review of the document, and when completed will be presented to the Board during the next scheduled board meeting.

- 6.1.1.3 Cabinet paper, Amendment of URCL to remove Ex Dirs. and make the Chair of the R&A Committee a member of the Board (Rec. 4 & 8) – The CEO reminded the Board that one of the recommendations from the OAG's report was for the removal of the Executive Directors from the Board of OfReg. A Cabinet paper was prepared and included in the Board papers. The paper will address recommendation 4 as well as recommendation 8, which provides that the Risk and Audit Committee Chair be a member of the Board. The chair reminded the Board that his position on OAG's Recommendation 4 was well known, as he had previously informed the Board in writing of his opposition to this recommendation.

Motion: Be it resolved that the Board approves the Cabinet paper as drafted. Moved by PB and seconded by RD. CARRIED.

- 6.1.1.4 Amendment to OfReg Procurement Policy Manual (Rec. 12)
The CEO stated that Recommendation 12 was in relation to the amendment of the procurement policy manual. A board paper was prepared, and provides an overview of the amendments that were made. In addition, a clean copy of the

amended policy as well as a tracked changes version were included in the board papers. RD countered that unless it is going to impede the organisation, the amended policy should be referred to the Finance Committee or the Risk and Audit Committee for a deeper review resulting in a recommendation to the Board at the next meeting due to its importance.

Motion: The Board received the proposed amendments to OfReg's Procurement Manual, and the document stands referred to the Finance Committee for further consideration and recommendation to the Board for approval. RE noted that a lot of the amendments appeared to be influenced by Core Government's policy and believes that an obligation to obtain the approval of the Board in relation to certain thresholds should be considered.

Moved by RD and seconded by RE. CARRIED.

The COO asked if this process should be followed going forward when approval is required by a Committee. RD suggested that this should ideally be the process, documents being received by the Board then being passed to the relevant Committee for a recommendation.

6.1.1.5 Board Minutes Publishing Policy (Rec. 6)

The proposed Board Minutes Publishing Policy was inserted into the Board papers. COO gave a brief summary of the proposed policy.

Motion: Be it resolved that the Board approves the proposed policy as drafted. Moved by RE and seconded by PB.

6.1.2 BAIL (general discussion) – RE shared some issues that he and the NEDs had with the BAIL, and would like the CEO and the Executive Directors to address the issues prior to the next scheduled Board Meeting.

6.1.3 Board Action Item Log ('BAIL') – deferred.

6.1.4 Planned measures to ensure equitability and fairness in fuel prices at the pump – Update provided by CFI.

6.1.5 Update on Recruitment of Recording Secretary (Full time or Part time) – The COO will prepare a job description for the Board's review and approval.

6.1.6 CWC Licence – addressed in the CEO's Report.

6.1.7

[REDACTED]

6.1.8 Status of review of various laws including timetable for planned changes – addressed under Agenda Item 6.1.1.2.

6.1.9 OfReg Information Security Policies – Deferred.

6.1.10 Board Resolution request to change the primary contact on QuickBooks account from former Financial Controller (Troy



Claxton) to current Financial Controller (Melissa Powery). Moved by RD and seconded by RE. CARRIED.

6.2 Board Committee reports

- 6.2.1 Risk and Audit Committee (PB (Chair), RD, PB and PE), PB and FC) – No update.
- 6.2.2 Public Relations Committee (RD (Chair), PB, PE, RE and CEO) – No update.
- 6.2.3 Innovation Committee (PB (Chair), PE, RE, EDEU) – No update.
- 6.2.4 Remuneration and Human Resource Committee (PE (Chair), RD, RE, PB) – no update.
- 6.2.5 Finance Committee (RD (Chair), PB and FC) – no update.

7. AOB

7.1 Resignation of the Board Secretary

The AGC/S informed the Board that she intends to resign, but will have a discussion with the CEO prior to submitting a Letter of Resignation.

8. Adjournment – 22 October 2020 at 9 am.

HA Cox
27 October 2020