



UTILITY REGULATION AND COMPETITION OFFICE

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PRESS RELEASE

OFREG SEEKS INPUT ON ITS PROPOSED FUELS MARKET ECONOMIC & REGULATORY ASSESSMENT REPORT

The Utility Regulation and Competition Office ('OfReg') is seeking input on its Fuels Market Economic & Regulatory Assessment report. OfReg considers that it is in the public's interest and all the stakeholders involved to review the report and provide feedback.

OfReg is finalising options for a comprehensive regime to effectively regulate the fuel sector in the Cayman Islands. As part of this process, we have undertaken a comprehensive economic and regulatory assessment of the fuel sector to define the relevant existing markets and assess the extent and effectiveness of competition within them.

The study aims to reflect the types and grades of fuels currently available in the country and other potential fuels which may become available in the medium to long-term in the Cayman Islands.

The first element of the market study was assessing a report on the market definitions for competition analysis of various fuels markets in the jurisdiction. In this regard, OfReg published a draft Market Definition Report as part of our consultation on Proposed Fuels Market Definition (FS 2020 – 1) in March 2020 and published our response and draft final determination. The second element of the market study is a comprehensive competition assessment of the relevant markets and an evaluation of the potential options (if any) for regulatory reforms of those markets.

According to our Chief Fuels Inspector, Duke Munroe, "the outcome of this exercise is significant to shape the next level of intervention and regulation of the fuel sector. OfReg's current monitoring and oversight of the industry has benefited motorists and other fuel consumers alike. As we advance, implementing the recommendations from this exercise will further enhance our work in the sector. We look forward to the input and feedback from all stakeholders, to conclude and implement the necessary regulatory measures".

"OfReg's mandate to ensure sustainable, reliable and consistently high-quality fuel options at fair prices to consumers remains our singular focus. Despite the delays and challenges encountered during this important piece of work, the team sought to ensure the process was not compromised, recognising the critical nature of this assessment to inform recommendations for the regulation of the fuels sector." - Malike Cummings. CEO OfReg.



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For full details on the Fuels Market Economic & Regulatory Assessment report, please visit our website www.ofreg.ky

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ABOUT OFREG

The Utility Regulation and Competition Office ('OfReg') 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.

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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