



**Board of Directors Meeting of the
Utility Regulation and Competition Office
("OfReg")
held on Wednesday, 15 February 2017,
at its Offices, 3rd Floor Alissta Towers**

Minutes

Present:

Dr. the Hon. Linford Pierson	Chairman
Mr. Jeffery P. Morgan	CEO
Mr. Alee Fa'amoe	Executive Director ICT (EDICT)
Mr. Charles Farrington	Executive Director Energy & Utilities (EDEU)
Mr. Duke Munroe	Chief Petroleum Inspector/Dir Fuel Markets
(CPI)	
Mr. Sonji Myles	Deputy Director ICT/Acting Secretary (DDICT)
Alison Maxwell	Legal Analyst (AM)
Tessa Ryan	Manager Economics (present for Item 4.1.1 only)
Mr. Daniel Ebanks	Manager Infrastructure and Spectrum (present for Item 4.1.3 only)
Mr. Jose Hernandez	Manager TV and IP (present for Item 4.1.2 only)
Ernst & Young Representatives	(present for Item 4.1.1 only)
Keiran Hutchinson	
Penny Cassell	
Louise Cooper	

Apologies

Nil

Meeting called to order by Chair: 10:17am



1. General

1.1. Prayer

Chair offered word of prayer.

1.2. Welcome

Chair welcomed all. Chair sought approval to take Item 4.1.1 as the EY presenters were awaiting. All agreed.

1.3. Minutes of Previous Meeting

1.3.1. Approval of Minutes

Motion: CEO moved a motion to accept the minutes as drafted without further amendments. The Chairman seconded the motion.

Motion carried- minutes approved.

1.3.2. Matters Arising

Item 1.4.1 Declaration of Interests/Conflicts- Board directed AM to forward forms to HR for completion by end of next week.

Item 1.4.2 Board Member Appointments- Chair informed Board that nine (9) applications have been received from persons seeking to be appointed to the Board- ongoing.

Item 3.2 FOI One request has been responded to in full. Second being worked on.

Item 3.3 Consumer Protection Regs- Board concluded that is best to keep regs sector specific – thus each sector should consider drafting their own.

Item 4.3 Fuels- CPI updated Board that all amendment Laws have been enacted.



1.4. Board Matters

NIL

2. Administration

2.1. Transition

Executives confirmed that all of their Teams are settled in at Alissta Towers.

2.2. Office Search

Ongoing

2.3. HR Update

CEO informed the Board that outstanding staff contracts are being finalised. Additionally, the Chief Financial Officer and General Counsel posts are to be advertised within the next week.

2.4. Operations Update

CEO hopes by next meeting we should have our management reports available.

2.5. Finance Update

Executive Team informed Board that work to establish OfReg accounts is ongoing.

3. Consumer Affairs

Nil

4. Regulatory

4.1. ICT

4.1.1. Presentation of Draft Report- Financial Audit of Cable and Wireless Cayman Islands Limited.

EY Representatives reported on their financial audit findings.

Action 1: EY to provide summary of findings and clarification on how the Office may utilise the final report.

Action 2: Contingent on the clarification of how the Office may utilise the Report, Staff are to satisfy themselves as to the accuracy and completeness of CWCIL's audited financials embodied in their unqualified opinion, given the serious issues uncovered by EY- this should include directing CWCIL to have their auditors explain how they arrived at an unqualified opinion.

4.1.2. Local TV Issue – staff briefing

JH made presentation on current state of TV- local content obligations, discussions and the pros and cons regarding making stations must carry.

Action: Staff to further examine the best approach for local licensees and make recommendations to the Board. Board suggested using/finalising the ICTA's consultation on the 'Future of Local Television Broadcasting'.

4.1.3. Fibre Rollout- Update

DE Made a presentation on history and current issues relating to fiber rollout obligations, in particular the failure of licensees to meet their obligations and the purpose and status of the related 'Pole Attachment Working Group'.

The Board determined that the current situation is one that cannot be allowed to continue as it has, and that there is great need for the issues to be addressed in a manner that will result in establishing the necessary infrastructure the obligations were designed to achieve, as a means to provide choice to the un-serviced areas of the country.

Motion: CEO moved the motion that staff shall:

1. Continue the Pole Attachments Working Group.
2. Explore and develop a plan to rollout fiber to the eastern districts.

Chair seconded the motion.

Motion Carried.



*****Lunch Break*****

2:00 pm - 2:19 pm

4.2. Energy and Utilities

4.2.1. Proposed Accounting Treatment & Remaining NBV of Generating Units 14, 15, & 16

EDEU informed Board of a proposed application for Treatment of three (3) CUC Generating Units that are no longer being used. EDEU provided background on how such treatments are handled in the industry, noting that there is no impact or detriment to the consumer or industry.

Board Approved proposed treatment.

4.2.2. CUC Declaration of Dividend on Class A Ordinary Shares.

EDEU outlined CUC's recent declaration of dividends on Class A shares.

This presentation was provided for information purposes only and required no consideration or action by the Board.

4.2.3. Approval of modifications to CORE Agreement

EDEU sought approval from the Board to allow the CEO to approve the draft agreement when finalised.

Board Approved.

4.3. Fuels

4.3.1. Vehicle Approval

CPI Sought approval to search for a vehicle to support CPI Sector.

Board approved search and acquisition of suitable, purpose-built vehicle not exceeding \$45,000.00KYD.

4.3.2. Appointment of Fuels Advisory Committee

CPI Updated on purpose and need for the proposed Committee.

The Board approved the appointment of former Dangerous Substances Handling & Storage Board members as members of the Fuels Advisory Committee.

4.3.3. Appointment of Fuels Standards Committee

The Board approved appointment of members to the Fuels Standards Committee in accordance with Section 9A of the Dangerous Substances Handling and Storage (Amendment) Law 2015.

4.4. Regulatory General

4.4.1. General Statutory Obligations of the Office

4.4.1.1. To discuss development of Consultations process

EDICT, DDICT and AM updated the Board on the requirement to establish and publish a consultation procedure. This is ongoing and a draft consultation on consultations will be completed for circulation.

4.4.1.2. To discuss development of Determinations Process

Staff continue to work on this.

4.4.1.3. To discuss development of Regulations

EDICT update the Board on the ongoing work in relation to creating draft regulations for Network Security, Internet Service Provider (standards) and Consumer protection (ICT).

These are all being worked on and when drafts are complete will be presented to the Board prior to consultation.

4.4.1.4. To discuss development of Guidelines

Nothing to report- ongoing

4.4.1.5. License Applications

DDICT Updated Board on two (2) decisions made by the former ICTA Board.

- Denial of licence grant to 'Internet Mobile Technologies' for ISP licence.



- Grant of FM broadcasting licence to Spread the Word Int'l Ministries t/a 'Voice FM'.

Board approved communication of decisions under 'OfReg'.

4.4.1.6. Disputes

DDICT updated the Board on a dispute from FLOW against Digicel regarding Digicel's marketing slogan "Cayman's fastest Network".

Staff are reviewing the complaint.

4.4.1.7. To discuss development of Complaints Process Ongoing

4.4.1.8. To approve update to Type Approvals framework

4.4.1.8.1. Process

4.4.1.8.2. Fees

Board approved staff developing new approval process with associated fees reasonable to the industry and jurisdiction.

5. Any Other Business

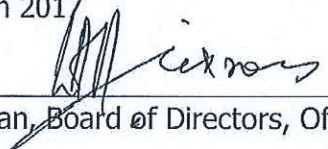
None

6. Date of Next Meeting

Next Meeting- 2 March 2017

Meeting Concluded: 3:46

The below certifies that these minutes were approved by the Board on:
2 March 2017



Chairman, Board of Directors, OfReg