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Utility Regulation and Competition Office

By Email

20 February 2026

Ms. Richard Hew
CEO
Caribbean Utilities Company, Ltd.
457 North Sound Road
Grand Cayman
Cayman Islands
rhw@cuc.ky

Dear Mr. Hew,

Re: CUC Certificate of Need – Approval

I refer to Caribbean Utilities Company Ltd's ("CUC") Certificate of Need ("CON") dated 10 February 2026, submitted pursuant to the provisions of CUC's Transmission and Distribution Licence and Main Agreement.

I confirm that the Office's Board of Directors, at its general meeting on 19 February 2026, reviewed and discussed the CON submission. Following that discussion, the Board resolved that, to the extent that the CON aligns with the requirements under Condition 29 ("Need for New Generation"), of CUC's Transmission and Distribution Licence, Schedule 4.1 ("Guidelines Regarding the Certificate of Need") and Schedule 4.2 ("Form of Certificate of Need") of the Main Agreement between CUC and the Cayman Islands Government, the CON satisfies the requirements set out under Condition 29.1 and the prescribed CON template, in that in summary it:

- Identifies the total capacity needed (94 MW).
- Complies with Condition 31.1.1 by giving three years advance notice of the incremental capacity needed.
- Provides supporting analysis of projected demand and available capacity, including underlying assumptions regarding system growth, existing resources and demand-side measures.
- Describes the consideration of alternatives to the addition of new firm generation and sets out CUC's rationale for proposing new capacity as the preferred option.

- Outlines the proposed high-level technical and operational parameters for the required capacity, including indicative sizing, operating requirements and reference to supporting technical information.
- Includes CUC's certification that the CON has been prepared in accordance with the T&D Licence, using good faith and sound engineering judgment, together with a formal request that the Office commence the associated competitive solicitation process.

On that basis, and for the purposes of Condition 29.1, the Office approves the CON as a valid determination of the need for additional generation capacity and related technical criteria, thereby enabling the Office to proceed to the next stage of the competitive solicitation process.

For the avoidance of doubt:

This approval is limited to confirming that the CON meets the procedural and substantive requirements for a Certificate of Need under the T&D Licence necessary for the Office to initiate a transparent solicitation process.

The Office has not, at this stage reached any conclusion on the broader analysis, assumptions, methodologies or external materials not required to be included in the CON nor does this letter imply endorsement of any specific option, configuration, commercial arrangement or procurement approach beyond what is required for a compliant CON.

All such matters remain subject to separate review and determination by the Office as part of the ensuing solicitation and regulatory processes, including any consultation, evaluation of bids, or subsequent approvals required under applicable licences and legislation.

We will revert separately on the design, timetable and documentation for the competitive solicitation process arising from this CON.

Accordingly, please find annex to this letter a duly executed Certificate of Need.

Sincerely



Sonji Myles
Interim Chief Executive Officer
Utility Regulation and Competition Office

Cc: Board of Directors
Executive Director Energy