PRESS RELEASE **June 3, 2020**

CUC provides an update on modifications to the CORE programme

Caribbean Utilities Company, Ltd. ("CUC") is advising customers that the Ministry of Commerce, Planning and Infrastructure (CPI) recently issued a policy directive for the re-allocation of 700 kilowatts ("kW") of the 1-megawatt ("MW") Consumer Owned Renewable Energy ("CORE") capacity, which had previously been allocated to the Cayman Islands Government.

To access the 700-kilowatt tranche, the Ministry stipulated the following:

- 500kW for residential consumers
- 100kW for affordable homes e.g. 2000 square feet or less
- 100kW for homes built under the NHDT programme.

Solar companies were advised by the Ministry that they must be prepared to provide solar to affordable homes and homes built under the National Housing Development Trust ("NHDT") programme at an affordable cost.

The Ministry provided the allocation in early May and within a week, residential applications received exceeded the 500kW allocation. Applications received are currently being reviewed. Of the 100kW allocated to affordable homes, space remains available and interested individuals are invited to visit the renewable segment of the CUC website at www.cuc-cayman.com.

Minister of Commerce, Planning and Infrastructure, Honourable Joey Hew stated that the reallocation of 700KW back to the CORE programme for residential use is part of Government's stimulus package. "The Government is confident that this will have an immediate and direct effect across the industry, in particular to our residents, the small businesses in this sector and energy sustainability. We anticipate that this will provide local jobs in around eight to ten companies while helping to reduce our carbon footprint. We will continue work to foster the development of a sustainable energy industry in our Islands as set out in our National Energy Policy," Minister Hew said.

CUC's Vice President, Customer Service and Technology, Mr. Sacha Tibbetts says, "We are very supportive of the decision taken by the Ministry of CPI. Not only does this revive the CORE programme at a time when the economy is slowing down and in need of such a stimulus, but also I am especially pleased that a specific portion has been allocated to affordable housing and to the National Housing Development. This allocation of CORE will provide a CO2 reduction of approximately 635 tonnes per year."

The CORE programme which was revised and approved by the regulator in 2012 has been very popular with both residential and commercial customers. The programme has allowed customers to connect small scale solar systems or wind turbines to CUC'S distribution system and to reduce their monthly energy bills by generating their own electricity while remaining connected to the CUC grid. It should be noted that the programme is subsidised by the non-CORE customers as the rate paid to CORE customers for their electricity production is higher than the cost CUC would normally incur and charge to customers for the same energy.

To date the total number of connected customers is 482 CORE with a total of approximately 6 Megawatts installed providing a total CO2 reduction of approximately 5,432 tonnes per year.

CUC is currently going through the implementation phase of its Integrated Resource Plan which provides a general roadmap for Grand Cayman's energy generation plans for the next 30 years, subject to regulatory approval. The implementation phase of the plan will be an exciting period for CUC and electricity consumers, with a rapid increase in renewables connected to the grid which will provide cleaner energy at competitive and more stable costs.

For further information, please contact:

Pat Bynoe-Clarke
Manager Corporate Communications
Email: pclarke@cuc.ky