



PRESS RELEASE

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OfReg releases an additional 1 MW and new rates for the Consumer Owned Renewable Energy (CORE) Programme

The Utility Regulation and Competition Office (“OfReg”) has released the final 1 megawatt (“MW”) of capacity allocated to Caribbean Utilities Company, Ltd. (“CUC”) for the Consumer Owned Renewable Energy (CORE) programme.

The extension of the programme will continue to be limited to smaller systems of capacity with a revised tariff rate of CI\$0.28 for system sizes up to 5 kilowatts (kW) and CI\$0.24 for system sizes over 5 kW and up to 10 kW. As before, the size of any individual consumer system is restricted to the normal kW peak load of the consumer.

After the programme’s initial limit of 6 MW was reached in March 2017, the regulator approved an additional 2 MW to be released in two, 1 MW tranches. It was agreed then that customers would have access to only 1 MW at the time and that the second megawatt would be released following additional review, and possibly at revised feed-in tariff rates. The total capacity for the programme remains at 9 MW which includes 1 MW for Government buildings.

In an effort to further support the emerging renewable energy market and to reinforce the Government’s commitment to the Policy, OfReg had previously approved 1 MW of capacity which has been allocated to the public sector, including the central government departments,

statutory authorities and government owned companies. These entities will be offered the existing rate of CI\$0.21 per kWh for capacities of 20+ to 100 kW, subject to the usual peak demand limit.

The CORE programme takes into consideration the long term goals of the National Energy Policy, the Integrated Resource Plan (“IRP”) study and the Demand Rates initiative and continues to provide incentives for consumers to generate energy from renewable sources and be compensated through stable, long-term rates. It allows customers to connect renewable energy systems, such as 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.

President and Chief Executive Officer of CUC, Mr. Richard Hew, says, “The CORE programme has proven popular with both residential and commercial customers and we anticipate that the extension to the programme will be rapidly taken up by our customers and will assist in our goal of reducing the Cayman Islands’ dependence on fossil fuels. Our Company remains committed to promoting and developing renewable energy as a source of electricity generation and we believe that programmes such as CORE demonstrate that commitment.”

Large commercial customers now have access to Demand Rates which became available in 2017. These are standard rate structures for this type of customer and is similar to what is available in most other markets. Demand rate structures allow the customer’s billing to be itemized into fixed (demand) and variable (energy) based costs. Fixed costs are largely driven by peak demand and demand rates give consumers the ability to reduce their overall electricity bill by managing their peak demand. The demand component is a proportionately larger part of the bill if the customer’s power demands are high and over a short period of time, and a smaller part of the bill if the customer uses power at a more or less constant rate throughout the month.

Demand rates are also available to any customers who wish to connect renewable energy systems outside of the CORE programme that is on the Distributed Energy Resources (“DER”), programme. Currently, there are 3 MW allocated to this programme.

Customers wishing to obtain further details or to participate in the CORE programme may contact CUC's Customer Service Department at 949-4300.

The CORE Credit & Interconnection Agreement between the consumer and CUC will set out the terms under which services, connectivity, metering and billing credits will be governed and can be obtained on CUC's website at www.cuc-cayman.com

For further information, please contact:

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