

UTILITY REGULATION AND COMPETITION OFFICE

Wednesday 23 March 2022

Prosecution commences for Rubis Tank Incident

The Utility Regulation and Competition Office (OfReg) filed charges against Rubis Cayman Islands Limited (Rubis), after investigating a spillage that occurred in November 2019 on one of the bulk diesel tanks at their Jackson Point Terminal. While a significant quantity of diesel was released from the tank, there was no significant impact found on the surrounding environment, according to an assessment by Water Authority Cayman.

Immediately following the discovery of the leak, action was taken by Rubis and OfReg upon notification, to minimise the risk to the public. Once the situation was brought under control, OfReg commenced an investigation. The investigation was carried out in accordance with OfReg's mandate under section 19 of the Dangerous Substance (DS) Act to establish the root cause(s) of the incident. The bulk terminals are typically equipped with active site monitoring wells to provide an early indication of hydrocarbon leaks, as a part of their normal operations. The findings pointed to, among other things, factors within Rubis' control that could have prevented the incident, such as actively maintaining their cathodic protection system. This equipment minimises corrosion in areas of the tank which are difficult to visually inspect or access.

The investigation also found that Rubis was in breach of section 12 of the DS Act, which states:

12. (1) The operator of any regulated premises- (a) shall take all reasonable precautions for the prevention of (iii) any release or spillage.

The investigation concluded that Rubis did not take reasonable precautions to prevent the spillage mentioned above. The file was submitted to the Office of Director of Public Prosecutions and charges were laid.

The initial hearing was held on 22 March 2022 and the matter was adjourned.

As the matter is now before the courts, OfReg will update the public once a ruling is issued.

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ABOUT OFREG

The Utility Regulation and Competition Office ('OfReg' or the 'Office') is the independent regulator established by section 4 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.





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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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