



21 September 2022

## **OfReg investigation finds FLOW overcharged business customers**

OfReg is investigating the pricing practices of telecommunications service provider FLOW. It has, so far, confirmed that FLOW overcharged all its fixed line business customers from January 2019 onwards, by applying an unapproved rate increase from CI\$30.00 to CI\$35.00 per month.

Restrictions in FLOW's operating licence at the time, included the legal requirement to submit proposed rate increases to OfReg for review and approval. To protect customers and promote competition in the marketplace - for any change in rate charges, increases or decreases - FLOW was required to provide evidence and justification to the regulator, in advance.

At this point in the investigation, FLOW has admitted that it failed to comply with a licence condition to seek OfReg's approval prior to applying the increased rate, which has resulted in its business customers being overcharged by CI\$4.99 per month.

OfReg has issued FLOW with an Administrative Fine Notice in relation to the contraventions, a process which affords Flow an opportunity to provide a formal response to the allegations. After a review of FLOW's response, the Office will issue a decision of its ultimate findings, which will include any appropriate penalties. OfReg will also consider other appropriate directives to be issued to FLOW. The final determination and agreed course of action will be published by OfReg, as soon as it is available.

**- ENDS -**

### **ABOUT OFREG**

The Utility Regulation and Competition Office ('OfReg' or the 'Office') is the independent regulator established by s4 of the Utility Regulation and Competition Act (as revised) (the 'URC Act') for the electricity, information, and communications technology, water, wastewater, and fuel sectors in the Cayman Islands.

OfReg provides the opportunity for consistency and collaboration in regulation across the energy, fuel, ICT, and water sectors; better utilisation of skills and resources, resulting in more efficient and effective regulatory processes; encouraging competition where appropriate and feasible; championing sustainability and innovation across markets, contributing to the economic and social goals of the Cayman Islands.



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**UTILITY REGULATION AND COMPETITION OFFICE**

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