



**FOR IMMEDIATE RELEASE**

## **URCO confirms approval of Certificate of Need for launch of competitive process for new generation capacity**

**GRAND CAYMAN, Cayman Islands – 9 March 2026.**

The Utility Regulation and Competition Office (URCO) has approved Caribbean Utilities Company, Ltd.'s (CUC) revised Certificate of Need (CON), confirming the need for additional generating capacity on Grand Cayman and enabling URCO to proceed to the next stage of a transparent, competitive solicitation process.

The CON is a procedural step required under CUC's Transmission and Distribution Licence and Main Agreement, and the Office's approval confirms that the submission now meets the requirements for a Certificate of Need, including identifying a total capacity need of approximately 94 MW and providing three years' advance notice of incremental capacity requirements.

URCO emphasises that the CON approval is not an endorsement of any specific project, configuration, commercial arrangement, or procurement approach. The Office's approval is limited to confirming the CON meets the required criteria so that URCO can initiate a transparent and competitive solicitation process and assess options through the appropriate regulatory steps.

This approach follows public and legal discussions last year regarding proposed capacity additions and reflects a reset agreed between the parties to ensure compliance with licence requirements and that the next phase is driven by an objective assessment of system needs and competition. The Office is focused on ensuring reliability for customers and maintaining an open pathway for new resilient, sustainable and cost effective capacity options.

"Reliable electricity is essential to every household and business, and our priority is keeping the lights on while ensuring consumers receive value for money," said Sonji Myles, Interim Chief Executive Officer of URCO. "By confirming the capacity need and moving to a transparent solicitation process, we are creating space for a range of solutions, including new and emerging technologies, renewables, storage, efficiency and other lower cost options, provided they can meet our reliability and operational requirements."



---

**UTILITY REGULATION AND COMPETITION OFFICE**

Chairman J. Samuel Jackson added, “The Board’s decision confirms that the Certificate of Need satisfies the requirements under the licence framework, including that the total capacity is clearly defined and that the licence requirement for giving three years’ advanced notice of the anticipated capacity need is also complied with, ultimately enabling the Office to proceed with a competitive process. At this stage, URCO is not selecting a specific proposal. We are confirming the system needs and setting the conditions for a fair, transparent process that supports competition and long-term resilience.”

In its submission, CUC describes a range of considerations and alternatives, including demand side management, extending the life of existing units, utility-scale storage, distributed generation interconnections, and alternative fuel options, alongside reliability and delivery timeframes. URCO will revert separately with the design, timetable, and documentation for the competitive solicitation process arising from the CON.

The new capacity solicitation process timeline is set out in CUC’s Licence. It is subject to reasonable delays and may also be affected by any legal challenge.

**Timeline**

URCO receives Statements of Qualifications from prospective bidders= 2 Months

URCO evaluates SOQs, determines Qualified Bidders and Issues RFP =1 Month

Proposals Received = 4 Months

URCO Evaluates proposals and publishes ranking = 2 Months

CUC completes negotiations on Power Purchase Agreement (PPA) = 2 Months

URCO approves PPA and issues Generation Licence. Generation licensee begins construction = COD minus 2 years

Unit Testing = COD minus 1 month

Commercial Operation Date (COD) = immediately following completion of testing.

Annex 1 2026 Certificate of Need (Redacted)

-ends-



PO Box 10189  
Grand Cayman KY1-1002  
Cayman Islands Tel: (345) 946-4282

---

**UTILITY REGULATION AND COMPETITION OFFICE**

**ABOUT URCO** The Utility Regulation and Competition Office ('OfReg', 'URCO', or the 'Office') is the independent regulator established by section 4 of the Utility Regulation and Competition Law (as revised) (the 'URC Law') for the electricity, information, and communications technology, water, wastewater and fuel sectors in the Cayman Islands. URCO provides the opportunity for consistency and collaboration in regulation across the ICT, energy, fuel, 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.

**Media Contact:** Daniel Lee Manager - Consumer Affairs & Public Education  
[Daniel.Lee@ofreg.ky](mailto:Daniel.Lee@ofreg.ky). For general media queries, please contact Story Studio via email at [hello@story.ky](mailto:hello@story.ky)