

5 Years Strategic Plan 2021



At OfReg, we seek to promote the objectives of government policies; promote effective and fair competition where appropriate and feasible; protect the short- and long-term interests of consumers about utility services; balance the interests of all stakeholders and champion sustainability and innovation in the relevant markets and sectors and to contribute to the economic and social goals of the Cayman Islands

For further details, visit www.ofreg.ky

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, 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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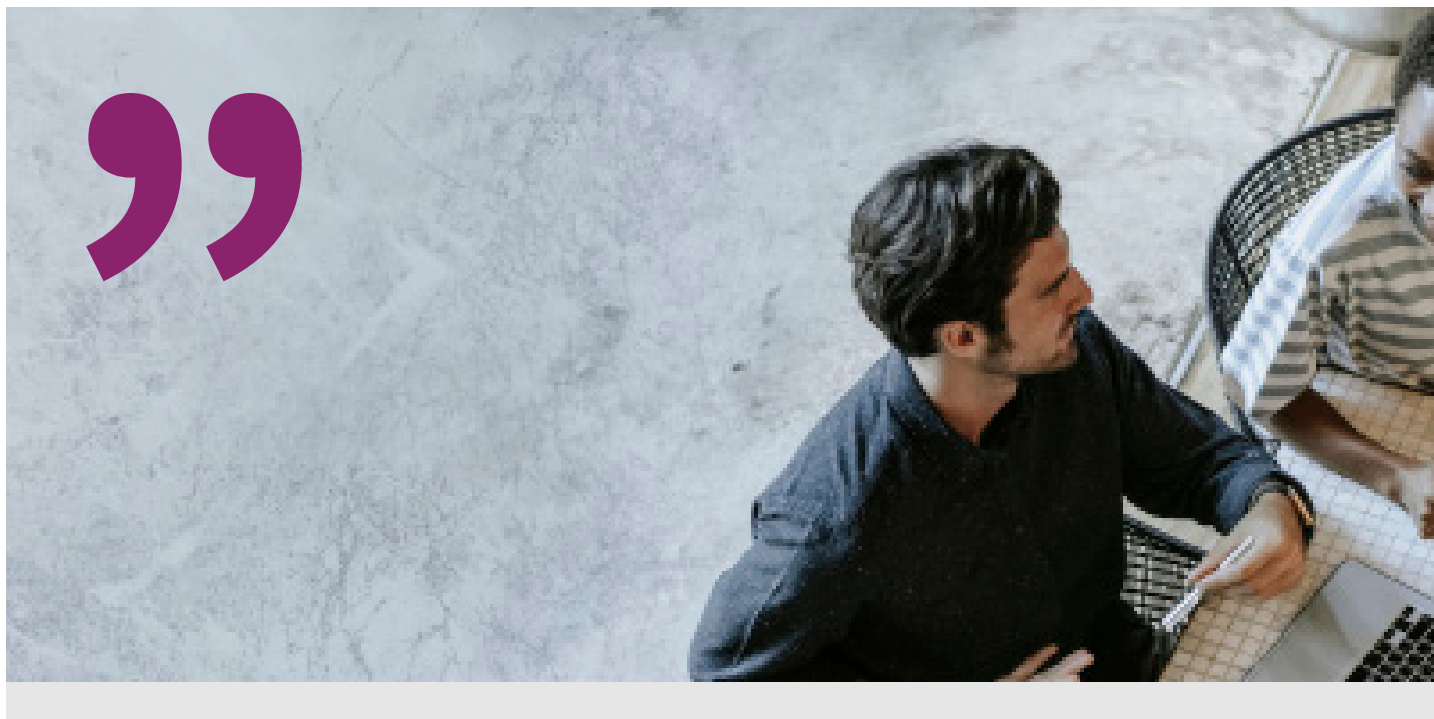
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Company Name

The Utility Regulation and
Competition Office (OfReg)

Company Address

3rd Floor, Alissta Towers,
85 North Sound Rd.
Grand Cayman, Cayman Islands



Our Strategic Direction

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

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

According to its strategic plan, OfReg's external impact will be measured by its ability to achieve results consistent with its mission, including: attracting, developing, retaining and motivating high-caliber employees; having the proper structure, systems, and processes to support its mission; effectively and efficiently allocating resources; and developing a programme of continuous improvement and innovation.



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.

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 NEP and promote effective and fair competition and protect consumer interests. We have developed priorities under five areas of focus with 25 projects that will be implemented over 2020 to 2024. The focus areas are:

1. Information & Communications Technology
2. Electricity
3. Fuels
4. Water
5. Institutional Strengthening

This strategy forms part of a broader national strategy, reflecting Government's strategic priorities,

and in some instances, requires working with other agencies of Government to achieve the desired outcomes. The strategy is based on an assessment of the current and future needs of the people of the Cayman Islands concerning the ICT, Fuels, Electricity and Water sectors.

Part of this strategy involves increasing innovation in the way OfReg operates to allow it to:

- Actively adapt to changing policy, technologies, and markets.
- Ensure that business processes and systems are fair, encourage competition and deliver services at economic cost.
- Strengthen detection and response capability to non-compliance.
- Promote effective and fair competition, protect consumers' interests, promote innovation and facilitate economic and national development.

Implementing the Strategy

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 longer-term goals. **Short terms goals** are focused on improving the efficiency and quality of the current teams that support operations. This goal is 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. The central concept to implementing the strategy's medium-term objectives is standardisation, while in the longer term, it is leveraging technology to support business processes.

Our Strategy Planning Team is committed to developing an implementation plan to translate our vision into tangible outcomes. Here is an overview of how we will implement the strategy and a summary of the individual goals for each delivery area.

We will contribute to the Government's strategic priorities by focusing on

1. Providing solutions to improve the well-being of our people so they can achieve their full potential.

2. Strengthening good governance for more effective government.
3. Supporting climate change resilience and sustainable development..
4. Building a modern infrastructure to ensure a successful future for our islands.

CROSS-CUTTING ENABLERS

The strategic goals and objectives developed in this plan provide a roadmap for accomplishing OfReg's mission. However, several cross-cutting enablers affect OfReg's ability to accomplish its mission and ultimately achieve its goals and therefore must be integrated in developing strategies and action plans. The cross-cutting enablers that are integrated into OfReg's strategic plan include innovation, partnerships with the Cayman Islands Government and industry stakeholders, and institutional development.

1. INNOVATION

This strategy calls for OfReg to "implement section 62 of the URC Act to facilitate Innovation and create a service delivery system that ensures that utility services are delivered efficiently and at economic cost."

Innovation requires creating the right environment for ideas and actions and adopting new ways of thinking and behaviours, including generating and implementing new

OfReg focused on assessing and strengthening our organisational performance, aimed at helping us become more effective, efficient, and resilient.

Malike Cummings
CEO

ideas; changing or creating more effective processes or ways of doing things; and adapting to changes. The key initiatives will focus on developing a service delivery system to engage all employees to provide superior customer experiences to the public by focusing on service culture, service quality, employee engagement and customer experience.

It is anticipated that a strategy that focuses on innovation will result in continuous improvement that can be measured; the pervasive use of technology to drive change; enabling or changing behaviors; and business model innovation.

2. PARTNERSHIPS

Partnerships have contributed significantly to OfReg's progress in developing and implementing the strategies that have improved the regulation and provision of utility services. OfReg's success relies on

creating enduring partnerships and maintaining open lines of communication domestically and internationally. Partnerships must be wide-reaching and include all providers and potential providers as well as other counterparts of the government.

3. INSTITUTIONAL STRENGTHENING

OfReg desires to embrace the concept of "One OfReg," which means creating an organisational culture that shares a common purpose, vision and values and works together in harmony to ensure that all employees feel included.

To ensure that OfReg becomes the employer of choice for a talented, dedicated workforce, it will implement a culture that recruits, trains, and retains people who are the right fit for the organisation. For this strategy to be successful, OfReg must implement institutional

building work to complete the merger of three organisations and then create and deploy an integrated workforce development plan that will enable OfReg to hire and retain the people with the knowledge, skills and comportment needed to fulfill its mission.

Transparency / Stakeholder Engagement

To implement a strategy of transparency and stakeholder engagement, OfReg will need to measure its success and then enable customers and other stakeholders to track its success. To drive performance and increase accountability, OfReg will publish quarterly performance dashboard reports.

OfReg's Operating Model

OfReg's operating model involves the following elements:

SERVICE CULTURE AND QUALITY

Built on the elements of vision, mission and values and good leadership, OfReg's culture is the set of overriding principles that its leadership uses to control, maintain and develop the social process that is ultimately displayed in the quality and value of service delivered to OfReg's customers. Structural elements of service quality include strategies, processes and performance management systems.

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 attitude activities, purposeful leadership and HR processes.

CUSTOMER EXPERIENCE

Perception is king and constantly evaluating how both stakeholders and customers perceive OfReg's service delivery is essential. Promoting superior customer experiences includes elements of customer intelligence, account management and continuous improvements.

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 to improve their lives through increased economic activity; while ensuring that traditional utility services are delivered efficiently and at least economic cost."

Vision: Fair Regulation for Consumers and Industry

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

Values: Integrity, Fairness, Trust, Non-Discriminatory, High Ethics

Operating Environment

Priorities

CI Government has established 8 strategic priorities of which four are closely linked to OfReg

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

OfReg Strategic Priorities

OfReg has developed strategic priorities in each portfolio area and 2 shared objectives to deliver on its mission:

- Implement Government's National Technology policy;
- Implement Government's National Energy Policy on electricity;
- Implement Government's National Energy Policy on fuels;
- Implement Government's National Energy Policy on water;
- Implement section 62 of the URC Act to facilitate Innovation and create a service delivery system that ensures that utility services are delivered efficiently and at least economic cost.

Capabilities

People and culture Processes

Systems and Technology

Relationships

FOCUS AREA 1

Electricity

"The energy industry is currently experiencing the greatest technological evolution in its history"



1. Establish a mechanism and framework for the protection of Critical National Infrastructure and to improve system resiliency & reliability.

WHY

To develop built-in cybersecurity and physical resilience measures that will enhance risk management of the energy sector operating environment.

HOW

- Develop understanding and awareness of cross-sector dependencies.
- Establish effective collaboration between government and industry stakeholders across sectors and networks.
- Develop the evidence base for organising and implementing a framework for the protection of Critical National Infrastructure.

MEASURES OF SUCCESS

- Deliver a fully implemented framework to report systems attacks and mitigation success/failure by Q4 2021.
- Deliver a fully implemented framework to share

information and understand cross-sector dependencies by Q4 2021.

- Deliver a fully implemented framework to collaborate with international peers on energy sector CNI protection by Q4 2021.

2. Create Customer Service Standards & Guidelines to manage customer expectations and establish obligations on the service provider to maintain 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 that also provides safe, adequate, efficient, reasonable and non-discriminatory service for consumers, including those by fixed networks.

HOW

- Conduct analysis to determine what legal frameworks exist.
- Consult with stakeholders on proposed Customer

Service Standards & Guidelines, then publish and implement them.

- Draft the Regulations, Guidelines, and Standards and continue the process through to implementation and enforcement.

MEASURES OF SUCCESS

- Increase in the number of customers who trust and are satisfied with their energy supplier compared with 2019 baseline by 0.5% year on year.
- 5% increase in monitoring to facilitate consumer protection, ensure provider compliance and enable enforcement as necessary compared with the 2020 baseline by 5%.
- Establishment of Consumer Councils as specified in Section 60 of the URC Act by Q4 2022.

3. 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

- Develop and implement a regulatory framework to facilitate energy production from renewables and alternate energy sources.
- Review regulatory policies, rules, regulations 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.

- Implement Accounts Separation Rules for the electricity sector to ensure transparent, cost-based and non-discriminatory practices.
- Commence an electricity network tariff review.
- Implement fee for Generation Licences.
- Publish periodic reports on electricity statistics for households and businesses.

MEASURES OF SUCCESS

- Completed consultation process on Regulatory Accounting Rules by end of Q1 2021.
- Be on track to meet Cayman's 2023 and 2025 renewable energy generation targets of 111 MW and 162 MW respectively.
- Increase by 35% the level of diverse, cost-effective renewable energy use in the electricity sector, by 2025.
- Reduce Greenhouse Gases (GHGs) emission by 40% compared to a 2020 baseline and meet the NEP energy efficiency and sustainability goals.

4. Implement a robust regulatory mechanism for 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

- Conduct analysis to determine what legal frameworks exist in other jurisdictions.
- Consult with industry stakeholders to determine methodology for approval of Integrated Resource Plans.
- Complete and implement Integrated Resource Plan Approval Mechanism.

MEASURES OF SUCCESS

- Full implementation of regulatory mechanism for review and approval of Integrated Resource Plans by Q1 2022.
- Review and approve Integrated Resource Plan filed by Caribbean Utilities Company, Ltd. in 2022 within 90 days of submission.

5. 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 proposed RIA framework.
- Produce Best Practices Regulation Handbook and Guide to Regulatory Impact Analysis.
- Have Cabinet to enact RIA legislation, guidelines and rules.
- Implement RIA framework.

MEASURES OF SUCCESS

- Full implementation of Regulatory Impact Assessment Framework by Q4 2021.

6. 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, policies and regulations and published papers to determine if there are any barriers in 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 alternate energy technologies.

- Produce framework and implementation strategy for new technologies.

MEASURES OF SUCCESS

- Full implementation of codes and standards, regulations and best practices by 2023.
- 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.

7. Leverage advances in technology in the international electricity sector to advance National Energy Policy initiatives and stimulate economic development.

WHY

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

HOW

- Review new electricity projects in similar jurisdictions to determine the appropriate technologies for the country.
- Determine what initiatives are being used by other jurisdictions to stimulate technological economic development.
- Produce framework for implementation initiatives to stimulate economic development.
- Launch promotion campaign in conjunction with Government.

MEASURES OF SUCCESS

- Increase by 1% number of new grid enhancement projects compared to a 2020 baseline.
- Increase by 1% economic activity through jobs growth and new companies locating to Cayman Islands compared to a 2020 baseline.
- Regulatory mechanisms established relating to existing licensing, connection and charging policies by Q4 2021

8. Pursue initiatives that will make the Cayman Islands attractive as a destination for the development and demonstration of new technologies.

WHY

To help establish Cayman as a technology demonstration hub, develop local talent in the industry sector and create job opportunities.

HOW

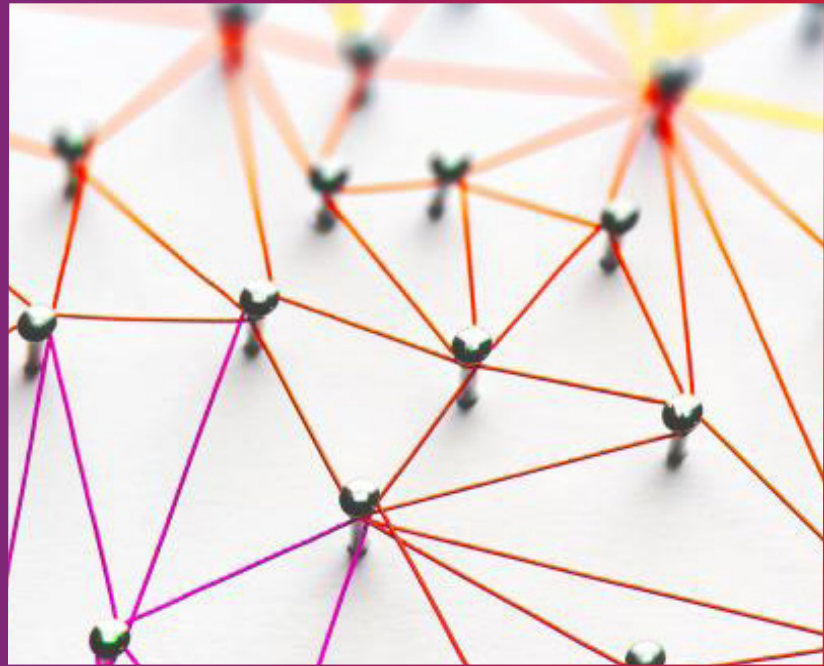
- Conduct a series of activities and events with major sector stakeholders and potential technology developers on a continuing basis.
- Develop position paper on potential technologies applicable to the Cayman environment.
- Issue an electricity technology demonstration and development plan.

MEASURES OF SUCCESS

- Recruit five technology businesses to demonstrate new technologies by 2025.

FOCUS AREA 2

ICT



1. Modernise the licensing and regulatory policy framework to facilitate investment, innovation and development in the ICT sector by 2022.

WHY

Having a modernised ICT framework will provide certainty in the market, provide effective consumer protection and help ensure fair competition, thus lowering entry barriers and stimulating investment in the sector. This in turn will improve access to services and help satisfy the needs of the community arising from market gaps or the development of new technologies.

HOW

- Much of this modernised ICT framework can be achieved by adopting best practices and policy frameworks of regional and international counterpart agencies and then providing a draft, customized for the Cayman Islands for consultation.

- A Significant Market Power (SMP) Review will help define the parameters of the local ICT market, assessing the competition, identifying licences having Significant Market Power and suggesting remedies for areas where there is insufficient competition.
- Implementing regulations and standards that define consumers' rights and enforcement measures will bring new levels of consumer protection.

MEASURES OF SUCCESS

- Reduction in consumer ICT sector complaints by 25% by the end of 2023.
- Appropriate restrictions are applied to all operators identified as having SMP to facilitate fair competition in a relevant market by 2022.
- Reduction of industry complaints relating to anti-competitive behaviour and requests for OfReg to arbitrarily determine if an operator has SMP of 80% by 2023.

2. Implement strategies and policies to facilitate efficient communications infrastructure to enhance security, reliability, resiliency and connectivity by 2023.

WHY

To instil confidence in all users and stakeholders of the digital infrastructure.

HOW

- Drafting a framework for and establishing Internet Exchange Points (IXPs) that facilitate the exchange of local IP traffic between all internet service providers, thus ensuring that all local internet traffic remains in the jurisdiction
- Finalising the Draft National Cybersecurity and Computer Incident Response Team Terms of Reference and establishing an Incident Response Team.

- Map ICT network development and national infrastructure, as well as service accessibility and quality, to inform national policy and further develop the digital ecosystem.

MEASURES OF SUCCESS:

- Being able to coordinate and respond to any cybersecurity threat within two (2) hours after receiving notification by Q2 2022.
- 100% of local internet traffic is exchanged between internet service providers, and 100% of that local traffic does not leave the jurisdiction by Q3 2021.
- 100% of ICT infrastructure, networks and services are accurately itemised and mapped to allow OfReg and authorised stakeholders to access accurate real-time network, infrastructure and service coverage data 100% of the time by 2023.



3. Improve efficiency and delivery of ICT services to consumers through the rollout of next-generation networks by 2023.

WHY

The rollout of next-generation networks such as 5G will position the country as a regional leader in the digital space and make the Cayman Islands attractive for investment, for the domiciling of new companies and for the trial of innovative technologies.

HOW

- Ensuring future spectrum needs are met by developing and implementing a national spectrum strategy to manage and provide the industry with the ability to innovate and utilise the full potential of the available spectrum by 2023.
- Forecasting future mobile spectrum demand, identifying new technological advancements and user trends.
- Developing a marketing campaign for ICT Experimental License “Sandbox”.
- Developing a consultation paper on 5G trial strategy.

MEASURES OF SUCCESS:

- Next-generation mobile network established throughout the country with a target coverage of 95% by 2024.
- Next-generation mobile penetration of 80% by 2023.
- Issue a minimum of two (2) Experimental Sandbox licences by Q2 2022.
- Confirm actual spectrum usage aligns 100% with OfReg’s spectrum assignments by 2023.
- Spectrum allocation table being 100% harmonised with International Telecommunications Union recommendations by Q2 2023.

4. Ensure efficient use of ICT infrastructure to facilitate the rollout and use of fibre networks to deliver high-speed broadband service by 2023.

WHY

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

HOW

- Drafting National Broadband Policy with applicable internet service standards.
- Implementing streamlined infrastructure sharing agreements.
- Implementing streamlined infrastructure sharing request and approval processes.

MEASURES OF SUCCESS:

- Increase the percentage of households with fibre connectivity to 75% by 2024.
- Increase the percentage of households where choice of high-speed, low-latency broadband is an option to 95% by 2023.
- Increase the percentage of the population served by fibre backbone to 99% by 2024.
- Developing and implementing a national spectrum strategy to manage and provide the industry with the ability to innovate and utilise the full potential of the available spectrum by 2023.

FOCUS AREA 3

Fuels



1. Implement fuel quality and assurance standards and establish a framework for an enhanced and innovative fuel matrix.

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 and also encouraging the supply of renewable fuels.

HOW

- Complete Fuel Market (Definition & Competition) Assessment.
- Draft Market (Regulatory) Intervention Regulations for Cabinet Approval.
- Roll out and implement all phases of regulatory intervention measures to reflect Cabinet approval.
- Develop monitoring framework and implement to gauge efficiency and effectiveness of Regulatory Interventions.
- Conduct assessment of technical and commercial viability of introducing increasing percentage blends of ethanol in gasoline (up to E85) and biodiesel up (up to B100).

- Evaluate the viability of liquefied petroleum gas (LPG) for transportation.
- 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 for which the fuel sector has vested interest.
- Develop framework and evaluation matrix for introduction of 3.3 fuels.

MEASURES OF SUCCESS

- Fuel Quality Parameters to be maintained within the limits set by the Fuels Standards Committee and published on OfReg's website annually.
- Maintain an average minimum inventory on island of four weeks' aggregate fuel supply at all times.
- Produce at least 1% of fuel consumed per annum over the next five (5) years.

2. Conduct feasibility assessment to facilitate the introduction of LNG, Critical National Infrastructure (CNI) and commercial scale biodiesel in the Cayman Islands.

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 comprehensive transitional fuel impact report by Q3 2021.
- Ensure transitional fuels landed in the Cayman Islands are priced within 5% of prevailing international benchmark prices.

3. Implement a national strategy to protect and strengthen the resiliency of CNI to prevent, mitigate, prepare, respond to and recover from disruptions from current and emerging hazards.

WHY

To make Cayman's CNI efficiently and safely operated, reliable with adequate redundancy and resilient during and after emergencies.

HOW

- Establish a framework for stakeholder collaboration, information sharing, asset mapping and risk management.
- Define legal and operational requirements for CNI sites and equipment.
- Engage public and industry to set parameters of CNI.
- Conduct a risk management assessment on CNI.
- Develop and maintain an annual list of CNI sites and equipment.
- Establish compliance plan and metrics for CNI owners/operators and monitor phased implementation.
- Engage industry to develop and implement infrastructure sharing regulations.

MEASURES OF SUCCESS

- Rectification of issues identified during routine audits are actioned within 48 hours in 90% of the cases.
- Completion of inspection of CNI sites and equipment within 24 hours of an emergency's "All Clear" to approve for operation.
- 80% of CNI sites and equipment to operate normally within four days after emergency events based on defined performance criteria.



4. 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 an incident relating to dangerous fuel substances.

HOW

- Conduct monitoring and analyses afforded by the Fuels Market Regulation Act and inspections, calibration, investigations, enforcement and permitting for facilities and vehicles as required under Dangerous Substances Act.

- Conduct 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 Ownership Agreements outputs achieved.
- Ensure that 95% of all licensees are compliant based on annual inspection results.



FOCUS AREA 4

Water



1. Leverage advances in technology 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 baseline study to determine existing technologies as well as new, available, feasible and suitable technologies for implementation in the Cayman Islands.
- Establish short-, medium- and long-term goals for the implementation of new technologies in Cayman Islands.
- Consult with stakeholders to determine the “best-fit” technologies for the Cayman Islands.
- Produce framework and implementation strategy for new technologies.

- Support pilot projects and demonstrations to validate the performance of new technologies.
- Streamline the regulatory and permitting processes for new water and wastewater technologies.

MEASURES OF SUCCESS

- Full implementation of codes and standards, regulations and best practices by Q3 2023.
- 50% of companies that produce clean water in the Cayman Islands utilise more energy efficiency technologies compared to a 2021 baseline by 2024.

2. Establish regulatory guidelines and procedures with regard Cayman’s water production to support and give effect to the National Energy Policy (NEP).

WHY

To achieve the water production and quality targets in the NEP, ensure competitive, secure and sustainable supplies of water, and promote economic development in the Cayman Islands.



HOW

- Develop the framework to facilitate water production.
- Review regulatory policies, rules, regulations and decisions on water production and supply to assess how they support Cayman's NEP objectives.
- Review water capacity and sources of fuel to ensure security of supply.
- Conduct consultation exercise to determine which regulatory guidelines are the most effective to adopt.

MEASURES OF SUCCESS

- A 0.5% annual cost reduction in producing and distributing water by licensees by 2023.
- 1% of electricity generation from biosolids by 2026.

3. Facilitate water conservation practices.

WHY

To encourage reusing and recycling of Cayman's water supply in order to reduce consumption.

HOW

- Produce a framework and implementation strategy for water conservation standards and fiscal measures.
- Implement regulations and fiscal measures to encourage water conservation.
- Assess water conservation and reuse practices to facilitate removal of barriers to adoption.
- Identify, evaluate and customise water conservation standards and fiscal measures to fit Cayman's infrastructure.
- Establish a water conservation/reuse programme that facilitates resource recovery activities such as water recycling.
- Draft guidelines for planning, design, approval, operation and monitoring of recycled water supplies to safeguard public health and the environment.
- Establish a programme to help coordinate the government's own water reuse policies.
- Consult with commercial and residential stakeholders to help develop water conservation and reuse programmes.

MEASURES OF SUCCESS

- 30% increase in conservation/reuse of water in government facilities compared to a 2021 baseline by 2024.
- 30% increase in conservation/reuse of water by commercial and residential properties compared to a 2021 baseline by 2025.

4. Create and introduce 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 that saves licensees 30% or more in energy costs and/or 50% over targeted product lifecycles compared to a 2021 baseline by 2023.
- Full adoption of the energy rating system by licensees by 2025.

5. Develop guidelines for the protection of the Critical National Infrastructure (CNI) with regard to the water sector.

WHY

To make Cayman’s national water infrastructure more secure and resilient from cybersecurity and physical threats.

HOW

- Develop the evidence base for organising and implementing a framework for the protection of the water sector’s CNI.
- Develop awareness and understanding of cross-sector dependencies across all CNI sectors.

- Conduct a review to determine best practices.
- Conduct stakeholder consultation on water security to identify threats, vulnerabilities and risks to CNI and to identify challenges and opportunities for the protection of CNI over the short, medium and long term.
- Organise framework that includes best practices and standards for the design, implementation, safety, security and protection of the water sector’s CNI.
- Implement regulations and comprehensive measures to improve the security of the water sector.

MEASURES OF SUCCESS

- Fully implement a framework to report systems attacks and mitigation success/failure by Q4 2021.
- Fully implement a framework to share information and understand cross-sector dependencies by Q4 2021.
- Fully implement a framework to collaborate with international peers on energy sector CNI by Q4 2021.



6. Design and implement customer service standards for water sector licensees.

WHY

To protect the interests of consumers by ensuring regulated water sector licensees are fully compliant in meeting established quality-of-service standards.

HOW

- Conduct analysis to determine what legal frameworks exist.
- Establish norms and standards for water services.
- Conduct stakeholder consultation on the creation of a transparent regulatory framework to ensure safe, adequate, efficient, reasonable and non-discriminatory service for consumers and that protects the interests of consumers unserved by fixed networks.
- Draft, approve, gazette, implement, monitor and enforce regulations, guidelines, and standards.

MEASURES OF SUCCESS

- All water sector licensees submit complaint statistics reports that include time taken to resolve consumer complaints by 2021.
- All water sector licensees have robust internal company complaint-handling mechanisms by 2022.
- Consumer research mechanism fully established by 2021.
- Establishment of Consumer Councils as specified in Section 60 of the URC Act.

FOCUS AREA 5

Institutional Strengthening

1. Develop a service delivery system that engages employees and instils an organisational culture of excellence with the goal of delivering superior 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

- Undertake an exercise to map the current and desired culture of OfReg.
- Develop an implementation plan to embed the desired culture into the organisation.
- Conduct a review of the culture change project in 2024 to determine what needs to change and take the necessary action to make it happen.

MEASURES OF SUCCESS

- A minimum staff utilisation rate of 85% by 2023

- A minimum customer satisfaction score of 72% by 2022.
- A complaint resolution rate of 85% by 2022.

2. 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 and those records and data are maintained in accordance with the Data Protection Act.

HOW

- Identify the processes that need to have standards of performance (SOP) and then plan the process for their development.
- 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.



- Implement a comprehensive records management system to improve OfReg's electronic and paper filing processes.

MEASURES OF SUCCESS

- An annual stakeholder satisfaction score of 75%.
- An average task completion rate of 70% in 2021.
- An employee productivity rate of 70 % in 2021.
- The number of applications reworked for errors below 10%.

3. Adopt strategies to optimise employee engagement so that employees are aware business plans, goals and metrics; understand brand elements like mission, vision, values, ethics, visual identity and voice; and believe in the purpose and value of OfReg to the community.

WHY

To empower employees to successfully deliver on 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 individual and collective leadership capability using methods such as coaching, mentoring, shadowing and secondments.
- 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 to respond to challenges.
- Develop HR planning processes which ensures that the organisation has the right people with the right skills in the right job performing effectively in support of achieving OfReg's vision.
- Recognise employees for good performance and good behaviour.

MEASURES OF SUCCESS

- Ratio of complete to incomplete action items per month is below 66%.
- Percentage of rework done per month due to employee error is below 10%.
- A minimum employee utilisation rate of 85%.

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

WHY

To instil in employees high work ethics, positive attitude and knowledge of customer service protocols to meet customer expectations and achieve consistently high customer satisfaction scores that enhance the reputation of OfReg.

HOW

- Adopt operational standards and key performance targets.
- Ensure staff have full understanding of OfReg's values and customer service expectations.
- Formulate standards of customer service protocols throughout the organisation.
- Streamline business processes and make strategic use of technology to deliver services.
- Update OfReg's website to make it more intuitive, interactive and engaging and allow visitors to complete their tasks quickly and easily from any smart device.

MEASURES OF SUCCESS

- Achieve a Customer Satisfaction Survey Score (CSAT) of at least 72% in the first year.
- The average complaint resolution time improves by 5% year on year.
- Improve customer effort score (CES) by 1% annually.
- Achieve a customer "First Response Time" of maximum 24 hours.
- Achieve a complaint resolution rate of 75%.

5. To empower and inform the board so it can confidently communicate to stakeholders and the wider public OfReg's mission, vision and strategic priorities, and the outcomes it expects to deliver.

WHY

To ensure OfReg's awareness and knowledge of stakeholders' priorities and vice versa.

HOW

- Develop clear deliverables, objectives and priorities derived from the URC Act and 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.
- Create mechanisms to facilitate stakeholder engagement and feedback.
- Improve public relations and engagement to educate businesses and the public about OfReg's processes and requirements as well as general regulatory 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 activity is held per quarter.
- At least two members of the board undertake communications training per year.

The Utility Regulation and Competition Office

This is the revised 5 years Strategic Plan for the Utility Regulation and Competition Office (the 'Office' or 'OfReg')

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).



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