



5-Year Strategic Plan 2023



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Introduction

This revised strategic plan is being produced to comply with the requirements of the Utility Regulation and Competition Act (2021 Revision) (the URC Act) section 44 (4).

On 17 November 2017, the Utility Regulation and Competition Office (OfReg) published its first strategic plan, as outlined in section 41(4) of the URC Act. That strategic plan, along with any applicable government policy, was expected to guide OfReg's short and medium-term focus in each of the sectors for which it has responsibility. The URC Act also requires that the strategic plan be reviewed every three years.

This document is the updated strategic plan, which will guide the organisation's operations for the next five years or until the next review.

This strategic plan sets out the big picture of the world in which OfReg operates and provides a comprehensive and understandable summary of OfReg's purpose and priorities, the challenges that it faces and the outcomes it is seeking to achieve. The plan also outlines OfReg's objectives, how it will achieve those objectives and the ways it will measure success.

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Company Name

The Utility Regulation and
Competition Office (OfReg)



Our Strategic Direction

OfReg's strategic direction aligns with Government's priorities and is designed to:

- Promote effective and fair competition, to protect the interests of consumers, and to facilitate innovation to promote economic and national development.
- Protect Critical National Infrastructure.
- Ensure that our business processes and systems are fair and encourage competition and deliver services at economic cost.
- Actively adapt to changing policy, technologies, and markets.
- Drive innovation in our people, processes and business practices.
- Strengthen our detection of, and response capability to, non-compliance.

Our Vision

Fair Regulation for Consumers & Industry.

Our Mission

To ensure safe, reliable, and economic public utilities to businesses and the people of the Cayman Islands.

Our Values

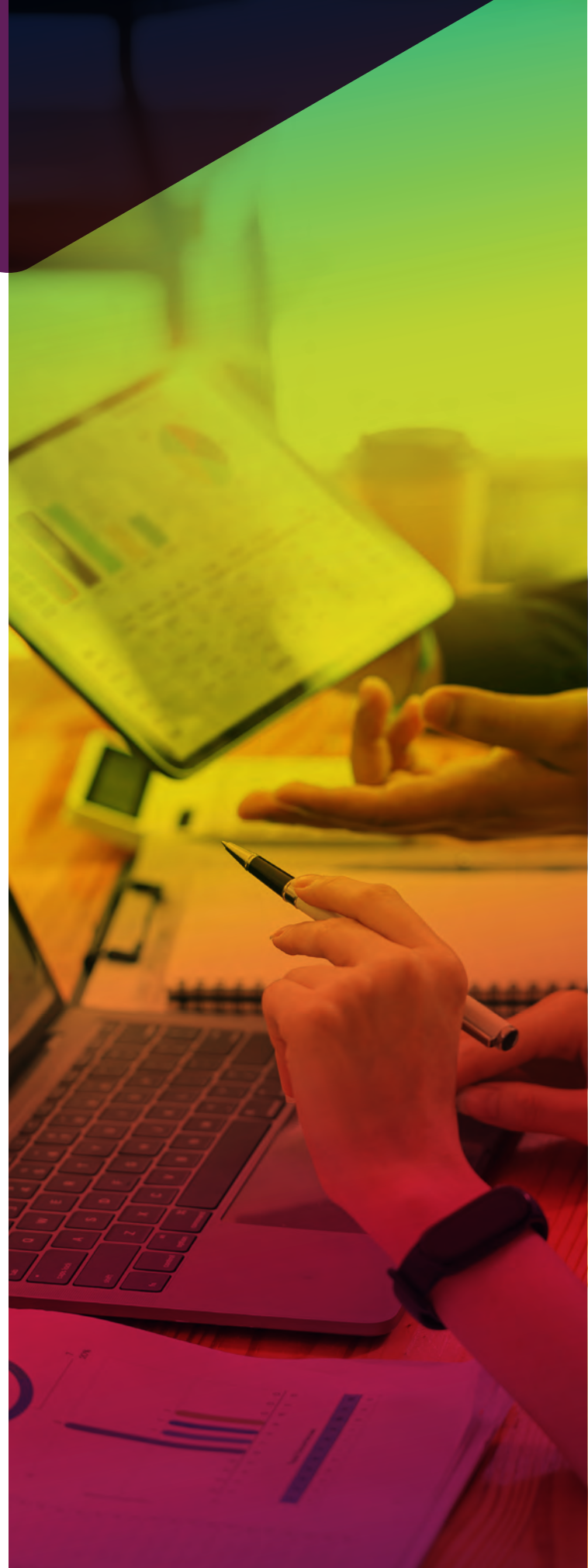
- Integrity
- Fairness
- Trust
- Non-Discriminatory
- High Ethics

Ofreg's Strategy

Our strategy is to take the necessary steps to achieve our vision by doing the things that will achieve the Government 's priorities as set out in the National Energy Policy (NEP), promote effective and fair competition and protect consumer interests. We have developed priorities under five areas of focus.

The focus areas are:

- Information & Communications Technology.
- Electricity.
- Fuels.
- Water.
- Institutional Strengthening.





Implementing the Strategy

We are committed to developing an implementation plan to translate our vision into tangible outcomes.

Our implementation of the strategy is broadly divided into short, medium, and long-term goals. These goals are focused on improving the efficiency, quality and capability of the current teams that support operations and are underpinned by the need to ensure that OfReg maintains and builds the trust of consumers and industry to assure them that we provide fair regulation and competition for all. **Short-term goals** will be achieved in 1 year, while **medium-term goals** will be achieved within 2-3 years and **long-term goals** will be achieved in 4-5 years.



The key initiatives we will focus on:

EFFECTIVE REGULATION

OfReg will focus on enhancing the regulatory framework for all sectors under our remit to ensure safe, reliable, sustainable, and economic public utilities for the Cayman Islands.

INSTITUTIONAL STRENGTH

OfReg desires to embrace the concept of “One OfReg,” which means creating a culture of improving capability, learning and development, working together, accountability and an organisation that shares a common purpose, vision, and values and to ensure that all employees feel included.

INNOVATION

We will support the use of industry-led innovative technologies that can be used to bring about meaningful change within the sectors that we regulate.

TRANSPARENCY, STAKEHOLDER AND CONSUMER ENGAGEMENT

To implement a strategy of transparency and stakeholder & customer engagement, OfReg will measure its success and then enable customers and other stakeholders to track its success.

PROTECTING THE CRITICAL INFRASTRUCTURE OF ALL PUBLIC UTILITIES

Natural disasters and cyber threats pose an increasing risk to our “critical national infrastructure”, which means systems and assets, whether physical or virtual, so vital to the Islands that the incapacity or destruction of those systems and assets would have a debilitating impact on security, national economic stability, national public health or safety, or any combination of those matters.

Corporate Culture

OFREG'S OPERATING MODEL INVOLVES THE FOLLOWING ELEMENTS

We will focus on ensuring a culture of learning and development, engaged staff, inclusiveness, improving capabilities and capacity, improved performance, achieving targets, open communication, dynamic leadership, and management.

EMPLOYEE ENGAGEMENT

Even the best-designed processes and systems will only be effective if carried out by people with high engagement. Promoting employee engagement includes employee activities, purposeful leadership, and HR processes.

CUSTOMER EXPERIENCE

OfReg will continually evaluate how customers and other stakeholders perceive our service delivery.

OfReg Strategic Framework

STRATEGIC FOCUS

To identify opportunities, develop and implement strategies designed to enable the people of the Cayman Islands to have access to and utilise new technologies, and to improve their lives through increased economic activity; while ensuring that traditional utility services are delivered efficiently and at least economic cost.



Broad Strategic Objectives

Operating Environment

CIG PRIORITIES

The Cayman Islands Government (CIG) has established 10 strategic priorities of which four are relevant to OfReg's work:

- Providing solutions to improve the well-being of our people so they can achieve their full potential.
- Strengthening good governance for more effective government.
- Supporting climate change resilience and sustainable development.
- Building a modern infrastructure to ensure a successful future for our islands.

OFREG STRATEGIC PRIORITIES

Ofreg has developed 7 strategic priorities, aligned with the CIG priorities, to deliver on its mission, vision and strategic direction, including:

- Protecting Critical National Infrastructure.
- Creating a customer-focused service delivery system that ensures that utility services are delivered efficiently and at least economic cost.
- Modernising the licensing and regulatory policy framework for the sectors that we regulate.
- Facilitating innovation within the sectors.
- Optimising staff development and engagement to best leverage skillsets.
- Facilitating implementation of relevant national technology policies.
- Facilitating implementation of relevant aspects of Government's National Energy Policy priorities related to the sectors.



Critical National Infrastructure

To ensure safe, resilient, and proper functioning of the Critical National Infrastructure for all sectors.

WHY

To ensure that Critical National Infrastructure is efficiently and safely operated, to protect national security and health and safety. In addition, to support the economic growth and societal development of the country as well as instill confidence in all consumers and stakeholders of utility infrastructure.

MEASURES OF SUCCESS

- Implementation of Critical National Utility Infrastructure Protection Rules.
- Ensure that the industry rectifies issues identified during routine inspections are actioned within the prescribed time frame.

HOW

- Developing Critical National Utility Infrastructure (physical/virtual) Protection Rules.
- Ensure that the industry conducts annual risk management assessments on Critical National Utility Infrastructure.
- Ensure that the industry submits an annual security report as outlined in the Critical National Utility Infrastructure Protection Rules.
- Review and assess the appropriateness of the annual security report submitted by industry.
- Establish compliance plans and metrics for Critical National Utility Infrastructure owners/operators and monitor phased implementation.



Consumer Protection

Oversee Customer Service Standards & Guidelines to manage customer expectations and establish obligations on the service provider to maintain a high quality of service.

WHY

To ensure regulated licensees are fully compliant with their obligations and are treating their customers in a fair and transparent way.

HOW

- Develop Consumer Protection Regulations for all sectors.
- Continue to develop and support the Consumer Council.
- Develop a framework for the monitoring of customer complaints received by licensees.
- Resolve complaints received by OfReg.
- Conduct Customer Satisfaction Surveys on licensees.

MEASURES OF SUCCESS

- Implement the reporting framework for monitoring customer complaints.
- Effective resolution of complaints received by OfReg.
- Feedback from surveys indicates an increase in satisfaction with the service received.





Energy sector

Implement regulatory frameworks to support and give effect to the National Energy Policy (NEP).

WHY

To enable the electricity network to efficiently and safely accommodate more renewable generation that helps achieve the NEP targets, increases economic development in the Cayman Islands, and improves the competitiveness of the market where appropriate.

HOW

- Review regulations, regulatory policies, rules, and decisions on electricity generation to assess how they support Cayman's decarbonisation commitments and energy policy objectives.
- Establish a framework for conducting Regulatory Impact Assessments.
- Assess the value of solar for tariff-setting purposes to ensure better alignment and implementation of NEP initiatives and strategies.
- Publish periodic reports on electricity statistics for households and businesses.

MEASURES OF SUCCESS

- The framework allows for Cayman to be on track to meet the 2030 renewable energy generation target of 30%.
- Reduce Greenhouse Gas (GHGs) emissions in accordance with the NEP energy efficiency and sustainability goals.

Implement a robust regulatory mechanism for the approval of Integrated Resource Plans to ensure adherence and compliance with industry best practice.

WHY

To lower the cost of electricity, the risk of price volatility, and the social and environmental impacts.

HOW

- Complete and implement an Integrated Resource Plan Approval Mechanism.

MEASURES OF SUCCESS

- Full implementation of a regulatory mechanism for review and approval of Integrated Resource Plans.
- Review and approve Integrated Resource Plans filed by Caribbean Utilities Company, Ltd. within 90 days of submission.





Establish a framework for conducting Regulatory Impact Assessments (RIAs) that weighs possible effects of proposed and existing regulations and non-regulatory alternatives in order to create a robust system of regulatory oversight that encourages sound policy development and implementation.

WHY

Good regulatory processes ensure that OfReg maintains appropriate control over decision-making and the capacity to implement policy quickly where necessary.

HOW

- Conduct analysis to determine what RIA frameworks exist in other jurisdictions.
- Consult with stakeholders on the proposed RIA framework.
- Produce Best Practices Regulation Handbook and Guide to Regulatory Impact Analysis.
- Have the Cabinet enact RIA legislation, guidelines, and rules.
- Implement RIA framework.

MEASURES OF SUCCESS

- Full implementation of Regulatory Impact Assessment Framework.

Establish a framework for the implementation of new technologies in renewable and alternative energy to ensure a structured approach for their evaluation.

WHY

A framework that provides a clear process for the development of new technologies in renewable and alternative energy will help the Cayman Islands meet its future energy demand, lead to increased economic activity from investments, and enable Cayman to become a regional leader in these technologies.

HOW

- Review applicable laws, regulations, policies, and published papers to determine if there are any barriers to the implementation of the new technologies.
- Conduct consultation with stakeholders to determine the best-fit technologies for the country, and optimum models of implementing new renewable and alternative energy technologies.
- Produce a framework and implementation strategy for new technologies.

MEASURES OF SUCCESS

- Full implementation of codes and standards, regulations and best practices.
- Provide competition for the acquisition of renewable and alternative energy to ensure the lowest and most reasonable cost of energy.
- Innovation plans are delivered as part of licensees' capital investment plans.
- A year-on-year increase of at least 1% in the number of companies that implement clean energy technologies in the Cayman Islands compared to the 2020 baseline.





Leverage advances in technology in the international electricity sector to advance National Energy Policy initiatives, stimulate economic development, and reduce the cost of energy.

WHY

The Cayman Islands can become a testbed for new technologies that can stimulate economic development and provide more reliable and affordable electricity from a diverse energy-generating portfolio.

HOW

- Determine what initiatives are being used by other jurisdictions to stimulate technological economic development.
- Publish a position paper on potential technologies applicable to the Cayman environment.
- Produce a framework for the implementation of new, innovative, and experimental initiatives for the production of energy.
- Launch a promotion campaign in conjunction with the Government.

MEASURES OF SUCCESS

- Increase the number of new grid enhancement projects (eg. Renewable energy battery storage, Electric Vehicle (EV) Charging Stations, New Inverter Technology, etc).
- Recruit five technology businesses to demonstrate new applicable technologies by 2025.

ICT Sector

Modernise the licensing and regulatory policy framework to facilitate investment, innovation, and development in the ICT sector to reflect global developments.

WHY

Having a modernised ICT framework will allow for efficient and practical licensing and effective regulation. It will provide certainty in the sector, effective consumer protection, and promote and mandate fair competition by lowering barriers to entry and mandating fair competition practices. This will help increase the benefits to the community by stimulating investment in the economy, improving access to services and increasing the choice of available services.

MEASURES OF SUCCESS

- Establishment of a national ICT Strategy
- Establishment of regulatory policies applicable to all licensable services.
- Establishment of Consumer Protection Regulations.
- Definition of relevant ICT markets with appropriate restrictions being applied to operators who have the significant market power to facilitate fair competition.
- Newer-generation mobile network established throughout the country.
- Establishment of a national Spectrum Strategy.
- Confirm actual spectrum usage aligns 100% with spectrum assignments.

HOW

- Establish a national ICT Strategy that will outline the short, medium and long-term development, regulation, and service provision expectations of the ICT sector.
- Modernise the ICT framework to adopt best practices and policy approaches recommended by leading international, and regional industry policymakers and regulatory counterparts that are customised for the Cayman Islands.
- Implement regulations and standards that define consumers' rights, and enforcement measures to increase levels of consumer protection.
- Conduct A Significant Market Power (SMP) Review to define the parameters of the local ICT market, assess the level of competition, identify SMP licensees, and suggest remedies for areas where there is insufficient competition and where restrictions are required.
- Implement a national Spectrum Strategy to ensure that future spectrum needs are met, while providing the industry with the ability to innovate and utilise the full potential of the available spectrum.



Implement strategies and policies to facilitate efficient communications infrastructure to enhance security, reliability, resiliency, and connectivity.

WHY

The socioeconomic success of a country is strongly tied to the quality of communications infrastructure and the availability of digital services. Threats to reliability, resiliency, and connectivity directly harm socioeconomic goals. Thus, ensuring that communications systems, networks, and infrastructure are safe, reliable, and robust will support the economic growth and societal development of the country as well as to instill confidence in all users and stakeholders of the digital infrastructure.

HOW

- By establishing a Cybersecurity Strategy as a roadmap to improving and meeting the cybersecurity requirements and expectations for the ICT sector.
- Establishing an experienced Cyber Incident Response Team for the ICT sector.

MEASURES OF SUCCESS

- Establishment of an operational team that responds to cybersecurity threats.
- Active sharing of threat information between the Office, regulated sectors and third parties is taking place.

Ensure efficient use of ICT infrastructure to facilitate the rollout and use of fibre networks to deliver high-speed broadband service.

WHY

To ensure service providers are delivering quality service and meeting their obligations as required by their license and contracted for by consumers.

HOW

- Implement a national Broadband Policy with applicable internet service standards.
- Establish infrastructure development and use standards (ie. towers, ducts, poles, buildings, stratas, etc.)

MEASURES OF SUCCESS

- Establishing ubiquitous roll out of fibre throughout the country.
- Establishing universal access to high-speed low latency broadband.
- Implement the national Broadband Policy.





Fuels Sector

Establish and implement fuel quality and assurance standards.

WHY

To ensure a predictable and reliable supply of quality fuel at a fair price in line with global fuel price trends, while providing a fair return to investors.

HOW

- Develop national Fuel Quality Standards (for applicable fuels).
- Develop Terms of Reference with other key stakeholders (identified through stakeholder mapping exercise) to ensure a coordinated approach to accomplish national energy objectives in which the fuel sector has a vested interest.
- Develop a framework and evaluation matrix for the introduction of alternative fuels.

MEASURES OF SUCCESS

- Fuel Quality Parameters are to be maintained within the limits set by the Fuels Standards Committee.
- Monitor and publish results on imported fuels on OfReg's website.
- Terms of Reference agreed with other key stakeholders.



Establish a framework for the adoption of alternative fuels for transportation.

WHY

To encourage the supply of renewable fuels as per the National Energy Policy.

HOW

- Conduct an assessment of the technical and commercial viability of introducing increasing percentage blends of ethanol in gasoline (up to E85) and biodiesel (up to B100).
- Evaluate the viability of liquefied petroleum gas (LPG) for transportation.

MEASURES OF SUCCESS

- A number of alternative fuels adopted.





Conduct feasibility assessment to facilitate the introduction of Liquefied Natural Gas (LNG), compressed natural gas (CNG) and commercial-scale biodiesel.

WHY

The introduction of LNG, CNG and biodiesel as transitional fuels will lower the cost of energy while helping to meet the Cayman Islands' climate change and other environmentally sustainable goals and obligations.

HOW

- Develop a comprehensive regulatory framework to facilitate the introduction of LNG, CNG and commercial-scale biodiesel.

MEASURES OF SUCCESS

- Completion of a comprehensive transitional fuel impact report.
- Ensure transitional fuels landed in the Cayman Islands are priced based on prevailing international benchmark prices.

Ensure the fuel sector operates in compliance with established codes, standards, and best practices for safe, sustainable, and environmentally compliant operations.

WHY

To minimise risks of incidents relating to dangerous fuel substances.

HOW

- Conduct monitoring and analyses, inspections, calibrations, investigations, enforcement and permitting for facilities and vehicles as required under the Dangerous Substances Act.
- Conduct a statutory review of all projects submitted for Central Planning Authority approval involving dangerous fuel substances to ensure the minimum code, environmental, and innovation provisions and requirements are met prior to commissioning.

MEASURES OF SUCCESS

- At least 95% of annual OfReg/Cayman Islands Government Purchase Agreements outputs achieved.
- Ensure that 95% of all licensees are compliant based on annual inspection results.





To ensure a competitive fuel sector through effective regulation.

WHY

To ensure a fair price of fuel for consumers.

HOW

- Review and revise the Fuel Market Regulations Act to strengthen the Regulatory and Supervisory Framework to ensure effective competition.
- Implement the applicable recommendations from the Market Assessment Study to strengthen the Supervisory Framework.
- Enhance the reporting requirements to monitor the wholesale and retail fuel prices to ensure fair prices to consumers.
- Enhance transparency through amendments to the Dangerous Substances Act, Dangerous Substances Regulations, and Fuel Market Regulation Act, and by publishing fuel prices for the wholesale and retail fuel market sectors.

MEASURES OF SUCCESS

- Amendments to Acts and Regulations to enhance transparency completed within 2 years.
- Monitoring framework confirms 95% effectiveness of regulatory interventions.
- Fuel prices, broken down by component, are published, within 72 hours of a price change.



Water Sector

To encourage new and innovative technologies in water production and wastewater treatment to advance National Energy Policy initiatives and stimulate economic development.

WHY

To advance National Energy Policy initiatives, stimulate economic development from investments and enable the Cayman Islands to become a regional leader in water and wastewater technologies.

HOW

- Conduct a baseline study to determine existing technologies as well as new, available, feasible and suitable technologies for implementation in the Cayman Islands.
- Consult with stakeholders to determine the “best-fit” technologies for the Cayman Islands.
- Support pilot projects and demonstrations to validate the performance of new technologies.

MEASURES OF SUCCESS

- Production of a baseline study.
- Stakeholder consultation.

Establish regulatory guidelines and procedures with regard to Cayman's water production and supply.

WHY

To ensure competitive, secure, safe, and sustainable supplies of water and promote economic development in the Cayman Islands.

HOW

- Develop the framework to facilitate efficient water production and supply.
- Review legislation, regulations, regulatory policies, rules and decisions on water production and supply to assess how they support Cayman's NEP objectives.
- Review water capacity to ensure security of supply.

MEASURES OF SUCCESS

- Establishment of regulatory guidelines and procedures.
- Establishment of a regime of regular reporting of capacity from water producers and suppliers.





Create and introduce an energy rating system to assess the efficiency of onsite wastewater treatment systems.

WHY

To reduce energy costs associated with wastewater treatment systems and to protect public health through the reduction of air and water pollution.

HOW

- Conduct a review to determine and evaluate the best energy rating systems available and suitable for implementation in the Cayman Islands.
- Consult with stakeholders to determine the “best-fit” energy rating systems for Cayman, and the optimum means of implementing these for wastewater treatment systems.
- Introduce energy rating system guidelines to assess the efficiency of onsite wastewater treatment systems.

MEASURES OF SUCCESS

- Introduction of an energy rating system.
- Full adoption of the energy rating system by licensees.

Institutional Strengthening

Develop a service delivery culture that engages employees and provides excellent customer experiences to the public.

WHY

Fully engaged employees working in a culture that promotes and expects customer service excellence will value the work they do and in turn, make customers feel valued.

HOW

- Continuous customer service training for management and staff in a classroom environment.
- Provide an online learning platform for customer service training.
- Identify employees for outstanding customer service.
- Conduct annual customer and stakeholder satisfaction surveys.
- Develop good customer service principles for adoption throughout OfReg.

MEASURES OF SUCCESS

- A minimum customer satisfaction score of 75%.
- Incorporation of feedback from annual customer and stakeholder satisfaction surveys into service delivery.
- 100% of staff accessing the online learning platform.
- 100% of staff completing customer service training.





Adopt operational and quality standards that set out OfReg's minimum standards for doing business.

WHY

Formalised and coordinated workflow processes will help increase employee productivity, improve efficiencies, reduce employee errors, and instill stakeholder confidence in the predictability of decisions.

HOW

- Develop Standards of Performance (SOP) for key processes.
- Promulgate the SOPs and take action to monitor and embed them into ways of working.
- Conduct an annual review of all SOPs to maintain a fit-for-purpose state.

MEASURES OF SUCCESS

- An annual stakeholder satisfaction score of 75%.

Adopt strategies to optimise employee engagement so that employees are engaged to deliver on the mission, vision, values, and strategic direction and believe in the purpose and value of OfReg to the community.

WHY

To empower employees to successfully deliver their tasks and to demonstrate the brand and values of OfReg in all of their work and interactions to help OfReg reach its goals.

HOW

- Develop leadership and management skills.
- Use OfReg's values to support a professional employee attitude.
- Conduct an annual engagement survey to determine how employees feel about their work and OfReg and use the results to develop an action plan for greater engagement.
- Develop HR planning processes which ensures that the organisation has the right people with the right skills.
- Recognise employees for good performance and professionalism.

MEASURES OF SUCCESS

- 100% of staff engaging in development activities.
- Increase in engagement scores by 10% per annum.





Adopt a customer service framework and expectations setting out the principles and expectations when delivering services.

WHY

To meet customer expectations and achieve consistently high customer satisfaction scores that enhance the reputation of OfReg.

HOW

- Build relationships with customers through focus groups and customer surveys.
- Adopt operational standards and key performance targets.
- Ensure staff have a full understanding of customer service expectations.
- Streamline business processes and make strategic use of technology to deliver services customers want and need.
- Update OfReg's website to make it more intuitive, interactive and engaging and allow customers and other visitors to complete their tasks quickly and easily from any smart device.
- Develop an enterprise case management system.
- Deliver training for all staff on customer service.

MEASURES OF SUCCESS

- Achieve a Customer Satisfaction Survey Score of at least 75% in the first year.
- Maintain an average complaint resolution time of 30 days.
- Achieve a customer "First Response Time" of a maximum 1 business day.

The Board shall effectively and transparently communicate to stakeholders and the wider public, its mission, vision, and strategic priorities, and the outcomes it expects to deliver.

WHY

To ensure public confidence in the Board as it performs its functions.

HOW

- Develop clear deliverables, objectives and priorities derived from the URC Act and the government's strategic priorities.
- Expose the OfReg board to training and development to ensure the necessary complement of skills, training and capability to effectively communicate.
- Improve public relations and engagement to educate businesses and the public about OfReg's processes and requirements as well as general regulatory functions, and specifically the Board's role in these functions.

MEASURES OF SUCCESS

- Achieve an annual stakeholder satisfaction score of 75%.
- Every board member attends at least one industry engagement meeting per quarter.
- At least one stakeholder engagement/media activity is held per quarter.
- At least two members of the board undertake communications training per year.





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