



**URCA DRAFT ANNUAL PLAN 2022**

**STATEMENT OF RESULTS AND FINAL  
DECISION**

**URCA 02/2022**

**Issue Date: 17 MARCH 2022**

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# **1. Introduction**

## **1.1 Publication of Draft Annual Plan 2021**

The Utilities Regulation and Competition Authority (URCA) published its URCA Draft Annual Plan 2022 (“the Draft Annual Plan”) on 20 December 2021, in compliance with Section 41(4) of the Utilities Regulation and Competition Authority Act (“the URCA Act”). The Draft Annual Plan set out, inter alia, the following:

- A Review of URCA's Achievements in 2021;
- URCA's Plan for 2022;
- URCA's Key Performance Indicators (KPIs) for 2022; and
- URCA's Draft Budget for 2022.

URCA invited comments from the public, licensees, and other interested parties (collectively referred to as “Stakeholders” or “Respondents”) on the matters contained in the Draft Annual Plan.

## **1.2 Consultation Process**

### Consultation on URCA's Annual Plan

Further to URCA's commitment to engage with Stakeholders when developing the Annual Plan, on 10 February 2022, URCA held a virtual Stakeholders' Forum to provide Stakeholders the opportunity to discuss matters contained in the Draft Annual Plan. During the virtual Stakeholders' Forum, URCA provided its position and reasoning in response to the questions asked by the attending Stakeholders. URCA considers that the meeting was both useful and productive and thanks all Stakeholders who participated in that phase of the consultation process.

### Receipt of written comments

Pursuant to the Draft Annual Plan, URCA established 4 February 2022 as the deadline for written comments on the Draft Annual Plan. However, URCA received and acceded to requests from Stakeholders for an extension to the deadline for receipt of such comments on the Draft Annual

Plan. Accordingly, URCA granted the extension for receipt of written comments on the Draft Annual Plan to 17 February 2022. By the extended deadline for submission of comments, URCA received written comments from the following Respondents:

- The Bahamas Telecommunication Company (BTC);
- Cable Bahamas Limited and Be ALIV Limited, jointly (CBL & ALIV); and
- Dynamic Spectrum Alliance Limited (DSAL).

Full copies of the submissions from the Respondents can be found on the URCA website at [www.urcabahamas.bs](http://www.urcabahamas.bs).

Based on responses by the Stakeholders, who requested and were granted the extension, the publication date for this Statement of Results document is 17 March 2022.

#### Consultation Meetings

URCA hoped that it would have been able to convene a forum during the consultation process as an opportunity for face-to-face engagement between key Stakeholders and URCA on the Draft Annual Plan. However, due to the public health restrictions imposed by the Government of The Bahamas consequential to the COVID-19 Pandemic, URCA was unable to safely convene this type of forum. Drawing on URCA's 2019 experience, URCA considers such forum (as was held in certain Family Islands in early 2019), to be extremely beneficial and useful to engaging directly with the public on its Draft Annual Plan as part of the consultation process. As such, barring any unforeseen or extenuating circumstances, URCA intends to resume its face-to-face Stakeholder forum in New Providence and the Family Islands in 2023, and possibly expand the format of this initiative in future years.

URCA thanks all Respondents to this consultation process for their invaluable contributions and encourages the full participation by all Stakeholders going forward. All comments and recommendations received have been carefully considered by URCA as part of its consultation process to finalise URCA's 2022 Annual Plan.

This Statement of Results document now provides a summary of the written comments received by URCA from Respondents to the Draft Annual Plan. URCA considers the tabular format for the

presentation of the Stakeholders' written comments to provide better structure to the comments received and has adopted this format for the Statement of Results.

The final 2021 Annual Report and 2022 Annual Plan – URCA 03/2022 document will be published on 30 April 2022.

### **1.3 Structure of the Remainder of this Document**

The remainder of this document is structured as follows:

Section 2: sets out, in tabular format, a summary of the written comments received from Stakeholders on the Draft Annual Plan, URCA's responses, and URCA's decision on and any amendments to the Final Annual Plan as a result of the comments received from Stakeholders; and

Section 3: presents URCA's Conclusion and Next Steps.

## 2. Comments and Responses to Draft Annual Plan 2022

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
1	General Comments	CBL & ALIV	<p>CBL &amp; ALIV were pleased for the opportunity to participate in and contribute to URCA's 2022 annual planning process. CBL &amp; ALIV congratulated URCA for its foresight in introducing a new element to the annual planning process, namely the engagement of operators in a pre-planning collaborative process by providing an early opportunity to have an open discussion on matters of priority and concern to the operators.</p> <p>CBL &amp; ALIV were also pleased that some aspects of its discussions with URCA are reflected in the Draft Annual Plan and include topics most relevant to the evolution of the Electronic Communications Sector (ECS). CBL &amp; ALIV called on URCA to facilitate a similar session between URCA and the Minister responsible for the ECS with a specific agenda to include the responses provided by the Individual Licensed Operators (ILOs) on matters of national importance, noting</p>	<p>URCA thanks CBL &amp; ALIV for their comments and recommendations on the matters contained in the Draft Annual Plan and looks forward to their full participation in the regulatory projects that URCA has scheduled for 2022.</p> <p>URCA considers its discussions with stakeholders, including CBL &amp; ALIV, to be vital to the regulatory process and values the input, suggestions and recommendations proffered during such exercises. URCA will continue to reflect the contributions made by stakeholders in its annual planning where they are progressive, reasonable, appropriate and useful.</p>	

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			that too often minority special interest groups are louder and are heard and accommodated without reference to ILOs who can be negatively impacted by resulting decisions and who carry the burden of the sector.	URCA notes the call by CBL & ALIV to facilitate a similar session with the Minister responsible for the ECS with a specific agenda to include the responses provided by the Individual Licensed Operators (ILOs). URCA advises that, in its advisory capacity to the Government including the Minister for the ECS, URCA does and will continue to discuss matters of national importance, as raised by sector stakeholders. URCA encourages ILOs to also advocate directly with the ECS Minister on matters of mutual concern and importance.	
1	General Comments	BTC	BTC welcomed the opportunity to respond to the Draft Annual Plan.	URCA thanks BTC for its comments and recommendations to the matters contained in the Draft Annual Plan and looks forward to BTC's full participation in the regulatory projects that URCA has scheduled for 2022.	
1	General Comments	DSAL	DSAL expressed appreciation for the opportunity to participate in the consultation process and to present its views and comments on the Draft Annual Plan. DSAL also congratulated URCA for its achievements in 2021 and the definition of the projects and initiatives for 2022. DSAL	URCA is particularly pleased that DSAL has taken the opportunity and interest to participate in this annual planning consultation process. URCA considers that the comments submitted by DSAL brought a broader perspective to the	

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			stated that it wished only to comment on the URCA initiative that proposes to revise the Electronic Communications Sector Policy to address the Government's position on emerging technologies, more specifically 5G.	consideration of 5G by URCA, which were useful.	
2.1	Review of URCA's Achievements in 2021 – Overview	CBL & ALIV	CBL & ALIV noted that in their 2021 Reply to URCA's 2021 Annual Plan, it invited URCA to learn from its 2020 pandemic work challenges so as to not further delay critical work outcomes. CBL & ALIV are pleased to see that URCA acknowledges that it has gained more confidence to manage the pandemic. CBL & ALIV agreed with URCA that regulatory reform will require a paradigm shift in its regulatory approach to sector oversight that is more flexible and accommodating.	URCA notes and thanks CBL & ALIV for their comments in this regard.	No change required.
2.1	Review of URCA's Achievements in 2021 – Overview	CBL & ALIV	CBL & ALIV commended URCA's stated objective to promote the transition to a digitally inclusive society through the ubiquitous deployment of ICTs in e-commerce, innovation and new business opportunities as ICTs begin to take its place as the third pillar of the economy. CBL &	URCA notes CBL & ALIV's position concerning ICTs becoming the third pillar of the Bahamian economy. URCA will continue to discharge its advisory mandate to the Government on the vital role ICTs play in the development of the society as a whole and a robust	No change required.



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2.1	Review of URCA's Achievements in 2021 – Overview	CBL & ALIV	<p>ALIV stated that ICTs will; however, not become the third pillar without URCA's intervention in influencing the Government stakeholders to include ICT infrastructure costs within the National Budget, inclusive of financial concessions as it is recognized in the industry internationally that public – private partnerships are essential to the successful development of telecommunications infrastructure upon which ICTs sit.</p> <p>CBL &amp; ALIV believes that URCA can play an important role in educating Government stakeholders on the sector requirements which must include a National Development Policy and Plan for the development of ICTs over a specified period of time with a commitment for a designated owner at Cabinet level to drive the process. CBL &amp; ALIV considers that an integrated approach is needed between the public and commercial sectors on matters such as 5G, fibre network roll-out, and the provision of Universal Service to</p>	<p>Bahamian economy. URCA is, however, of the view that matters for consideration for inclusion in the National Budget fall squarely within the remit and determination of the Government of The Bahamas.</p> <p>URCA agrees that it has a role to play in public education on matters relating to the sectors it regulates. URCA considers the Electronic Communications Sector Policy (ECSP), which sets out the Government's policies and plans for the ECS, as the appropriate forum for ICT related matters. URCA advises that it is statutorily required to implement the ECSP. URCA further advises that, pursuant to the Communications Act, 2009, URCA is mandated to formulate and present a revised ECSP to the</p>	No change required.

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2.1	Review of URCA's Achievements in 2021 – Overview	CBL & ALIV	<p>more remote parts of the Bahamas and suggested that URCA include this perspective in the final Annual Plan for 2022.</p> <p>CBL &amp; ALIV stated that it is impressed with the successful implementation of URCA's solar panel car park, a positive step towards ICT commitment, and modifications to mitigate the impact of climate change.</p>	<p>Minister for consideration, setting out strategic aims and policy objectives for the ECS. URCA therefore, considers the Minister for the ECS as the "owner at Cabinet level to drive the process" for the development of a national policy and plan for ICTs.</p> <p>URCA notes and thanks CBL &amp; ALIV for their comments.</p>	No change required.
2.1	Review of URCA's Achievements in 2021 – Overview	BTC	BTC stated that URCA's continued engagement with the Electronic Communications Sector (ECS) and Electricity Sector (ES) is encouraging as it shows that the sectors' regulator is open to collaboration and inclusion from stakeholders as it charts the course for the sectors' future.	URCA thanks BTC for its comments and assures all stakeholders that it will continue its stakeholder engagement going forward. URCA considers stakeholder engagement as vital to the effective and efficient regulation of the regulated sectors.	No change required.

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2.1	Review of URCA's Achievements in 2021 - Overview	BTC	<p>BTC noted that it has observed a pattern whereby some URCA projects are being carried over for multiple years. BTC is of the view that projects which carry over, that are not part of the aforementioned categories, can be better managed, balancing the priorities of URCA and other stakeholders inclusive of Operators.</p> <p>BTC acknowledged that URCA has moved projects into a more manageable two (2) tier system, which is a commendable first step. BTC suggested that URCA provide more details to industry stakeholders in the Annual Plan summary tables. BTC believes that percentage complete and target</p>	<p>URCA advises that during 2021, it instituted remote working protocols that were periodically impacted, inter alia, by broadband capacity issues due to national consumer demand as a result of the pandemic and by other extenuating circumstances beyond URCA's reasonable control. Where it was technically possible and safe to engage with internal and external stakeholders, URCA made best efforts to complete projects and advance its regulatory mandate. URCA will consider the insertion of percentage complete and target completion date fields in the Annual Plan summary tables going forward.</p> <p>URCA notes BTC's comments but advises that it make the most efficient use of its limited resources, which the creation of a general project office may undermine. URCA believes that BTC's position fails to acknowledge the responsibility by licensees for the deferral</p>	<p>URCA will consider the insertion of percentage complete and target completion date fields in the Annual Plan summary tables going forward.</p> <p>No change required.</p>

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			<p>completion date fields would assist stakeholders with assessing the overall progress of a given project.</p> <p>BTC suggested that projects that have direct regulatory impact on the ECS be assigned to a general project office so that progress can be monitored and reported on a more regular basis; and where necessary queries from the industry can be directed and facilitated. It is BTC's view that an annual review of a project is inadequate for a rapidly evolving ECS.</p> <p>BTC encouraged URCA's efforts towards becoming more digitalized as it is evident from the changes implemented worldwide in response to the Covid -19 pandemic that digitization and improved technology are essential components for a society to function effectively.</p>	<p>and/or delay in completion of regulatory projects due to requests for extensions to respond to consultation documents and other regulatory measures issued by URCA during 2021. URCA advises that it has a performance management system that encourages high performance from its Team Members. URCA also has a project management system in terms of assigning a project to a suitable lead who is accountable to the sector director on a regular basis for the progress of each project. Where timelines, targets and deliverables slip, the appropriate corrective measures are immediately taken. Nevertheless, URCA takes BTC's comments under advisement and will make best endeavour and is committed to improving on the completion of projects in 2022.</p>	
2.1	Review of URCA's	CBL & ALIV	CBL & ALIV noted URCA's restructuring of the Corporate and Consumer Relations	URCA notes CBL & ALIV's comment for URCA to exert its influence on	No change required.

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2.1	Achievements in 2021 - Overview  Review of URCA's Achievements in 2021 - Overview	CBL & ALIV	<p>Team and the establishment of an Internal Government Relations Unit. CBL &amp; ALIV also commended URCA for the dedicated resources to international organizations. CBL &amp; ALIV stated that it wished to see URCA exerting its influence on Government stakeholders in relation to recommendations made by international bodies for in-country objectives for ICTs.</p> <p>CBL &amp; ALIV further stated that URCA's staffing remains a concern given the turnover rate, which contradicts URCA's view that it is "an attractive employer for young professionals..." CBL &amp; ALIV said they know that talented Millennials and Generation-Xers do not seek "cradle to grave" employment and move frequently between jobs. CBL &amp; ALIV intimated that they look forward to a regulator that is fully staffed with well trained, competent and motivated officers who have also built on the job expertise. CBL &amp; ALIV suggested that URCA look at its compensation structure which, whilst originally meant to</p>	<p>Government stakeholders in relation to recommendations made by international bodies for in-country objectives for ICTs. URCA considers that it may have been useful for CBL &amp; ALIV to provide specificity on the ICT recommendations made by international bodies on which it wished URCA to engage the Government.</p> <p>URCA notes CBL &amp; ALIV's comment with particular interest and concern. Despite URCA's best efforts to provide competitive salaries and benefits to its staff, and invest significantly in their training and development, URCA finds itself in the unenviable position of losing key members of its staff mainly to Licensees who seem to target such Team Members. This situation is exacerbated by what URCA considers the unwillingness of sector counter-parts and Licensees to share useful compensation and benefits data on a confidential basis with the regulator to</p>	No change required.

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2.1	Review of URCA's Achievements in 2021 - Overview	CBL & ALIV	<p>be competitive with the industry and equivalent professions, is sadly lagging. CBL &amp; ALIV repeated their previously submitted suggestion that URCA look at a compensation structure that includes payment based on results, as used by some regulatory authorities in the Caribbean region.</p> <p>CBL &amp; ALIV congratulated URCA on recognizing that it has a problem in retaining competent staff and suggested that URCA examine other ways of ensuring that it has the expertise for effective regulation, such as secondments from operators, twinning with experienced national regulatory authorities in other countries, or working with academic institutions.</p>	<p>be able to improve and bring current its "compensation structure". URCA advises that, through local, regional and international benchmarking and research, it will complete its compensation review exercise shortly with a view to putting URCA in the best possible position to engage and retain Team Members.</p> <p>URCA advises that it discharges its regulatory mandate utilizing the best-in-class regulatory expertise, whether resourced in-house or through consultancy arrangements, where necessary. URCA appreciates the options proffered but reminds CBL &amp; ALIV that the highly specialized regulatory skill-set required by URCA is not readily accessible locally and other regulatory authorities are experiencing similar challenges from the dearth of available experienced regulators. Secondment from operators is not an attractive option for URCA as it has the</p>	No change required.

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2.2	Performance Against URCA's 2020 Annual Plan	CBL & ALIV	CBL & ALIV noted URCA's statement that URCA is committed to developing a work plan that allows stakeholders to assess its performance effectively based on output and input. CBL & ALIV said they are unclear on what exactly is meant by this statement. CBL & ALIV further noted that for several years it has requested that URCA consider seeking input from licensee stakeholders on its performance, but to no avail.	<p>potential to create conflicts of interest and compromise the commercially sensitive information of other sector operators to which URCA is privy.</p> <p>URCA clarifies that, over the years, it has received feedback from Licensees and other key stakeholders expressing that the format of URCA's work plan and projects makes it challenging to determine whether URCA is delivering on its mandate and the impact of its regulatory decisions on the regulated sectors. Going forward, URCA intends to develop its work plan in a format that allows stakeholders to fully assess URCA's performance on an annual basis, but also having regard to the factors to make both a fair and objective assessment. URCA will continue to constructively engage with stakeholders in this evolutionary process.</p>	URCA will develop its work plan in a format that allows stakeholders to fully assess URCA's performance on an annual basis, but also having regard to the factors to make both a fair and objective assessment and will continue to engage with stakeholders in this process.

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2.2	Performance Against URCA's 2020 Annual Plan	CBL & ALIV	CBL & ALIV noted also that in URCA's Performance Measurement criteria against the 2021 Annual Plan, URCA has adjusted the approach to the prioritization of projects by reducing the Project Plan to two tiers; Tier I whose objective is to complete those projects in the current year; and Tier II projects which because of external co-dependencies do not necessarily have a specified timeline. CBL & ALIV consider that it may be beneficial to licensees as well as to URCA, if URCA were to manage expectations with Public Consultations by including the phases (if there are phases) involved in the Consultation and leading up to the Final Determination in the published project plans.	URCA will continue its engagement with stakeholders during 2022 on the development of its OPI process.	No change required.
2.2.1	General Projects	CBL & ALIV	CBL & ALIV noted that URCA's Organization Performance Indexes (OPIs) saw a phased implementation in 2021 with URCA heeding the advice of Licensees to reduce the addition of numerous data requirements in related Licensee reports.	URCA is committed completing the Market and Consumer Satisfaction Surveys in accordance with its 2022 Annual Plan and will make best endeavour to publish the results, having	No change required.



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2.2.2	Electronic Communications Sector (ECS) Projects	CBL & ALIV	<p>CBL &amp; ALIV said that it is looking forward to the publication of the results of several Market and Consumer surveys undertaken and completed or partially completed by URCA in 2021, with results promised in the first trimester of 2022.</p> <p>CBL &amp; ALIV said that it awaits the results of the ECS market surveys on Pay TV, stating that its overarching objective is a deliberate and fast paced move towards deregulation of the Pay TV market with the removal of the SMP designation (particularly given the competition with OTT services) and a focus initially on ex-post regulation followed only by wholesale regulation and evolving to a regulatory regime which does not impede the commercial freedom of Licensees and allows for nimbleness and flexibility to respond to the demands of consumers as per the Repackaging exercise. It is CBL &amp; ALIV's view that even a cursory review of the evolving supply chain of content services will reveal that the real market</p>	<p>regard to any commercially confidential information.</p> <p>URCA notes CBL &amp; ALIV's comments and assures interested stakeholders that URCA's regulatory decisions will be duly informed by the results of the surveys. URCA further assures CBL &amp; ALIV that the regulatory measures issued consequential to the survey results will be guided by principles of fairness, transparency and non-discrimination.</p>	No change required.

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2.3	International Participation	CBL & ALIV	<p>power is in the hands of the content owners, not the traditional distributors of content in TV form and that URCA must recognize the revolution around the flexible viewership habits of consumers and the changes being made by programmers unilaterally causing further dilution of the TV product. CBL &amp; ALIV believes that URCA must address the steady decline of traditional TV viewership in the face of competition from external and unlicensed players who, when included in the count with licensed operators provide proof that significant competition does exist and that consumers do have multiple choices. It is CBL &amp; ALIV's position that the losses incurred in the Pay TV market by URCA Licensees demand the removal of the dominance label and a completely new approach by URCA in order to level the playing field.</p> <p>CBL &amp; ALIV recognized the importance of representation by The Bahamas at international organizations like the ITU and</p>	URCA notes CBL & ALIV's comments and assures stakeholders that the establishment of its International and	No change required.

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	and Engagement		CITEL but urged URCA to ensure its key resources are focused on the local market, particularly in light of URCA's observation that there is a declining pool of internal leadership resources at the departmental, regulatory and executive levels and a high turnover in staff.	Government Relations Unit will not adversely affect URCA's work plan in relation to the local market. Unlike before, URCA's internal leadership resources are now able to bring more focused attention to URCA's work plan and projects without having the onerous task of also preparing for and representing The Bahamas at regional and international fora. URCA considers this a progressive measure to ensuring completion of a greater percentage of its annual projects.	
2.5	Educating and Supporting our Stakeholders	CBL & ALIV	CBL & ALIV expressed their excitement to participate in URCA's flagship annual outreach programme to our youth and appreciates the evolving face of the Girls in ICT programme, which is consistent with the rapidly evolving ICT markets.	URCA looks forward to CBL & ALIV's participation in URCA's flagship annual outreach programme to our youth and appreciates their usual invaluable support for the Girls in ICT programme.	No change required.
2.5	Educating and Supporting our Stakeholders	CBL & ALIV	CBL & ALIV noted that URCA has kept pace through the use of webinars and social media engagements in keeping with its mandate to educate and support	URCA notes CBL & ALIV's comments and will continue to utilize virtual platforms as an effective tool to engage with sector	No change required.

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2.7	Summary of Outcomes	CBL & ALIV	<p>stakeholders, particularly consumers at every level. CBL &amp; ALIV are of the view that the expansion of the regulator's footprint in the digital communications space is vital and encouraged URCA to ensure that there is a balance in its obligations to both Licensees and consumers, as to tip the scales too precipitously could impact the profitability and hence the viability of Licensees.</p> <p>CBL &amp; ALIV believes that URCA should review its project management system given the slow progress on its projects and the high rate of deferment. CBL &amp; ALIV noted that URCA has consistently been unable to meet many of the target dates set out for project completion in its Annual Plans and should review whether it needs to have sharper terms of reference, more ambitious timetable, better system for monitoring progress, anticipating delays and undertaking necessary remedial actions for projects. CBL &amp; ALIV suggested URCA considers a "payment by results"</p>	<p>participants and to do so in a manner that is balanced to all stakeholders.</p> <p>As previously stated, CBL &amp; ALIV's position fail to acknowledge the responsibility by licensees for the deferral and/or delay in completion of regulatory projects due to requests for extensions to respond to consultation documents and other regulatory measures issued by URCA during 2021. URCA again advises that it has a performance management system that encourages high performance from its Team Members. URCA also has a project management system in terms of assigning a project to a suitable lead</p>	No change required.

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			compensation system to signal the importance of effective project management and the meeting of targets to its staff.	who is accountable to the sector director on a regular basis for the progress of each project. Where timelines, targets and deliverables slip, the appropriate corrective measures are immediately taken. Nevertheless, URCA takes CBL & ALIV's comments under advisement and will endeavour and is committed to improving on the completion projects in 2022.	
2.2	Performance Against URCA's 2021 Annual Plan	BTC	BTC commended URCA for completing the Solar Car Park Array. BTC, however, said that it is concerned about URCA's ability to manage a solar research facility at this time and how the learnings from this initiative will be used to the benefit of all its stakeholders. BTC suggested that, as an alternative, URCA partner with local academic and vocational institutions to accomplish research objectives as the potential benefit would be multi-fold. BTC expressed keen interest in the outcomes and learnings from this endeavor as BTC operates advanced technology and communication equipment in remote	URCA notes BTC's concern about its ability to manage a solar research facility; however, the extent of URCA's research is to gather real-time experiential data that would assist in growing the inhouse technical and economic knowledgebase with such systems. The intent is not to physically interfere or experiment with the normal operation of the system, but rather to make nonintrusive observations to gather empirical data that would inform technical and economic photovoltaic and/or RE regulatory measures.	No change required.

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2.2.1	General Projects-Solar Car Park Array	BTC	<p>areas of the country where reliable and quality power continues to be elusive.</p> <p>BTC stated its concern with the projected savings associated with this project as URCA indicated that it expects to realize a savings of \$11,000 per year in fuel surcharge. It is BTC's view, based on the initial investment and capital costs, that the projected savings does not represent a fair return on the investment and that more details around the business case associated with this project may have provided more insight into the overall benefits. BTC noted that URCA has indicated that full recovery on the investment is expected in sixteen (16) years, but that based on widely acceptable accounting guidance, investments in equipment is recommended in cases where the full recovery of the investment can be realized within three (3) years as this would leave two (2) additional years of expected useful life of most pieces of equipment and that</p>	<p>It is noted that BTC also commented on the projected savings or return on investment (ROI) from the unit. The ROI is calculated based on the avoided cost of energy inclusive of fuel charge for the units self-consumed by URCA, while the rate of compensation for surplus energy supplied to the grid is to be that of the prevailing fuel charge. In this regard, the savings amount projected at the time of the report was based on the RE consumption conditions and relatively low (hedged) fuel rates in place at that time. It is anticipated that URCA's occupancy and inherent self-consumption pattern will result in an increased rate of return, which should improve the ROI and overall full recovery timelines. It is also noted that the anticipated lifespan of this asset is 25 years with minor/negligible maintenance requirements. While BTC</p>	No change required.

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2.2.1	General Projects-Frederick House Remediation	BTC	<p>after five (5) years, equipment begins to depreciate and deteriorate resulting in repairs and replacement costs. BTC believes that within a sixteen (16) year timeframe it is unlikely that any equipment will be fully functional without having any maintenance carried out and without replacement parts. BTC expressed concern about the prudence of this investment by URCA.</p> <p>BTC noted URCA's initiatives towards the necessary repairs and remediation required to ensure that there is a suitable work environment but that since the building was acquired there has been a continued need for renovations and refurbishments. BTC said it is unclear whether the renovations were apparent at the time of purchase, however, due to the substantial amount of this investment, BTC believes that more details should be provided to the sector.</p>	<p>has expressed an interest about the prudence of the investment, URCA notes that the investment has, inter alia, socio-economic, environmental, and technical benefits that extend beyond ROI and that are consistent with URCA's mandate concerning emerging technologies in both the electricity and electronic communications sectors/.</p> <p>URCA notes BTC's comments and assures BTC the latent defects that have manifest since URCA's occupation of the Frederick House Building were not detectable on reasonable inspection of the building prior to purchase (caveat emptor). URCA has embarked upon and is near completion of extensive renovations to the building. URCA however, signals that should its best efforts fail to ensure a safe and comfortable work environment, URCA would have to consider new premises.</p>	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
2.2.1	General Projects- Market and Consumer Satisfaction Surveys	BTC	BTC agreed that the views and opinions of consumers are essential and that they should steer the course as URCA initiates project throughout the years. However, it is BTC's position that results of market and consumer surveys can serve multiple purposes as they can also be beneficial to the operators. BTC suggested that URCA share the results of the surveys with operators so that they may be used to improve and design more fit for purpose customer centric policies and value propositions. BTC considers this information to be very valuable as it is the direct voice of the customer from an independent source, although BTC appreciates that some of the results maybe for URCA's purposes alone. BTC requested that, where possible, URCA consider sharing the results with relevant stakeholders in the spirit of improving the sector.	URCA notes BTC's comments and repeats that it is committed completing the Market and Consumer Satisfaction Surveys in accordance with its 2022 Annual Plan. URCA will endeavour to publish the results, having regard to its statutory duty to not publish or otherwise divulge information that, in its view, would be commercially confidential.	No change required.
2.2.2	Electronic Communication	BTC	BTC noted that, in the Draft Annual Plan, URCA confirmed that work began on the mobile market review with the completion	URCA notes the various points raised by BTC and advises that the draft Determination setting out URCA's	No change required.



Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
	Sector Projects-Market Review of Mobile Services		of surveys. BTC expressed its appreciation for the commencement of this project but is dissatisfied with how long this process is taking, noting further that upon completion of the Non-Price Capped Services (NPCS) Regulations Final Determination (ECS 34/2016) in September 2016, URCA stated that a market review of the mobile sector would follow within 12-18 months i.e. early 2018, yet to date the review is incomplete. BTC is concerned that as the incumbent to the mobile market and by default carries the SMP obligation, it is only to BTC's detriment when a crucial exercise such as this is unnecessarily delayed.	preliminary findings on dominance in the mobile retail market is under internal review.	
2.2.2	Electronic Communication Sector Projects-Market Review of Mobile Services	BTC	BTC feels that in the absence of a market review and in the interim of its completion, URCA should take a proactive approach to ensure fairness of competition within the mobile sector. BTC strongly believes that, based on its internal market analysis which indicates a 50% shift in mobile market share, BTC should not be the only operator	BTC's comments are noted.	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
2.3	URCA's International Participation and Engagement	BTC	<p>subject to the strict and very limiting regulations.</p> <p>BTC was pleased to see the progress URCA made in ensuring that The Bahamas is recognized and contributes on an international level with the International Telecommunications Union (ITU) and the Executive Council of Inter-American Telecommunications Commission (CITEL) and welcomes URCA's continued participation with the various international telecommunications and energy regulatory organizations.</p>	<p>URCA advises that the strategic shift from a CEO led process to a dedicated leadership with supplementary support in the form of the International/Government Relations Unit is mainly driven by the multi-faceted responsibilities of URCA's CEO and the requirement for the CEO to be readily accessible and responsive to both internal and external stakeholders.</p>	No change required.
2.3	URCA's International Participation and Engagement	BTC	<p>BTC sought clarification regarding the strategic shift from a CEO led process to a dedicated leadership with supplementary support in the form of the International/Government Relations Unit. BTC also welcomed URCA engaging in collaboration with the Government on sector policies and with key stakeholders on industry related issues to enhance its participation at the various international</p>	<p>URCA clarifies that the strategic shift contemplates a multi-pronged approach by URCA regarding its international representations and engagement with the Government. Where appropriate and required, the CEO will remain the lead on both fronts. Non-Executive Board Members will also play a role in URCA's international and Government stakeholder engagements.</p>	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
			<p>conferences and meeting. However, BTC is unclear as to the manner in which members are appointed to this unit and ultimately how this translates with regards to the actual representation at these various committees (i.e. will the representation of the CEO be delegated to another member of the International/ Governmental Relations Unit or is this Unit solely for the purposes of gathering information and supporting the CEO in his preparation for attending these meetings).</p> <p>BTC's considered that representation at the international level should be consistent and by seasoned regulatory professionals able to make decisions and contribute to the decision-making process. BTC said it appreciates that this may be overwhelming for the office of the CEO to handle alone and supported the idea of a unit supporting the CEO and ensuring that the CEO is well versed on the sector specific agenda of the country. However, BTC expressed concerned that a total shift</p>	<p>However, the level of extensive research and preparation required in order to provide useful participation in regional and international working groups and meetings will be assigned to the Unit. Attendance at the working groups and meetings will also be by key members of the Unit, where appropriate. URCA considers that through internal briefings (and debriefing) the CEO can be fully apprised of the goings on at the meetings and working groups.</p>	

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
2.4	Building Regulatory Capacity and Human Capital	BTC	<p>away from the CEO may downplay the importance of these international committees in the development of the local sector.</p> <p>BTC noted URCA's commitment towards retaining its human capital and hopes that the Cultural Renewal initiative and the 2021 Compensation Review Project will assist in retaining employees. BTC further noted that substantial sums are spent on training and development each year and that it is unfortunate that these trained individuals leave URCA within a short window. BTC believes that creating an enjoyable and progressive work environment with competitive benefits packages is a key ingredient in attracting new employees and retain existing ones.</p>	<p>URCA reiterates its previously stated position above in this regard that, despite its best efforts to provide competitive salaries and benefits to its staff, and invest significantly in their training and development, URCA finds itself in the unenviable position of losing key members of its staff mainly to Licensees who seem to target such Team Members. This situation is exacerbated by what URCA considers the unwillingness of sector counterparts and Licensees to share useful compensation and benefits data on a confidential basis with the regulator to be able to improve and bring current its "compensation structure".</p>	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
2.5	Educating and Supporting Our Stakeholders	BTC	BTC agreed that URCA should continue to educate the public on their rights and the choices accessible to them where an operator breach any of its commitments. BTC also urged URCA to continue to utilize virtual platforms as a means to share messaging with its partners. BTC suggested that, as a means of educating stakeholders, representatives of the Licensees should be included as members of the International/Government Relations Unit so that all sectors are involved in the shift towards innovation and technology.	<p>URCA advises that, through local, regional and international benchmarking and research, it will complete its compensation review exercise shortly, with a view to putting URCA in the best possible position to engage and retain Team Members.</p> <p>URCA notes BTC's comments and assures BTC that it will continue to utilize virtual platforms to share messaging with its partners. URCA is not clear on BTC's suggestion to include representatives of the Licensees as members of the International and Government Relations Unit. URCA's preliminary position is that it is not open to this suggestion as there may be potential conflicts of interest.</p>	No change required.
3	URCA's Plan for 2022 – Strategic Outlook	CBL & ALIV	CBL & ALIV applauded URCA's strategic approach to the 2022 proposed work plan and agreed with URCA that leadership must be "visionary, engaging and	CBL & ALIV's comments are noted.	

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.1	Strategic Outlook	CBL & ALIV	<p>responsive in order to inspire stakeholder's confidence and stakeholder's commitments" as critical to the growth of these sectors which underpin our socio-economic development. CBL &amp; ALIV included education to the socio-economic aspects.</p> <p>CBL &amp; ALIV further noted that URCA's financial and planning year starts on 1 January, but the consultation started on 20 December. CBL &amp; ALIV stated that when the final Annual Plan is published at the end of April, URCA will already be four months into its year and that URCA may wish to bring forward and speed up its planning cycle so that it is completed before the start of the year, as stakeholders will feel more confident that they are able to influence URCA's work through their comments on the Draft Annual Plan.</p>	<p>URCA notes CBL &amp; ALIV's comments but advises that the start date for URCA's consultation is driven by URCA's awareness of the statutory timelines to publish its Annual Plan, having regard to the full consultation process. This has been a recurring conundrum for URCA and may only be remedied through legislative reform. More importantly, there are projects that are scheduled for completion in December of a given year which may impact URCA's current-year KPIs/OPIs and next-year planning.</p>	No change required.
3.2	Key Projects for 2022 (Tier 1)	CBL & ALIV	<p>CBL &amp; ALIV stated that URCA has an ambitious work plan for 2022. CBL &amp; ALIV noted that there are six carry-over projects</p>	<p>URCA notes CBL &amp; ALIV's concerns but is flummoxed by CBL &amp; ALIV's stated disappointment. URCA reminds CBL &amp;</p>	URCA will give high priority to completing its market review of Fixed Services in 2022.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2	Key Projects for 2022 (Tier 1)	CBL & ALIV	<p>including the review of Fixed Services including Pay TV that was first included in URCA's work programme in 2019. CBL expressed disappointment that no progress has been made on it over the last three years. CBL &amp; ALIV anticipate URCA engaging with operators to alleviate regulatory constraints which hinder the flexibility and innovation required to resurrect what CBL &amp; ALIV consider "a dying product".</p> <p>CBL &amp; ALIV stated that URCA has included projects over the years on the introduction of price caps instead of the current retail prices controls in its work plans but has made no progress on the matter and hope that the review of fixed services will address</p>	<p>ALIV that the lack of progress, if any, was largely due to the delayed completion of the Review of Wholesale Internet Access. The Wholesale Internet Access Review has been significantly delayed due to the relevant Licensees, including CBL &amp; ALIV, requesting lengthy and multiple extensions to provide responses to information requests. URCA further reminds CBL &amp; ALIV that the timely completion of market reviews is largely dependent on their response times and the completeness of their respective submissions. URCA looks forward to the co-operation of the relevant Licensees in the Market Review of Fixed Services to ensure it is completed in a timely manner.</p> <p>URCA notes CBL &amp; ALIV's concerns and assures CBL &amp; ALIV that URCA remains committed to utilizing its scarce resources as efficiently as possible to complete this project without further undue delay.</p>	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2	Key Projects for 2022 (Tier 1)	CBL & ALIV	<p>the issue of whether retail price controls are still a necessary regulatory remedy.</p> <p>CBL &amp; ALIV awaits URCA's recommendation to the new administration on the feasibility of a third mobile operator and noted that now that the mobile market review is completed, the feasibility assessment will begin by URCA. CBL &amp; ALIV considers it important that URCA pay attention to the international trends in the mobile industry, such as the need for additional investment to keep up with the demands for additional broadband capacity and new (5G) technology, and the decreasing revenues resulting from competition from content and OTT providers. CBL &amp; ALIV believes that URCA must understand such drivers if it is to assess the feasibility of a third operator properly. CBL &amp; ALIV stated that the completion of the mobile market review marks an important demarcation in the regulation of the mobile voice market as the successful launch and</p>	<p>URCA notes the recommendations by CBL &amp; ALIV and advises that URCA's review will have regard to all relevant considerations and representations received from stakeholders and interested parties. URCA will endeavour to complete this project in accordance with its Annual Plan; but advises that a decision by the Government of The Bahamas in this matter goes beyond URCA's remit.</p>	No change required.



Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2	Key Projects for 2022 (Tier 1)	CBL & ALIV	<p>establishment of ALIV as a major player in the space should ideally lead to a deregulated mobile voice market with the removal of dominance labels, as happens in many other jurisdictions.</p> <p>CBL &amp; ALIV also noted that there are seven Tier 1 items, three of which will commence and be completed within 2022 with the remaining four having started earlier and continuing to conclusion. CBL &amp; ALIV agreed that the public consultation on 5G is important and a crucial issue for the country as it awakens from its COVID isolation. CBL &amp; ALIV suggested that it will be of assistance for URCA to consider how countries around the world are tackling the introduction of 5G services on the back of their 4G and LTE networks and opined that 5G is launched under a national policy on 5G as agreed between the Government, Regulator and mobile operators and is generally related to the specific types of demand and spectrum availability and pricing, with a phased introduction in the</p>	<p>URCA notes the very comprehensive comments and concerns expressed by CBL &amp; ALIV and considers that they are matters germane to the fulsome consultation process that URCA will conduct regarding the proposed implementation of 5G technology in The Bahamas. URCA notes and agrees with CBL &amp; ALIV's commentary that there is a need for collaboration with the Government, Regulator, and Operators on the Public Consultation on 5G. URCA notes the comment that the Public Consultation on 5G is interconnected to other projects which are identified as separate. URCA anticipates CBL &amp; ALIV's full participation in the Public Consultation on 5G.</p>	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.2	Electronic Communications Sector Projects-	CBL & ALIV	<p>various sectors over a period of time. CBL &amp; ALIV believe that the issue of 5G in The Bahamas cannot be seen in isolation from other regulatory matters, in particular the provision of universal service in the Family Islands, the funding of infrastructure roll-out, the review of spectrum management and the third mobile operator. CBL &amp; ALIV consider it essential that URCA make the linkages between these issues, which are currently seen as separate projects, and adapts its planning to facilitate a holistic assessment that will likely bring out various policy trade-offs that need to be made. CBL &amp; ALIV underscored URCA's stated intention that, as a supplement to the 5G public consultation, to engage the Government and key telecoms stakeholders on national broadband and infrastructure inclusive of investment options.</p> <p>CBL &amp; ALIV welcomed the infrastructure upgrade by URCA to restore the National Spectrum monitoring system which is a</p>	CBL & ALIV's comments are noted.	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.2	<p>Review of Spectrum Management</p> <p>Electronic Communications Sector Projects- Review of Universal Service Framework</p>	CBL & ALIV	<p>priority issue for 5G spectrum and for further expansion of the sector's growth by ensuring progressive spectrum management and increased efficiencies.</p> <p>CBL &amp; ALIV noted that the 2020 – 2023 ECS Policy required action on URCA's part over the three-year span to give effect to the revised Universal Service obligations contained therein including, an expanded National Broadband Policy, public access to pay terminals and broadband internet access to all locations and specified institutions. CBL &amp; ALIV also noted the instructions given to URCA that URCA "vigorously enforce" those obligations which are not being revised. CBL &amp; ALIV are interested in the manner in which URCA will carry out such enforcement given the ubiquity of mobile voice and broadband services throughout the archipelago with the liberalization of the mobile market, the advancements in technology and the adjustment to the reality that voice is no longer king; and</p>	<p>URCA advises that it is cognizant of the potential enforcement challenges expressed by CBL &amp; ALIV but expects that all relevant Licensees comply with their existing Universal Service Obligations (USO) that are not subject to any contemplated revisions. Where necessary, enforcement action by URCA will be proportional to any suspected breach consequential to a full and transparent investigation. URCA is required to carry out its statutory mandate to enforce against Licensees that fail and/or refuse to comply with their USO, thus far with impunity.</p>	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.2	Electronic Communications Sector Projects- Review of Universal Service Framework	CBL & ALIV	<p>expect flexibility from URCA as was achieved with REV's successful introduction of DHL satellite services in the Family Islands in 2021.</p> <p>CBL &amp; ALIV noted that URCA plans to take three years over the Universal Service project, which has already been delayed from previous years and suggested that this review should be forward-looking rather than concerned with existing standards which are out of date. CBL &amp; ALIV also suggested that the timeframe of three years is too long for such an important project, and that either additional resources should be provided for it or that the project should be redefined so that it can be completed within a reasonable timeline of one year.</p>	<p>URCA also notes CBL &amp; ALIV's suggestions regarding the project completion timeline and the need to either allocate additional resources to it or redefine this project. URCA recognizes that there are linkages between the USO project and other projects and will review the sequencing of these projects to ensure the USO review is completed in the shortest possible timeframe.</p>	No change required.
3.2.2	Electronic Communications Sector Projects- Review of	CBL & ALIV	<p>CBL &amp; ALIV agreed that a further review of OTT services after the 2018 URCA review is necessary. CBL &amp; ALIV are eager to engage with URCA as a part of its review to arrive at a satisfactory conclusion for all</p>	<p>URCA is encouraged by CBL &amp; ALIV's eagerness to engage with URCA on this project. URCA advises that the review will have regard to all relevant considerations and representations</p>	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
	URCA's Position on OTT Services		stakeholders and made reference to a recent opinion piece published by Digicel's General Counsel in the Jamaica Observer which called for the harmonization of the regulatory approach towards OTTs across the region and the introduction of common legislation and regulations to control their operations and bring them in conformity with ILOs' obligations. CBL & ALIV believe that a regional organization such as OOCUR could be of assistance with such an initiative. CBL & ALIV consider it an unacceptable state of affairs that Individual Licensed Operators (ILOs) across the region comply with local regulatory obligations and pay their taxes while international providers of content take money out of the national sector with limited regulatory oversight or supervision.	received from stakeholders and interested parties. Where necessary and appropriate, URCA will draw on third party experiences and resources to determine the way forward.	
3.2.3	Electronic Communications Sector Projects-	CBL & ALIV	CBL & ALIV are supportive of accommodations for Persons with Disabilities, but propose a phased approach to their introduction.	URCA notes CBL & ALIV's support for this project and will give due consideration to the suggested phased approach to	URCA to consider a phased approach to the introduction of regulatory measures in relation to ICTs for PwD.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.3	ICTs for Persons with Disabilities  Electronic Communications Sector Projects- Review of Code of Practice for Content Regulation	CBL & ALIV	CBL & ALIV are also pleased to see that there will be a review of the Code of Practice for Content Regulation having regard to broadcasting content on Election Day via various technologies with prohibitions imposed on one medium and not the other. CBL & ALIV stated that they are most interested in the eventual conclusion.	any regulatory measures issued by URCA consequential thereto.  CBL & ALIV's comments are noted.	No change required.
3.	URCA's Plan for 2022 – Strategic Outlook 2021 Projects Carried Over	BTC	BTC stated what while it understands that there are many reasons why the anticipated completion dates of certain projects may be delayed, it is concerned with the number of projects that seem to carry over year to year. BTC indicated that it has compared the Annual Plans beginning from 2017 and notes that many projects continue to roll over without any indication of the percentage completed, reasons for the delay or actions to remedy the same.	URCA restates its commitment to improving on the completion of its annual projects going forward by setting an achievable number of annual projects, allocating adequate resources and setting reasonable timelines for completion. However, URCA urges all stakeholders to minimize requests for extension to respond to Public Consultations and other regulatory measures issued by URCA.	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.3	Electronic Communication Sector Projects-ICTs for Persons with Disabilities	BTC	BTC believes that it is untenable for a project that commenced in 2019 should still rest with the research and fact-finding stage in 2022. BTC stated that it is concerned that in cases such as this when the project is started and stopped and resumed after a while, that the earlier work has then to be updated and modified. This BTC believes is not an efficient use of financial and human resources.	URCA notes BTC's concerns regarding the delay of the completion of this project which commenced in 2019. URCA advises that the major delays were beyond URCA's control. URCA endeavored to access this group of vulnerable individuals post hurricane Dorian and in the wake of Covid-19 this proved to be extremely challenging. Nonetheless, URCA remains committed to completing this project in 2022 and issuing the appropriate regulatory measures regarding same.	No change required.
3.2.2	Electronic Communication Sector Projects-Market Review Fixed Services Incl. Pay TV	BTC	BTC noted that this project started in 2019 and URCA has over the years provided different reasons for the delay. BTC is concerned that this project has not received a high level of priority and focus to the prejudice of BTC.	URCA notes BTC's comment but considers that it may have been helpful for BTC to provide specificity on which Market Review it is referencing. As such, URCA is unable to provide further comment in this regard.	No change required.
3.2.2	Electronic Communication Sector Projects-Review of	BTC	BTC welcomed a review of 2018 decision by URCA, and noted URCA's position on OTTs in ECS 12/2018 which in effect shifted the burden of the dilemma solely to ECS	URCA welcomes BTC's interest in contributing to this project and advises that URCA will have regard to all relevant considerations and	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.2	URCA's Position on OTT Services  Electronic Communication Sector Projects- Review of URCA's Position on OTT Services	BTC	<p>service providers. It is BTC's view that the current regulatory regime impedes its ability to respond rapidly to industry changes brought on by OTTs. BTC said it therefore looks forward to a review of the OTT policy that contemplates the impact of the current local regulations on operators' ability to innovatively compete with international OTTs.</p> <p>BTC stated that it recognizes that the industry has changed where traditional ECS infrastructure providers, especially in the United States, have focused on mergers and acquisition with established content providers to keep pace and encouraged URCA to examine any potential OTT ECS policy or consultation against the backdrop of the unique position of ECS stakeholders in the Bahamas. BTC believes that URCA should investigate and advocate for a licensing regime where disruptive OTTs are taxed, as licensed operators are saddled with OTTs who are making huge profits while</p>	<p>representations received from Stakeholders and interested parties.</p> <p>URCA notes BTC's position that URCA should investigate and advocate for a licensing regime where disruptive OTTs are taxed. URCA advises that while it recognizes the potential adverse impact of OTTs on licensed operators in The Bahamas, advocacy for the imposition of taxes pursuant to a licensing regime should, more appropriately, emanate from the Licensees. URCA further advises that it is statutorily required to carry out its functions in a fair, impartial and non-discriminatory manner, thereby balancing the interest of all the parties,</p>	No change required.



Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.2	Electronic Communication Sector Projects- Public Consultation on 5G	BTC	<p>enjoying a “free ride” on networks that are costly to maintain while under no regulatory obligations. BTC asked that URCA hastens its regulatory intervention to prevent further defunding of ECS infrastructure by OTTs.</p> <p>BTC welcomed URCA's public consultation on 5G. BTC expressed its commitment to investing in new technology that provides the public with best-in-class service and is eager for the opportunity to embark on the journey to 5G. BTC encouraged URCA to expedite the consultation.</p> <p>BTC noted that the present governing administration has made 5G a priority and has committed to making the Bahamas 5G ready. To that end, BTC implored URCA to take advantage of the opportunity by seeking out and aligning government agenda with ECS partners through workshops and other forums where strategic goals can be realized sooner. BTC stated that it is open to sharing its 5G plans</p>	<p>including consumers, in the regulated sectors when discharging its functions.</p> <p>URCA welcomes BTC's interest in contributing to the Public Consultation on 5G. URCA acknowledges the promotion of investment and innovation in electronic communication and services is a fundamental policy objective in the Electronic Communications Sector. URCA advises that it will have regard to all considerations and representations received from Stakeholders and interested parties.</p>	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.2	General Projects-Implementation of URCA OPIs	BTC	<p>and is optimistic that URCA would advocate for an environment that is conducive to further investment and development of the 5G infrastructure here in the Bahamas.</p> <p>BTC stated that it is still unsure of the purpose and effectiveness of URCA's Organizational Performance Indexes (OPI) and requested further guidance on this initiative. BTC is also still not satisfied with areas of this project that result in URCA's self-evaluation. BTC questions URCA's ability to self-evaluate its performance and provide results without bias. BTC believes that URCA should reassess the purpose and value of this project and place more emphasis on projects that will benefit the wider stakeholder body.</p>	<p>URCA notes BTC's position but further advises that it is not apparent to URCA that the interim approach proffered by BTC is aligned with the regulatory requirements established under the Communications Act, 2009.</p> <p>URCA notes BTC's comments and is sympathetic to the concerns expressed. URCA assures BTC that it will continue to engage with key stakeholders, including BTC, on the implementation of its OPI.</p>	No change required.
3.2.2	Electronic Communication Sector Projects-Market Assessment- The	BTC	BTC noted URCA's plan to assess the feasibility of a 3rd Mobile Operator for the Bahamas. BTC said that looks forward to being able to contribute to this exercise.	BTC's comments are noted and URCA looks forward to BTC's full participation in this project.	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.2	feasibility of a 3 <sup>RD</sup> Mobile Operator  Electronic Communications Sector Projects- Review of Fixed Services incl. Pay TV	BTC	It is BTC's position that Fixed Telephony Services should be subject to ex-post investigation instead of ex-ante, to alleviate the tedious process of providing costing information when introducing or changing a service, specifically in the case of bundled fixed telephone services. BTC considers that revising this process provides regulated Operators with greater flexibility to introduce or change services without needing prior approval from URCA. BTC noted that a few years ago URCA collected information with the intention to offer Price Caps, nonetheless URCA has not advanced this project or provided a reasonable alternative to the current Retail Price Regulation.	URCA notes BTC's comments and advises that it will determine the appropriate remedies and regulatory measures upon completion of the market review.	No change required.
3.2.2	Electricity Sector Projects- Efficiency Study Audit	BTC	BTC welcomed a target date for the completion of the BPL Efficiency Study Audit. BTC has made it known to URCA the issues in BTC's operation due to poor	BTC's comments are noted. URCA takes this opportunity to encourage BTC to follow URCA's lead and consider investing in renewable energy to assist	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
			power quality and reliability. BTC said that it stands by its statements in ES 12/2020 and believes that the results of the study should lead to improvements in the ES as consumers in the ECS stand to benefit the most.	with defraying operational expenses and improve on reliability.	
3 3.2.2	Electronic Communication Sector Projects- Public Consultation on 5G	DSAL	DSAL recommended that URCA to take a technology neutral approach, focused on broadband access, considering different emerging technologies that will underpin the social and economic development of The Bahamas, such as 5G, fiber, satellite and Wi-Fi.	URCA advises that it adopts a technology neutral approach to the regulation of the Electronic Communications Sector and will continue to do so in relation to the proposed implementation of 5G in The Bahamas.	No change required.
		DSAL	DSAL said that it celebrates the promotion of investment and innovation in electronic communications networks and services and the optimal use of radio spectrum are among the main policy objectives of the Electronic Communications Sector (ECS). DSAL believes that citizens and businesses in The Bahamas should be given the ability to choose the gigabit technologies best suited to their specific needs.	DSAL's comments are noted.	No change required.

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
3.2.2	Electronic Communication Sector Projects- Public Consultation on 5G	DSAL	<p>DSAL stated that it also celebrates the plans to initiate discussions with key stakeholders and the public on 5G, the effective management of radio spectrum to achieve “optimal use and promote investment, innovation and sustainable competition” and we look forward to participating in the process this year. DSAL believes that URCA should also consider dedicating the entire 1200 MHz (5925-7125 MHz) of the 6 GHz band for license-exempt use, taking advantage of the full potential of this band. DSAL further believes that the highest and best use for this band is for Wireless Access Systems including Radio Local Area Networks (WAS/RLAN). WLAN/RLAN are expected to carry offload from cellular 5G technologies (total data offload to unlicensed going from 74% to 79% in 2022). It is DSAL's position that this will lower the costs of network deployment for mobile operators and for edge investment by neutral host, third-party providers and consumers. DSAL considers that making the 6 GHz band available for license-</p>	<p>URCA notes the recommendation by DSAL for the exemption of the entire 1200 MHz of the 6 GHz band and global approach to how other jurisdictions have treated with this issue. URCA considers that these are issues of public significance that will be set out for representations from interested parties within the context of the planned 5G Public Consultation. As such, it would be premature for URCA to opine on the exemption of the 6 GHz band at this stage. URCA encourages and looks forward to DSAL's full participation on the said Public Consultation anent this project.</p>	No change required.

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3.2.2	Electronic Communication Sector Projects- Public Consultation on 5G	DSAL	<p>exempt use opens the band for new technologies and applications while allowing incumbent services to continue to operate. DSAL further stated that there is considerable regional and global momentum to make the entire 6 GHz band available for license exempt use, noting that the United States, Brazil, Canada, Chile, Peru, Costa Rica, Honduras, and Guatemala have already permitted license-exempt use across the entire 6 GHz band.</p> <p>DSAL also submitted its recently published whitepaper to URCA in support of DSAL's response anent the 6 GHz band, that addresses the questions of why 1200 MHz and why now? The whitepaper provides further details on the importance of enabling unlicensed access to the 6 GHz band.</p>	URCA notes DSAL's the supplemental submission and thanks DSAL for providing the useful insight on this topic.	No change required.
4.	URCA's Key Performance Indicators (KPIs) for 2022	CBL & ALIV	CBL & ALIV stated that the key performance indicators set out in Table 6 (page 36) continue to be the measurements of internal performance,	URCA disagrees with CBL & ALIV that it is not using the information being provided by the operators for its performance measurement. URCA	URCA will consider including the phases (if there are phases) involved in the Consultation and leading up to the Final

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5.	URCA's Draft Budget 2022	CBL & ALIV	<p>rather than the external measures proposed by URCA and that the operators are already providing the data required by URCA for its performance measurement. CBL &amp; ALIV said that it is disappointing to see that URCA is not using this information.</p> <p>CBL &amp; ALIV stated that URCA's annual budgets are of much interest and relevance to ILOs given that annual licence fees paid by ILOs are based on the said budget amount and pursuant to a formula.</p>	<p>notes the suggestion by CBL &amp; ALIV to include the phases (if there are phases) involved in the Consultation and leading up to the Final Determination in the published project plans. URCA will consider this approach.</p> <p>CBL &amp; ALIV's comments are noted.</p>	<p>Determination in the published project plans.</p> <p>No change required.</p>
5.1	URCA's Draft Budget 2022- Combined Draft Budget	CBL & ALIV	<p>CBL &amp; ALIV noted that there is an overall increase of some \$480,000.00 or a 6% increase (excluding depreciation) compared with the prior year's budget in 2021 (a covid year of no travel, no physical conferences and no overseas training), and that the 2022 proposed budget is more commensurate with the 2020 budget (which also had covid restrictions for the greater part of the year) which is \$180.030.00 less than the 2022 budget.</p>	<p>URCA agrees with CBL &amp; ALIV's comments that the 2022 budget is more in line with 2020 if compared to 2021. However, URCA advises that the 2020 budget was compiled in 2019, prior to the COVID-19 pandemic. URCA anticipates that the relaxation of COVID related restrictions will result in an increase in travel and training opportunities in the current budget year.</p>	<p>No change required.</p>

Section of DRAFT ANNUAL PLAN	Topic	Respondent	Comment	URCA's Response	Decision and Amendment to Document (if any)
5.1	URCA's Draft Budget 2022-Combined Draft Budget	CBL & ALIV	CBL & ALIV consider URCA's explanatory notes on staff count increases as acceptable but question the 41% increase for the conferences training and travel category "due to the resumption of in person travel". CBL & ALIV stated that after COVID restricted in-person meetings, going forward one would not expect a complete return to the practice of travel as it became evident that significant operating expenses are incurred. CBL & ALIV believes that a compromise should be considered and alternatives to travel adopted permanently with travel being the exception rather than the rule.	URCA advises that, where possible, it will continue to utilize virtual meetings and trainings for its employees. However, in instances where the format requires or is more advantageous in-person, URCA may avail itself of this option.	No change required.
5.1	URCA's Draft Budget 2022-Combined Draft Budget	CBL & ALIV	CBL & ALIV noted the significant repairs and maintenance and cleaning associated with Frederick House upgrades which were included in the 2021 operating budget. CBL & ALIV expressed that it is regrettable such an aged and sizeable building was ever purchased and given the new constrictions in the use of office space as a result of the fallout from the	URCA notes CBL & ALIV's concern about the age and location of Frederick House but advises that since the building is now owned by URCA, it is in the best interest of all stakeholders that the property be properly maintained to a level where rapid deterioration of the structure is averted. This is necessary to ensure that URCA can embrace future opportunities	No change required.



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5.2	Electronic Communications Sector Budget 2022	CBL & ALIV	<p>pandemic and the work from home policies, together with the general movement away from Bay Street for office space by commercial and professional entities, it is questionable whether there will ever be tenant(s) for the two floors of excess space. It is CBL &amp; ALIV's position that an old building will continue to require repairs and extensive maintenance and the best option may be for URCA to sell Frederick House and occupy newer premises.</p> <p>CBL &amp; ALIV noted that the ECS Operating Budget recovered through licence fees levied by URCA for 2022 is anticipated to increase by 16% compared to the previous year with staff costs increasing by 22%, the result of new hires. Professional services are due to increase by 19% in anticipation of the larger work volume in 2022 which includes market reviews, assessments and surveys. Litigation brought by Licensees is also seen as a significant expense to the budget.</p>	<p>to lease available space in Frederick House, and the condition of the property reflects positively on URCA's stewardship. As for the possible sale of Frederick House, there is currently no intention to pursue that option.</p> <p>CBL &amp; ALIV's comments are noted.</p>	No change required.

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5.2	Electronic Communications Sector Budget 2022	CBL & ALIV	CBL & ALIV concern is the 28% increase in General Administration expenses attributed by URCA to an increase in bad debt expense. We would urge URCA to take pro-active measures to minimize bad debt so that it is not a burden on those licensees who are compliant with fees and fines. They assume that a process is in place to ultimately revoke licenses for non-payment.	URCA has made significant steps to address the issue of licensees' failures to settle their debt by re-establishing an Enforcement Unit that will ensure that the appropriate regulatory measures are taken in an expedient and timely manner.	No change required.
5.2	Electronic Communications Sector Budget 2022	CBL & ALIV	CBL & ALIV question the inclusion of bad debts as an expense to be recovered from licensees and noted the reason given for the 14% increase in the General and Administrative Expenses is bad debts. CBL & ALIV are unclear why URCA's failure to collect debts should be passed on to licence holders and that URCA should not include fines as income in its annual budget given their uncertainty. CBL & ALIV noted that a bad debt is entered as an expenditure only to balance invoiced and uncollected income in statutory accounts and should not be used in forward looking	URCA advises that fines are not included in the budget as an income generating stream.  URCA's comment in its Draft Annual Plan that bad debt is partly the result of matters at the Tribunal for review was inadvertently stated and will be corrected in the final version of the Annual Plan. URCA clarifies that there is no bad debt included for these specific matters in the budget exercise.	URCA will amend its Annual Plan to exclude reference to components of bad debt related to matters before the Tribunal for adjudication, as the bad debt is only for trade accounts.

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5.2	Electronic Communications Sector Budget 2022	CBL & ALIV	<p>budgets. CBL &amp; ALIV believe it is unjust that innocent licensees have to bear the costs of fines not paid by guilty licensees through the addition of a bad debt to their licence fees. They note that the same rationale was used for the substantial increase in General and Administrative Expenses in 2021 and would like to be reassured that licensees are not paying twice for the same bad debt.</p> <p>CBL &amp; ALIV would like URCA to review the allocation of costs between the ECS sector and the Electricity Sector and expect that the main driver of URCA's Premises Costs and Utilities and Office Services will be its Staff Costs. They however note that the ECS sector bears 58% of URCA's total Staff Costs, 68% of its Premises Costs, and 75% of its Office Costs. CBL &amp; ALIV said that they would be grateful if URCA can explain these differences.</p>	URCA advises that the allocation of budgeted expenses is not necessarily driven by staff costs. Included in the office services/costs are items that are directly attributable to specific sectors in which case the sector bears 100%, other indirect costs are allocated based on management's assessment.	No change required.
5.2	Electronic Communications	CBL & ALIV	CBL & ALIV concluded by stating it is important that URCA is as accurate in its	URCA agrees with CBL & ALIV's comment about the budget accuracy	No change required.

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	Sector Budget 2022		budget forecast as possible given that excess or unspent monies go to the Public Treasury rather than being credited to Licensees for the following year.	but advises that during the budget exercise any budget excess in previous year, that can be identified, is applied (credited) to the budget request in the year under consideration.	
5.	URCA's Draft Budget 2022	BTC	BTC noted that URCA has advised it intends to increase the operating budget by six percent (6%) due to several factors. Increased staff compliment from 34 to 39 employees is one of the factors listed and BTC would like to understand URCA's final staff compliment that it intends to attain overall. BTC also expressed its concern for the continued high turnover of employees and the constant need for training new staff which has bearing on the budget each year. BTC noted that staff costs are to increase by 22% due to the addition of 5 employees.	URCA notes CBL & ALIV's concern regarding an increase in the current staff complement, but URCA remains committed to ensuring that it employs adequate and competent resources to execute its regulatory and operations functions effectively and efficiently. The recent hires are integral to URCA's capacity building and succession planning strategies, aimed at strengthening URCA's ability to provide competent oversight of its regulated functions with efficient operations support. URCA is convinced that its strategic approach to recruiting and retaining quality employees will inure to the benefit of all stakeholders. URCA is currently finalizing its revised Organizational Structure, which will	No change required.

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5.	URCA's Draft Budget 2022	BTC	General and Administrative expenses is expected to increase by 14% due to bad debt on uncollected balances and ongoing litigious matters. BTC sought particulars on the bad debts, i.e. who are the offending parties and the reasons why they cannot be collected.	<p>address the overall staff complement based on the existing regulatory remit. On the employee retention and investment in training issue, URCA is developing an employee retention strategy to mitigate this serious potential regulatory capacity risk.</p> <p>URCA notes BTC's concerns and its request for particulars on the bad debts. It is not URCA's policy to disclose such particulars having regard to URCA's ongoing efforts to collect on the bad debts. URCA considers that by doing so, it may be prejudicial to the parties concerned, undermine URCA's good faith efforts to resolve the matters amicably and potentially expose URCA to legal risk.</p>	
5.	URCA's Draft Budget 2022	BTC	BTC noted that Executive Compensation has increased while Non-Executive Compensation has remained the same. BTC requested further details on the increase of \$25,739.00 for 2022.	URCA notes BTC's concern regarding Executive compensation but reminds BTC that this is not a new line item in URCA's Annual Budget. The provision for the increase in Executive compensation	

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5.	URCA's Draft Budget 2022	BTC	BTC also noted the increase to Office Services. BTC would like to understand what expenses are included in this head as well as details regarding the increase as the 2020 budget under this head was more than \$100,000.00 more than 2021 and 2022. BTC particularly noted that, due to the Covid-19 pandemic, office operations were shut down for a considerable amount of time in 2020.	<p>is based on the organization's annual anticipated increases for full time staff, resulting from its annual Performance Assessment process and anticipated increases in non-cash benefits (e.g. health insurance).</p> <p>URCA advises BTC that office services include items such as office supplies, insurances (excluding building), security and bank charges. URCA further advises that the 2020 budget was prepared prior to the COVID-19 pandemic and it is anticipated that 2022 will reflect a return to a similar operating pattern.</p>	
<b>END OF TABLE</b>					

### **3. Conclusion and Next Steps**

The publication of this Statement of Results document formally concludes the public consultation process on URCA's Draft Annual Plan and Budget for 2022. URCA again thanks those who provided feedback on the Draft Annual Plan. URCA has made corresponding changes where appropriate to the final Annual Plan, based on the comments received.

The 2021 Annual Report and 2022 Annual Plan – URCA 03/2022 document been published on URCA's website on 30 April 2022. The URCA 03/2022 document will be published as a printed booklet to be released during May 2022.

In accordance with section 41(7) of the URCA Act, a public oral hearing is scheduled for 19 May 2022] to present and discuss URCA's 2021 Annual Report and 2022 Annual Plan. URCA will publish further details for the public oral hearing on its website and in the local media.