



# **DRAFT**

# **URCA ANNUAL PLAN**

# **2025**

**URCA 08/2024**

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# 1. Introduction

The Utilities Regulation and Competition Authority (URCA) is pleased to present its Annual Plan for 2025, outlining the strategic priorities and regulatory objectives designed to promote fair competition, encourage innovation, and safeguard consumer interests across The Bahamas' critical utility sectors. This Plan continues to build on the robust framework established in previous years, guided by legislative mandates such as the Electricity Act, 2024 (EA), the Natural Gas Act, 2024 (NGA), and the Communications Act, 2009 (Comms Act), as well as the evolving national energy and electronic communications policies.

In alignment with The Bahamas' commitment to sustainable development and energy security, URCA's regulatory approach for 2025 prioritises the advancement of renewable energy, the implementation of modern grid technologies, and the enhancement of consumer protections. Central to this is URCA's role in facilitating the adoption of Artificial Intelligence (AI) to optimise electricity distribution, improve energy efficiency, and enhance customer experience.

This Plan incorporates insights from stakeholders collected through comprehensive SWOT and PESTLE analyses, ensuring that URCA's strategies address the dynamic challenges and opportunities of the utility sector. Furthermore, our efforts will emphasise fostering an ecosystem of innovation and investment, particularly within the electronic communications and energy sectors, where technological advancements can enhance service quality and affordability.

As the independent regulator, URCA remains steadfast in its mission to uphold transparency, accountability, and ethical governance. This Plan reflects our commitment to balancing the interests of all stakeholders while maintaining regulatory independence and achieving national objectives.

## 1.1 Structure of the Annual Plan

Together, URCA's strategic goals, proposed initiatives, and operational priorities aim to advance The Bahamas' economic and social welfare, ensuring resilient, efficient, and inclusive utility services for all. The following sections detail these initiatives:

**Section 2:** URCA's regulatory strategies for fulfilling the objectives of the Comms Act, EA, and NGA, with a focus on critical initiatives for 2025.

**Section 3:** Broad priorities for 2025 and 2026, outlining the medium-term direction for URCA's activities and contributions to sector development, as well as the planned projects for 2025, including updates on ongoing initiatives from 2024.

**Section 4:** Key performance indicators (KPIs) for measuring progress in 2025, ensuring accountability and data-driven decision-making.

**Section 5:** The proposed 2025 budget detailing financial resources for operations and personnel to support URCA's objectives.

This Annual Plan aims to support URCA's regulatory mandate, ensuring an efficient, competitive, and consumer-focused utility sector. It is both a strategic guide and a commitment to fostering innovation, economic growth, and improved services for everyone in The Bahamas.

## **1.2 Responding to this Draft Plan**

URCA invites comments and submissions from members of the public, licensees, and other interested parties on the contents of this Draft Annual Plan for 2025. The consultation process will include one round of responses, with the timeline and steps outlined below:

- **Deadline for Submission:** The deadline is 5:00 PM on 3 February 2025.
- **Publication of Results:** URCA will publish the Statement of Results and Final Annual Plan by 30 April 2025.

As part of this process, URCA will host at least one stakeholder forum during the consultation period to present the Draft Annual Plan and gather input from key stakeholders, including licensees, government agencies, and civil society. This forum is tentatively scheduled for **March 2025**.

## **1.3 How to Submit Comments**

Written submissions or comments on the Draft Annual Plan should be addressed to URCA's Chief Executive Officer with the subject line: "**URCA Draft Annual Plan 2025.**" Submissions can be made via:

- **Hand Delivery:** URCA's office at Frederick House, Frederick Street, Nassau
- **Mail:** PO Box N-4860, Nassau, Bahamas
- **Email:** info@urcabahamas.bs

URCA encourages all stakeholders to actively participate in the consultation process to help shape the regulatory priorities for the utility sector in 2025.

## **2. Strategic Outlook for 2025**

Since its establishment in 2009, URCA has functioned as the independent regulator for The Bahamas' electronic communications sector, which includes telecommunications and broadcasting. In 2016, URCA's responsibilities expanded to include the electricity sector, encompassing energy regulation. By 2024, this scope had increased with the addition of the natural gas sector.

Despite the continuous broadening of its responsibilities, URCA remains committed to its vision: to become "A globally respected regulator, championing the interests of people in The Bahamas and of the sectors we regulate." This vision is supported by its mission of "Improving Lives Through Effective Utility Regulation."

URCA acknowledges the importance of leveraging synergies among its regulated sectors to implement effective interventions and regulatory decisions that foster growth and development within Bahamian society. By identifying these synergies, URCA aims to enhance the quality of life for all inhabitants and align its strategies with the country's evolving needs.

As a result, URCA's Strategic Outlook 2025 emphasises strengthening leadership, enhancing employee development, addressing connectivity gaps, expanding regional presence, fostering international collaboration, and improving organisational performance—all aimed at driving sustainable development and improving lives throughout The Bahamas.

### **2.1 Strengthening Leadership and Resources**

A critical factor in achieving our mission is restoring confidence among stakeholders in URCA's ability to contribute to national development. This requires a dual focus on developing effective strategies and acquiring the resources necessary to implement them. However, leadership instability in recent years has undermined this confidence, emphasising the need for a robust, skilled, and stable team.

In 2023 and 2024, URCA began rebuilding its leadership team, and this process will continue through 2025. The organisation is committed to forming a capable and agile team that can adapt to the rapidly evolving global technological and economic landscape while addressing the needs of an increasingly digitally inclusive society. This leadership will be equipped to manage the complexities of URCA's diverse regulatory responsibilities and navigate the interplay of policy objectives across sectors.

## **2.2 Enhancing Employee Development and Organizational Performance**

URCA is dedicated to fostering a culture of performance excellence. Building on the “Emerging Leaders Programme” introduced in 2024, URCA will continue to invest in employee development through internal and external training, mentoring, and coaching initiatives. These efforts are integral to our recruitment, retention, and succession planning strategies. By aligning employee and departmental performance with the organisation’s strategic objectives, URCA seeks to strengthen its overall capacity and effectiveness.

## **2.3 Addressing Connectivity Gaps and Expanding Regional Presence**

Recognising that reliable, high-quality services across The Bahamas are essential for economic sustainability, URCA is refining its regulatory strategy in 2025. This includes increased engagement with stakeholders in New Providence and a focused effort to address connectivity gaps and service quality issues in the Family Islands.

To enhance regional oversight, URCA will establish its first Regional Satellite Office in Grand Bahama during the first trimester of 2025. This office will be known as the Northern Bahamas Office (NBO) and will provide dedicated oversight for Grand Bahama, Abaco, Bimini, and the Berry Islands. Additionally, it will serve as a pilot initiative for future regional offices in the Central and Southeast Bahamas. URCA will collaborate with licensees to explore emerging technologies aimed at bridging connectivity gaps in underserved communities.

## **2.4 International Engagement and Multi-Stakeholder Collaboration**

URCA remains committed to its international obligations, participating actively in organisations such as the International Telecommunications Union (ITU). The re-establishment of an International Relations position has yielded positive outcomes, ensuring that global regulatory discussions inform URCA’s internal strategies and decisions. A multi-stakeholder approach, incorporating input from industry and government, will remain a cornerstone of URCA’s international engagement, fostering more effective regulatory outcomes for The Bahamas.

## **2.5 Measuring Organizational Performance**

In 2024, URCA implemented the Organizational Performance Index (OPI) tool as part of its performance measurement strategy. In response to industry feedback, URCA will continue refining this tool to ensure it delivers objective, actionable insights that benefit both internal and external stakeholders. This ongoing evaluation underscores URCA’s commitment to transparency, accountability, and continuous improvement.

## **2.6 Final Thoughts**

As URCA enters 2025, the organisation is poised to navigate the challenges of an expanding regulatory mandate. Through visionary leadership, strategic investments in employee development, enhanced regional engagement, and robust international collaboration, URCA reaffirms its commitment to “Improving Lives Through Effective Utilities Regulation” while driving sustainable development across The Bahamas.



### **3. Priorities for 2025**

As URCA continues to strengthen its regulatory oversight and adapt to evolving sectoral demands, the 2025 work plan reflects a strategic commitment to addressing carryover projects, advancing new initiatives, and aligning priorities with national and international objectives. This section outlines the key focus areas across URCA's general operations, Electronic Communications, Electricity, and Natural Gas sectors.

#### **3.1 International Relations Priorities for 2025**

Aligned with its mandate to strengthen the regulatory framework and promote The Bahamas' participation in global digital development, URCA has prioritised fostering international cooperation and ensuring alignment with emerging trends in digital governance. The 20-year review of the World Summit on the Information Society (WSIS+20), concluding at the United Nations General Assembly (UNGA-80) in 2025, will evaluate global digital progress since WSIS (2003–2005) and shape the final roadmap for the Global Digital Compact (GDC). As the 2030 Sustainable Development Goals (SDGs) deadline approaches, with only 15% of targets on track globally, digital development remains critical to accelerating progress.

The Government has instructed URCA to strengthen its relationships with regional and international organisations through the ECS Policy. This initiative aims to ensure that The Bahamas fulfils its telecommunications obligations while maximising domestic benefits through knowledge sharing and collaboration. Additionally, the ECS Policy highlights the importance of connecting national ICT development with the global ICT ecosystem, underscoring the need for active participation in international forums to address key challenges and advance ECS objectives.

To support these goals, URCA has identified two key strategic priorities for its international engagement in 2025:

1. **Strengthening URCA's Capacity:** URCA will enhance its regulatory and advisory capabilities by actively participating in global forums that:
  - Anticipate industry developments and policy/regulatory changes needed for timely adoption of emerging technologies.
  - Facilitate knowledge sharing through the exchange of best practices among policymakers, regulators, and key stakeholders in the digital development ecosystem.

To advance this goal, URCA will participate in key forums in 2025–2026, including the Global Symposium for Regulators, Artificial Intelligence (AI) for Good, World Summit on the Information Society (WSIS), Internet Governance Forum, Accessible Americas, Mobile World Congress, Caribbean Association of National Telecommunications Organizations (CANTO), Organisation of Caribbean Utility Regulators (OOCUR), and ITU study/expert groups.

2. Influencing International Digital Policies and Standards: URCA will ensure global digital policies and standards reflect the unique challenges faced by The Bahamas, the Caribbean, and small island developing states (SIDS) by:
  - Actively participating in ITU, CITEL, and CTU preparatory activities for key forums such as World Telecommunication Development Conference 2025, Plenipotentiary 2026, and World Radio Communication Conference 2027.
  - Supporting The Bahamas’ Generation Connect Youth Envoys to contribute meaningfully to the 2025 ITU Global Youth Summit and other ITU-related activities.
  - Contributing to the ITU Secretary General’s Report for the World Telecommunication/ICT Policy Forum and gathering stakeholder input for The Bahamas’ role in the WSIS+20 review.
  - Promoting mentorship for Bahamian delegates in Inter-American Telecommunication Commission (CITEL) and ITU activities.
  - Strengthening regional alliances to improve representation and advocacy at global forums.

These priorities reflect URCA’s commitment to leveraging international collaboration to address critical challenges in digital governance and ensure alignment with national and regional development goals. By focusing on capacity building and policy influence, URCA will position The Bahamas as an active and influential participant in global ICT development, driving tangible advancements in the ECS and broader ICT sectors.

### **3.2 Human Resource and Learning Priorities for 2025**

Aligned with its statutory mandate under the Utilities Regulation and Competition Authority Act, 2009 (URCA Act) and related legislation, URCA is committed to adopting modern human resource strategies to ensure a motivated, high-performing workforce capable of achieving its regulatory objectives. For 2025, the Human Resource and Learning Department (HRL) has identified key

initiatives to position URCA as a model employer, enhance workforce capabilities, and align HR strategies with organisational priorities. Key objectives include fostering a culture of continuous improvement, leveraging advanced tools and technologies for HR management, and implementing innovative approaches to attract, retain, and develop talent. These initiatives are essential for strengthening URCA's institutional capacity and enabling the organisation to respond effectively to the evolving demands of the sectors it regulates. To achieve these goals, URCA has identified five strategic HRL priorities for 2025:

- **Leadership and Management Development:** URCA will continue to invest in targeted leadership training programs, focusing on equipping managers with advanced skills in strategic decision-making, emotional intelligence, and performance coaching. By developing leadership competencies, URCA aims to create a cascade of effective management practices that enhance team performance and employee satisfaction.
- **Organizational Culture and Inclusion:** Recognizing the critical role of culture in achieving organisational success, HRL will drive initiatives to build a collaborative, inclusive, and innovation-driven workplace. This includes embedding URCA's core values into daily operations, fostering open communication, and promoting diversity, equity, and inclusion across the organisation.
- **Talent Management and Workforce Planning:** To attract and retain top talent, URCA will modernise its recruitment strategies by incorporating digital platforms and data-driven approaches. Internally, career development pathways will be enhanced through structured mentorship programs, tailored learning opportunities, and professional certifications aligned with evolving sector requirements.
- **Change Management and Digital Transformation:** As URCA modernises its regulatory approaches, HRL will support organisational change through structured frameworks that enable employees to adapt to technological and procedural shifts. This includes integrating artificial intelligence and automation tools into HR processes for greater efficiency and deploying targeted training programs to upskill staff in new systems and technologies.
- **Employee Engagement and Well-Being:** URCA will prioritise employee engagement through a range of initiatives designed to improve workplace satisfaction and productivity. These include recognition programs, continuous feedback mechanisms, and wellness initiatives that address physical, mental, and financial well-being. Enhanced engagement strategies will foster a stakeholder-centric mindset and reduce turnover rates.

These priorities reflect URCA's commitment to leveraging modern HR practices and aligning them with its statutory mandate and strategic objectives. By focusing on leadership development, cultural alignment, talent management, adaptability to change, and employee engagement, HRL will ensure that URCA remains a dynamic, resilient, and forward-thinking organisation equipped to meet its regulatory obligations effectively.

### **3.3 Corporate and Consumer Relations Priorities for 2025**

The Corporate and Consumer Relations (CCR) Department's strategy for 2025 presents a comprehensive vision that incorporates stakeholder feedback, youth engagement, community outreach, and public education. Its priority projects are carefully designed to promote transparency, inclusivity, and the empowerment of both consumers and stakeholders, ensuring that URCA remains a trusted and effective regulatory body in The Bahamas. With a strong emphasis on delivering impactful initiatives, CCR is well-positioned to strengthen its connection with the public and further URCA's mission of advancing national development.

CCR has outlined a broad and impactful strategy for 2025 aimed at deepening its engagement with stakeholders, enhancing public understanding of regulatory roles, and strengthening consumer protections in both the communications and energy sectors. The department's approach is grounded in robust public engagement, innovative outreach initiatives, and a commitment to transparency and accessibility.

In the coming year, CCR plans to refine its stakeholder engagement processes, starting with a Stakeholder Forum early in the year. This platform will provide an opportunity for key stakeholders to give feedback on URCA's draft plans, ensuring alignment between public expectations and regulatory initiatives. To maximise the inclusivity and effectiveness of this engagement, CCR intends to host an in-person event alongside virtual participation, supported by enhanced media outreach through radio appearances, print campaigns, and professionally produced video content.

CCR's commitment to transparency is further illustrated by the preparation and dissemination of URCA's Annual Report. This statutory document serves not only as an accountability measure but also as a tool to educate the public about URCA's accomplishments and ongoing initiatives. Following the report's publication, CCR will facilitate an Oral Hearing, creating an open forum for public discussion and feedback that ensures URCA remains responsive to the needs and concerns of its stakeholders.

A key component of CCR's strategy is its emphasis on youth and digital transformation. The ICT Youth Ambassador Program is designed to inspire and engage the next generation of leaders in The Bahamas. By recruiting and developing a network of youth ambassadors, the department aims to build digital literacy and encourage innovation in information and communication technology. This initiative, along with ongoing digital consumer education campaigns, will continue to equip Bahamians with the knowledge and tools needed to navigate an increasingly digital world.

Community engagement remains a vital aspect of CCR's mission. Through outreach programs in the Family Islands and grassroots initiatives, the department is striving to ensure that its impact is felt throughout the archipelago, not just in New Providence. From hosting forums in regions such as Eleuthera, Cat Island, and North Andros to supporting community-based projects like solar energy programs in schools, CCR demonstrates a tangible commitment to inclusivity and localised support.

Brand awareness and public trust are crucial to URCA's success, and CCR plans to invest in understanding and refining URCA's public perception. Additionally, the department is reassessing its approach to educating the public on various consumer protection guidelines and developing new educational materials and methods to inform and empower consumers. From radio and social media campaigns to television broadcasts, CCR will utilise a wide range of platforms to reach a broad audience, highlighting the importance of regulatory compliance and consumer rights. The department's initiatives will also include a renewed focus on educating the public about the upcoming revisions to the National Energy Policy (NEP) and creating visually appealing resources to ensure clarity and accessibility. Furthermore, CCR will assist in fulfilling its obligation to provide public education. To facilitate a sound regulatory environment, CCR will collaborate with other departments within URCA to develop an online reporting portal on its redesigned website, making it easier for licensees to fulfil their reporting obligations. CCR also plans to host two major public forums to foster collaboration across sectors.

### **3.4 Data Governance and Information Management Priorities for 2025**

The priorities for the Data Governance and Information Management (DGIM) Unit at URCA are centred on establishing comprehensive policies, processes, and standards for the effective management, security, analysis, and utilisation of data assets. This effort aims to align data governance with URCA's commitment to operational excellence, regulatory compliance, and digital transformation. A key focus is on improving data quality through the implementation of tools, metrics, and templates that ensure data accuracy, consistency, and reliability. By

maintaining high standards of data integrity, URCA can enhance decision-making, improve performance measurement, and strengthen risk management.

Managing information throughout its lifecycle is another critical priority, encompassing the secure storage, access, protection, and retention of records. The DGIM Unit seeks to safeguard organisational and stakeholder data against unauthorised access while enabling efficient retrieval to support decision-making. Additionally, a robust data governance framework will be developed, emphasising core pillars such as data quality, clearly defined roles and responsibilities, and compliance monitoring. Tools such as the Data Inventory Template and Data Quality Metrics Tool will standardise and streamline these efforts.

Integrating data governance into URCA's regulatory activities is vital to enhancing compliance monitoring and adaptability in a dynamic environment. This integration will not only improve stakeholder confidence but also strengthen URCA's capacity to manage risks and evaluate performance. Modernising IT infrastructure and digital tools is also a priority to support better data management, analysis, and visualisation, aligning with URCA's broader digital transformation goals. These enhancements will foster innovation, improve internal processes, and leverage data as a strategic asset.

Collaboration is another key area of focus, involving engagement with internal stakeholders, such as CCR and IT, and partnerships with external stakeholders to ensure comprehensive adherence to data governance policies. Success in these initiatives will be monitored through key performance indicators, including data quality metrics, compliance rates, and team engagement levels. Collectively, these priorities ensure that URCA's data assets are managed securely and effectively, driving regulatory excellence and fostering sustainable development.

### **3.5 Northern Bahamas Office Priorities for 2025**

In the first trimester of 2025, URCA will establish a Northern Bahamas Office (NBO). The establishment of the NBO, which will encompass Grand Bahama, Abaco, Bimini and the Berry Islands, will reaffirm URCA's commitment to addressing the unique regulatory needs of stakeholders and consumers in the Northern Bahamas. This initiative will underscore URCA's dedication to strengthening oversight, fostering meaningful engagement, and elevating service quality throughout the region.

To fulfill this goal, the NBO will prioritise key initiatives designed to ensure effective oversight, foster stakeholder collaboration, and maintain high standards of service quality and compliance. These initiatives will include:

- **Regulatory Impact Study/Survey:** The office will conduct studies and surveys to assess the quality of service (QoS) provided by regulated utilities on a per-island basis. These efforts will aim to gather empirical data to serve as a benchmark for evaluating the regulatory impact of the Northern Bahamas Office, ensuring that decisions are evidence-based and aligned with regional needs.
- **Stakeholder Engagement:** Recognizing the importance of local involvement, the office will facilitate structured and periodic interactions with stakeholders across the islands. Planned visits to each island in the Northern District will enable direct dialogue, allowing URCA to effectively address regulatory issues and integrate local perspectives into its operations.
- **Monitoring and Compliance:** A robust monitoring framework will be established to ensure compliance with sector laws, regulations, licenses, standards, and codes. In addition to structured monitoring exercises, the office will carry out ad hoc assessments to address emerging compliance challenges and uphold regulatory integrity in the region.
- **Investigation and Enforcement:** The NBO will conduct both complaint-based and proactive investigations to address regulatory concerns within the Northern Bahamas. Enforcement actions and regulatory measures will be tailored to ensure timely and effective responses to the needs of stakeholders and consumers.

Through the establishment of the NBO, URCA will reaffirm its commitment to meeting the unique needs of the Northern Bahamas with customised regulatory strategies and improved service delivery. This initiative will represent a significant advancement in URCA’s mission to provide effective oversight and enhance the quality of life for all Bahamians.

### **3.6 URCA General Priorities for 2025**

General priorities focus on projects that improve operational efficiency, streamline internal processes, and encourage greater collaboration within the organisation. In 2025, they will include initiatives launched in 2024 as part of URCA's broader digital transformation strategy aimed at modernising workflows, enhancing stakeholder engagement, and responding to the evolving needs of the regulatory landscape.

#### **3.6.1 Project Descriptions and Progress Updates**

The general priorities for 2025 will include the continuing implementation of an Integrated Electronic Document Management Tool, the digitalisation of operational processes, and the preparation of the 2025 Annual Plan. Together, these efforts will further URCA’s goal of fostering

efficiency, transparency, and innovation in its operations. These initiatives are further described below:

- **Implementation of Integrated Electronic Document Management Tool.** URCA announced plans to embark on a digital transformation process in 2024. The first phase of this process will involve the implementation of an Integrated Electronic Document Management Tool. With this tool, URCA can centralise document storage, retrieval, and collaboration, improving document management and increasing productivity.
- **Digitalisation of Operational Processes.** URCA's Digital Transformation process is currently in Phase 2, which involves digitalising several operational processes. The project aims to leverage technology to enhance efficiency, streamline workflows, and improve overall operations within URCA. Digitalising operational processes will involve automating manual tasks, reducing paperwork, and optimising workflows using digital tools and technologies. By doing so, URCA will enhance its operational efficiency, improve service delivery, and adapt to the evolving digital landscape.
- **URCA 2025 Annual Plan.** Section 41 of the URCA Act instructs URCA to publish an Annual Plan. The publication of the Draft Annual Plan marks the fulfilment of that requirement. URCA intends to publish the final version of its 2025 Annual Plan and the 2024 Annual Report by the end of April 2025.

Table 3A below outlines the key general projects for 2025-2026, their timelines, and publication milestones where applicable.

**Table 3A: General Project Schedule**

Project	Start Period	End Period	Consultation Publication Date	Final Decision Publication Date
<b>Unplanned Carryover Projects</b>				
Digitalisation of Operational Processes	T1-2025	T3-2025	N/A	N/A
Implementation of Integrated Electronic Document Management Tool	T1-2024	T3-2024	N/A	N/A
<b>New Projects</b>				
Draft Annual Plan	T3-2024	T1-2025	T3-2024	T1-2025

Footnote: Explanation of Project Categories: (1) Unplanned Carryover Projects: These are projects listed in the 2024 Annual Plan or Ad Hoc Projects that were originally scheduled for completion in 2024 but have been delayed due to unforeseen circumstances. As a result, they will be carried forward to the 2025 work plan; and (2) New Projects: These are projects that are being introduced in the 2025 Annual Plan.



The general priorities set out in Table 1 collectively underscore URCA’s dedication to fostering a more efficient, transparent, and forward-thinking organisation. By prioritising digital transformation and meticulous planning, URCA aims to strengthen its capacity to address the dynamic needs of its regulated sectors and the Bahamian community.

### **3.7 Electronic Communications Sector Priorities for 2025**

The ECS regulatory team will continue to advance the objectives outlined in the ECS Policy by building on the initiatives from last year’s Annual Plan. URCA will facilitate and manage the Communications Licence Fee reduction mechanism aimed at encouraging licensees to invest in new technologies and expand their networks to underserved areas, as well as to regions that are economically challenging to serve.

In addition, to promote investment in new technologies, URCA will implement a regulatory framework to support the rollout of 5G services across The Bahamas and will regularise and codify the licensing framework for satellite-based service providers. Efforts to bridge the digital divide by enhancing access to basic communication services will proceed to the next phase, which involves reviewing the Universal Service Obligations (USO) and evaluating the potential advantages of establishing a Universal Services Fund (USF).

URCA will also work on developing regulatory guidelines that define best practices and policies for Public Electronic Communications Networks and Services aimed at protecting consumers and their information from unauthorised access, misuse, and theft. Additionally, URCA will focus on ensuring the reliability of services provided to customers throughout the archipelago by monitoring compliance with the Outage Reporting and Mitigation Regulations (ECS 07/2024).

#### **3.7.1 Project Descriptions and Progress Updates**

The 2025 workplan comprises a mix of planned carryover projects as well as a few new projects which have arisen as a result of 2024 consultations. In the 2024 Annual Plan, URCA committed to several projects, including the Implementation of Remedies following the Fixed Market Services and Pay Television Review, which are consequential to the Fixed Market Review and Assessment (ECS 04/2024), a review of the Quality-of-Service Obligations Framework, a review of Universal Service Framework Obligations and Funding, a National Spectrum Plan and ICTs for Persons with Disabilities, the completion of which were delayed due to the loss of several key resources, early in 2024. Also, in 2024, URCA began developing a Satellite Regulatory Framework to address critical issues arising from the evolution of satellite technologies. In 2025, URCA will focus on prioritising and completing these projects.

URCA has also added a few new projects, namely the Consultation on the Implementation of the 5G Regulatory Framework and Review of Infrastructure Sharing Regulations, and Public Consultation on Roadmap to Enable 5G (ECS 73/2024) respectively, as well as the Consultation on Guidelines on Cybersecurity for Public Electronic Communications Networks and Services, which is a need-based consultation aimed at keeping up-to-date with international best practice to ensure the security of telecommunications and broadcasting networks. A description of each project is provided below:

- ***Regulatory Framework for Satellite-Based Electronic Communication Services.*** This project arose as a result of the evolving technology of satellite connectivity and the recent interest of satellite operators seeking to provide ESIM services in The Bahamas. The aim is to create and implement a satellite regulatory framework to address gaps and address current issues within URCA's licensing framework and fee structure.
- ***Review of Universal Service Obligations and Universal Service Fund.*** This workstream addresses the inequities in access to basic communications services in The Bahamas. This is in recognition of the importance of electronic communications services as a crucial enabler for participation in the digital economy and society. URCA is in the process of conducting a comprehensive nationwide assessment, which will inform the basis of this consultation; it is expected that after consultation, URCA will determine the details of the USO implementation and access to the USF. As there are multiple components to the workstream, URCA may consider it appropriate to conduct more than one consultation exercise.
- ***National Spectrum Plan 2024-27.*** Pursuant to Part V of the Comms Act, URCA is set to revise the National Spectrum Plan (NSP) in consultation with The Government of The Bahamas. The NSP is a comprehensive framework governing spectrum use in The Bahamas. The plan is vital and addresses regulation, technical, financial, and geographic issues.
- ***Consultation on the Implementation of the 5G Regulatory Framework.*** This project represents the Final Phase of URCA's 5G Public Consultation. The primary objective of this project is to implement the Final Decisions made by URCA, which will be outlined in the upcoming Statement of Results and Final Decision on the Public Consultation on the Roadmap to Enable 5G. As part of this initiative, URCA aims to convert any Final Decisions into specific regulatory measures that will govern the deployment and operation of 5G networks and services in The Bahamas. Throughout the consultation process, URCA will engage with stakeholders to seek their input on any proposed regulatory measures.

- ***ICTs for Persons with Disabilities.*** URCA has completed a comprehensive survey of the members of the differently abled community and is in the process of reviewing international best practices in preparation for issuing a public consultation in 2025. In line with the sector policy objectives, URCA intends to implement regulations and other measures to make ICTs more accessible for persons with disabilities.
- ***Review of the Network Quality of Service Regulations.*** In 2025, URCA will commence its review of the Quality-of-Service Regulations for Electronic Communications Networks and Services in The Bahamas (ECS 42/2016) as another workstream within the scope of URCA's review of the Quality of Service Framework for the electronic communications sector. URCA is aware of issues regarding reliability across the country, especially in the Family Islands; these concerns will drive this review.
- ***Implementation of Remedies following Fixed Market Services and Pay Television Review.*** In 2024, URCA completed a Review of the Fixed Market, which included retail fixed voice, retail fixed broadband, and retail fixed pay TV. The review resulted in new and updated obligations or remedies for operators determined to have significant market power (SMP). This project entails the implementation of the remedies, which include the revision of the Retail Pricing Rules and further investigation into the lack of consumer switching between service providers, amongst others.
- ***Review of Infrastructure Sharing Regulations.*** During URCA's consultation on the roadmap to Enable 5G Deployment in The Bahamas (ECS 73/2024), the importance of infrastructure sharing was emphasised as a critical element for the effective deployment of electronic communications networks and services. Several respondents to the consultation underscored that infrastructure sharing is vital for reducing deployment costs, enhancing network efficiency, and promoting competition, which in turn will help expand access to advanced electronic communications services such as 5G. URCA also recognises the need to review the existing Infrastructure Sharing Regulations (ECS 05/2015) in light of the passage of time and the continued development of the ECS. URCA considers that this review will ensure that the regulations remain relevant and effective in addressing the evolving demands of the consumers of electronic communications services while facilitating the deployment of 5G and other technological advancements.
- ***Consultation on Guidelines for Cybersecurity of Public Electronic Communications Networks and Services.*** In alignment with ECS Policy objectives and to ensure the safety and security of the consumers of ECS services in The Bahamas, URCA recognises the importance of establishing guidelines and policies aimed at safeguarding the

confidentiality, integrity, and availability of public electronic communications networks and services. By setting these guidelines, URCA seeks to ensure that operators of public electronic communications networks and services adopt robust cybersecurity practices aligned with international best practices, improve resiliency against cyberattacks and cyber incidents, and mitigate the risks associated with cyber vulnerabilities.

**Table 3.2** below provides a clear and structured overview of the key projects planned for the Electronic Communications Sector in 2025 and 2026, along with their associated timelines and publication milestones.

**Table 3.2: Electronic Communications Sector Projects and Anticipated Publication Dates**

Project	Start Period	End Period	Consultation Publication Date	Final Decision Publication Date
<b>Planned Carryover Projects</b>				
Review of the Quality-of-Service Regulations for Electronic Communications Networks (ECS 42/2016)	T3-2024	T1-2025	T2-2025	T3-2025
Consultation on Universal Service Obligations (USO) and Process for Designation of USP	T1-2025	T1-2025	T1-2025	T2-2025
National Spectrum Plan 2024-27	T3-2024	T1-2025	T1-2025	T2-2025
ICTs for Persons with Disabilities	T3-2024	T1-2025	T1-2025	T2-2025
Implementation of Remedies Following Fixed Market Services and Pay Television Review	T3-2024	T1-2025	T1-2025	T1-2025
<b>New Projects</b>				
Consultation on the Implementation of the 5G Regulatory Framework	T1-2025	T2-2025	T1-2025	T2-2025
Review of Infrastructure Sharing Regulations	T1-2025	T2-2025	T2-2025	T3-2025
Consultation on Guidelines for Cybersecurity of Public Electronic Communications Networks and Services	T2-2025	T2-2025	T3-2025	T3-2025
Review and Amendment of URCA’s Fee Schedule (URCA 01/2024)	T3-2024	T1-2025	T1-2025	T1-2025

Regulatory Framework for Satellite-Based Electronic Communication Services	T3-2024	T3-2025	T3- 2024	T2-2025
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Footnote: Explanation of Project Categories: (1) Unplanned Carryover Projects: These are projects listed in the 2024 Annual Plan or Ad Hoc Projects that were originally scheduled for completion in 2024 but have been delayed due to unforeseen circumstances. As a result, they will be carried forward to the 2025 work plan; (2) Planned Carryover Projects: These projects are identified in the 2024 Annual Plan or Ad Hoc Projects that are originally scheduled for completion in 2025 or later; and (3) New Projects: These are projects that are being introduced in the 2025 Annual Plan.

Table 3.2 helps with project tracking and accountability, ensures transparency in consultation and decision-making, aligns with strategic goals, and improves planning and communication. Our objective is to provide clarity and stakeholder engagement by outlining project lifecycles and milestones.

**3.8 Electricity Sector Priorities for 2025**

The purpose of the ES strategy is to create value both for those operating in the sector and the stakeholders. This aligns with the vision and mission of the organisation and the sector policy objectives. The EA was revised in 2024; however, URCA’s primary role and function remains as “the regulation of the electricity sector in accordance with the goals, objectives, and principles underpinning the national energy and electricity sector policies.” These include:

- Competition,
- Access to safe, reliable, and affordable energy,
- Sustainable, efficient, and environmentally friendly energy, and
- Consumer protection.

In achieving these objectives, the department operates in accordance with its role, powers and functions as set out in sections 13 and 14 of the EA. The projects selected for 2025 support these objectives, as do the training and development plans for the employees in the department. In summary, in 2025, the strategic focus is on:

- Ensuring consumers are receiving value for money.
- Increasing energy efficiency and demand side management within the sector.
- Improving URCA’s regulatory frameworks to reduce friction and increase uptake.

As previously mentioned, 2024 marked a significant year for the energy sector in The Bahamas, with the publication of the NGA and the EA, both enacted in 2024. These legislative and policy measures required URCA's involvement. However, URCA’s participation in these critical initiatives necessitated reallocating resources from the planned work for the ES. As a result,

although there were no planned carryovers for the ES in 2025, most of the tasks scheduled for completion in 2024 were postponed to 2025. The list of unplanned carryover projects is detailed in Table 6 below.

### 3.8.1 Project Descriptions and Progress Updates

In 2025, the ES Team will include 11 projects in its work plan. These include:

- **BPL Fuel Tariff Review/Audit.** Bahamas Power and Light (BPL) announced a fuel cost recovery plan in October 2022. The project aims to determine if the fuel charge complies with the law and regulatory frameworks. The project addresses URCA’s mandate to ensure efficiently incurred costs, consumer protection and efficient operation. In 2024, proposals were requested for a consultant to carry out the audit. The bids received exceeded the budget. The scope was adjusted, and the project was rebid. It is scheduled to be completed in 2025.
- **Energy Efficiency and Demand Side Management.** The project identifies activities and develops a time-bound plan to establish and promote energy efficiency and demand-side management programs for licensees. The project complies with the EA s15, which relates to the promotion and approval of energy efficiency programs. This project was previously scheduled to be completed in 2024. The project has been subsumed into the work on the revision to the National Energy Policy (NEP), which is due to be completed in 2025. One of the focus areas of the new NEP is energy efficiency.
- **APESL Consumer Protection Plans.** Oversee the preparation of Consumer Protection Plans for Authorized Public Electricity Suppliers. The objective is to ensure that the consumer protection plans are in place for all APESLs and that they comply with EA s16. The project commenced in 2024. URCA found that several licensees required assistance in understanding their obligations and preparing a plan. The project is ongoing.
- **Review Of BPL Consumer Protection Plan and Customer Contract Documents.** Conduct a review of BPL’s consumer protection plan to ensure it is fit for purpose and amend where necessary. Similarly, the contracts signed between BPL and its customers should be reviewed to ensure they are fair and fit for purpose. This project commenced in 2024 and is ongoing.
- **Revision (Consolidation and Updating) Renewable Energy Frameworks.** Produce a single cohesive framework for renewable energy (RE) projects that are not utility-scale. Reduce friction to avoid disincentivising projects. Expand the framework to accommodate stakeholder needs in light of sector developments. Items to be addressed include, among

others, wheeling, off-site RE, systems greater than 1 MW with HV metering, and microgrids. The broad scope of the project is intended to advance the NEP goal of sustainable energy, EA s15 and Part V – Renewable energy and liberalisation of the electricity sector.

- **Review And Revision of The Licensing Process.** Review and amend the licensing process to reduce friction and provide greater clarity on the requirements and approval criteria/standards. The project commenced in 2024. Its scope was expanded to move the licensing process onto a dedicated portal on URCA’s new website.
- **Review And Revision of The Licensee Reporting Requirements.** Review and amend (where necessary) the licensee reporting requirements to ensure they add value to the sector by providing information to aid in decision-making without being burdensome. The project commenced in 2024. Its scope has been expanded to move the reporting process onto a dedicated portal on URCA’s new website.
- **Review of Legislation and National Energy Policy.** Following the revision of the Electricity Act in 2024, and at the invitation of the Ministry of Energy and Transportation (MOET), URCA is working alongside the MOET on the revision of the National Energy Policy 2013-2033. As the EA 2024 requires a five-year revision cycle, the new NEP will run from 2025 to 2030. The project commenced in 2024 and is scheduled for completion in 2025.
- **Review of BPL Tariff.** The EA 2024 requires BPL to make a tariff review application to URCA by 2027. URCA has included a provision in its 2025 budget to assess the application should it be submitted in 2025.
- **Review of BPL Integrated Resource Plan (IRP).** BPL’s license requires it to develop an integrated resource plan to ensure it efficiently meets the expected growing demand for electricity in the country. URCA has included a provision in its 2025 budget to assess the IRP should it be necessary in 2025.

The critical timelines and expected consultation dates for these projects are outlined in Table 3.3 below.

**Table 3.3: Electricity Sector Projects and Timelines (2025)**

Project	Start Period	End Period	Consultation Publication Date	Final Decision Publication Date
<b>Unplanned Carryover Projects</b>				
Accounting Separation Guidelines	T1-2024	T3-2025	N/A	N/A
BPL Fuel Tariff Review/Audit	T1-2025	T3-2025	T2-2025	T3-2025

Energy Efficiency and Demand Side Management	T1-2025	T2-2025	T1-2025	T2-2025
APESL Consumer Protection Plans	T1-2025	T3-2025	T2-2025	T3-2025
Review of BPL Consumer Protection Plan and Customer Contract Documents	T1-2025	T3-2025	T2-2025	T3-2025
Revision (Consolidation and Updating) of Renewable Energy (RE) Frameworks	T3-2025	T3-2026	T2-2026	T3-2026
Review and Revision of the Licensing Process	T1-2025	T3-2025	T2-2025	T3-2025
Review and Revision of the Licensee Reporting Requirements	T1-2025	T3-2026	T2-2026	T3-2026
<b>New Projects</b>				
National Energy Policy 2025-2030	T1-2025	T3-2025	T2-2025	T3-2025
Review of BPL Tariff	T1-2025	T3-2025	N/A	N/A
Review of BPL Integrated Resource Plan (IRP)	T1-2025	T3-2025	N/A	N/A

**Note:** Explanation of Project Categories: (1) Unplanned Carryover Projects: These are projects listed in the 2024 Annual Plan or Ad Hoc Projects that were originally scheduled for completion in 2024 but have been delayed due to unforeseen circumstances. As a result, they will be carried forward to the 2025 work plan; and (2) New Projects: These are projects that are being introduced in the 2025 Annual Plan.

Table 3.3 provides a unified overview for tracking progress and ensuring transparency while supporting URCA’s goals of improving electricity sector efficiency, sustainability, and consumer protection in 2025.

### 3.9 Natural Gas Sector Priorities for 2025

The Natural Gas Act (NGA) was passed in 2024. URCA was designated as the sector regulator charged with the administration of the Act. The natural gas sector (NGS) policy objectives complement those of the electricity sector with the intent to make available a safe, environmentally friendly, lower-cost, diversified fuel source. The purpose of the NGS strategy is to create value in the sector both for those operating in the sector and the stakeholders. This aligns with the vision and mission of the organisation and the sector policy objectives. At this early stage, the focus for 2025 is to continue with foundational regulatory work.

#### 3.9.1 Project Descriptions and Progress Updates

In 2025, the work in the NGS will include the following projects:

- **Guidelines for the Regulation of NGS Tariffs.** The intent is to develop guidelines to identify market inefficiencies and breaches with respect to tariffs, remedies and their



application. This will be done in accordance with the NGA s8(1)(d and g), 35(2)(j) and 38(c)(ii).

- **Gas Service Worker Licence.** To uphold safety standards, it is necessary to establish a threshold of knowledge and skill for people working in the sector. URCA intends to achieve this by developing a Gas Service Worker Licence in accordance with the requirements of the NGA s19. This will be done in concert with external training and accreditation agencies.

The project's critical timeline and expected consultation dates for the NGS are outlined in Table 3.4 below.

**Table 3.4: Natural Gas Sector Projects and Anticipated Publication Timelines**

Project	Start Period	End Period	Consultation Publication Date	Final Decision Publication Date
<b>New Projects</b>				
Public Education	T1-2025	T3-2025	NA	NA
Review of License Applications	T1-2025	T3-2025	NA	NA
Guidelines for Regulation of NG Tariffs	T1-2025	T3-2025	T2-2025	T3-2025
Complaints Handling Procedure	T1-2025	T3-2025	T2-2025	T3-2025
Procedure for Investigations	T1-2025	T3-2025	T2-2025	T3-2025
Gas Service Workers License	T1-2025	T3-2025	T2-2025	T3-2025

Note: Explanation of Project Categories: (1) New Projects: These are projects that are being introduced in the 2025 Annual Plan.

The NGS Priorities for 2025 focus on foundational regulatory work to align with the sector's objectives of providing a safe, environmentally friendly, and cost-effective fuel source. The strategy supports both sector operators and stakeholders, complementing the electricity sector's goals and aligning with URCA's vision and mission. The 2025 NGS initiatives include six projects, all starting in T1-2025 and concluding by T3-2025. Four projects, including tariff guidelines, complaints handling procedures, and investigations, will involve stakeholder consultations in T2-2025, with final decisions expected by T3-2025. Public education and license application reviews will not require consultations or decision publications. These efforts aim to lay a robust foundation for the natural gas sector, ensuring safety, compliance, and efficiency while driving stakeholder value.

## 4. Key Performance Indicators for 2025

Section 41 of the URCA Act requires URCA to publish a series of key performance indicators (KPIs) against which it shall measure its performance during the forthcoming year in the Annual Plan. Tables 4.1-4.5 in this section identify the KPIs that URCA will use to measure its performance in 2025.

**Table 4.1: Statutory and Regulatory KPIs**

Statutory/Regulatory
Was the Draft Annual Plan & Strategy published before the end of the financial year? YES/NO
Was the Annual Report and final Annual Plan published within four months of year-end? YES/NO
Were Final Determinations published within one month from closing for comments on Preliminary Determination? YES/NO
Percentage of public consultations started within the period stated in the Annual Plan.
Time to publish results, decisions, and other regulatory measures after the close of consultation: 45-60 days 60-90 days >90 days
Consumer Complaints
<ul style="list-style-type: none"> <li>Number of complaints received</li> </ul>
<ul style="list-style-type: none"> <li>Percentage of total complaints resolved</li> </ul>
<ul style="list-style-type: none"> <li>Complaints unresolved for &gt;60 days</li> </ul>
<ul style="list-style-type: none"> <li>Average time taken to resolve complaints</li> </ul>
Licenses issued within:
<ul style="list-style-type: none"> <li>30 days - individual licences</li> </ul>
<ul style="list-style-type: none"> <li>45 days - class licences</li> </ul>

**Table 4.2: Finance KPIs**

Finance
Cost of the Finance function as a percentage of total operating expenditure
Period-end cycle time (working days to close)
Year-end cycle time (working days to complete)

Forecasting accuracy
Cost of Licensee invoicing
Debtor Days
Number and Value of Creditor Notes and Adjustments
Long outstanding debt (>90 days) as a percentage of total debt

**Table 4.3: Human Resource and Learning KPIs**

HR
Cost of the HR function as a percentage of expenditure
Cost of HR function per team member
The ratio of employees (full-time equivalent) to HR staff
Average days for the full-time team member invested in learning and development per year
Cost of learning and development activity as a percentage of total payroll
Cost of advisors as a percentage of the total payroll
Percentage of roles filled by permanent and contract staff
Average lapse time (working days) from vacancy/advertisement occurring to the acceptance of an offer for the same post
Percentage of people in the role after 12 months of service
The percentage of employees who left the organisation during the year

**Table 4.4: Information Technology KPIs**

IT
The cost of IT functions as a percentage of total expenditure.
Organisational ICT spending (investment in ICT infrastructure hardware across the organisation)
Percentage of Team members that can access the network and system remotely

**Table 4.5: URCA Organisation Performance Indices**

URCA OPI
Strategic Development OPI
Governance of Regulations OPI
External Engagement and Organization Efficiency OPI

As detailed in Tables 4.1-4.5, URCA will continue to assess its effectiveness as it has in previous years by following these steps: (1) identifying and adopting suitable key performance indicators (KPIs) in accordance with statutory requirements and management best practices; (2) measuring and monitoring those KPIs; and (3) publishing the results in its Annual Report on operations and performance. In 2025, URCA will track its performance using the URCA Operational Performance Indicators (OPIs) and include them in the 2025 Annual Report, which will be published by the end of April 2026.

## 5. Budget for Fiscal Year 2025

This section sets out URCA's budget based on its target activities for the fiscal year 2025. It includes the level of remuneration to be received by the staff and non-executive and executive members of the Board in 2025.

### 5.1 Overview

URCA will ensure that it has sufficient finances to meet its regulatory mandate and will ensure that it delivers the best possible service to its stakeholders. In so doing, URCA will also ensure that it fully accounts for its activities as required by Section 41(1)(b) of the URCA Act.

URCA's draft 2025 Budget is separated into discrete budgets for the ECS, ES and NGS in accordance with section 39 of the URCA Act. These budgets have anticipated the level of expenditure necessary to provide regulatory supervision of the respective sectors. As such, the budget seeks to recover the same through the imposition of fees on licensees in the ECS, ES and the NG in accordance with section 92 of the Comms, section 54 of the EA and section 16 of the NGA.

The combined draft budget for URCA's activities (including ECS, ES and NG regulation) is set out in Table 5.1 below, as compared with budgeted expenditure for the two preceding years.

<b>Table 5.1 URCA Draft Budget</b>	<b>BY-2023</b>	<b>BY-2024</b>	<b>BY-2025</b>
Staff Costs	3,195,457	3,614,937	4,208,466
Non-Executive Compensation	408,000	349,000	202,000
Executive Compensation	486,100	532,363	590,734
Professional Services	967,900	1,251,600	2,073,400
Conferences, Training, and Travel	572,900	487,323	704,400
Field Operations	78,000	85,200	56,500
Premises Costs and Utilities	313,500	563,200	662,400
Consumer Education and Public Relations	173,000	147,500	322,000
Office Services	264,000	219,000	378,600
Information Technology	271,500	330,700	376,000
General and Administrative Expenses	962,100	1,639,900	1,214,000
<b>Total Operations Expenditure (OPEX)</b>	<b>7,692,457</b>	<b>9,220,723</b>	<b>10,788,500</b>
<b>Depreciation</b>	<b>274,100</b>	<b>296,350</b>	<b>511,500</b>
<b>Total Operating Budget Recovered through URCA fees</b>	<b>7,966,557</b>	<b>9,517,073</b>	<b>11,300,000</b>
<b>Capital Expenditure</b>	<b>2,861,500</b>	<b>3,085,935</b>	<b>2,080,006</b>

Overall, URCA proposes an increase to its operating budget (excluding depreciation) in 2025 by approximately 17% compared to 2024. Some of the key changes are explained below:

- New hires added to URCA’s staff complement (7) and Non-Executive Board member anticipated for Budget Year (BY) 2025 necessitated by the expanding regulatory remit in NG sector, augmenting technical expertise in ECS and establishing an office in Grand Bahama which is intended to provide regional regulatory presence in the Northern Bahamas; increases in base pay and the attendant increases in benefits (health insurance, pension and gratuity costs) are the main drivers for the increase of 16% in staff costs. Non-Executive Director compensation decreased by 42% in BY 2025, notwithstanding the addition of an additional Director, due to the settlement of legal action brought by the former Non-Executive Directors in previous years (2023 and 2024). Executive compensation increased by 11% due to nominal increases in base pay and associated benefits.
- Budgeted spending on Professional Services in 2025 will significantly increase by 66% year over year due in large part to the continuation of regulatory projects (specifically in ECS and ES) and commencing new regulatory projects in ES and NG. Additionally, budgetary allocations have been made to accommodate continued litigation of matters before the Utilities Appeal Tribunal (UAT) and Supreme Court for adjudication.
- Spending on Conferences, Training and Travel will increase by 45% due to funding staff participation at international and regional regulatory forums and allocation for hosting two (2) regulatory conferences during the year. In this budget year, there is a slight increase in the training budget year over year due to the continued upskilling of regulatory staff and succession initiatives that seek to prepare the future leadership at URCA.
- Field Operations (previously included in travel) decreased by 38%, notwithstanding continued local monitoring of regulated sectors, due to BY 2025 being the alternate “off-year” of international travel to delegated authority Bahamas Maritime Authority (BMA) to ensure compliance by BMA to the agreed Memorandum of Understanding.
- Premises costs and utilities increased significantly by 18% year over year due to a slight increase in building insurance costs, budgeted funds for the additional office space in Grand Bahama and continued preventative maintenance projects at Frederick House.
- Consumer Education and Public Relations budget allocation will be increased by 118% due to the resumption of Family Island travel associated with regulatory activities and public

relations initiatives deferred in 2024 due to competing priorities. Additionally, there is budgeted funding for surveys, brand audits and community outreach.

- Office services increased by 73% due to finance costs, incremental costs emanating from remote working, operating costs, and additional operating costs related to the NBO.
- Information Technology is budgeted to increase by 14% due to acquiring additional productivity software licences and increased costs associated with subscription renewals.
- General and administrative expenses decreased by 26%, notwithstanding budgeting for supporting The Bahamas’ representative at ITU campaign to senior ITU post; in the previous year, there was recovery of bad debt provision deficit due to underestimation of unpaid revenues from major licensees.
- URCA’s Capital Expenditure budget is anticipated to decrease year over year despite Frederick House Infrastructure Improvement continuing, and other major projects, such as replacing the elevator and generator, which have been deferred from previous years, are scheduled to occur in 2025.

## 5.2 Electronic Communications Sector Budget 2025

Table 5.2 summarises URCA’s draft 2025 budget for its regulatory activities in the ECS compared to its budget for the preceding two years.

<b>Table 5.2 ECS Draft Budget</b>	<b>BY-2023</b>	<b>BY-2024</b>	<b>BY-2025</b>
Staff Costs	1,903,185	2,211,981	2,773,064
Non-Executive Compensation	249,600	204,723	118,149
Executive Compensation	262,500	283,435	310,418
Professional Services	567,920	547,545	834,844
Conferences, Training, and Travel	404,600	366,469	524,341
Sector Field Operations	35,000	73,200	27,517
Premises Costs and Utilities	225,275	336,941	427,466
Consumer Education and Public Relations	86,500	87,800	199,103
Office Services	200,875	137,358	253,798
Information Technology	217,200	199,054	248,615
General and Administrative Expenses	457,860	691,917	533,265
<b>Total Operations Expenditure (OPEX)</b>	<b>4,610,515</b>	<b>5,140,423</b>	<b>6,250,579</b>
<b>Depreciation</b>	<b>232,985</b>	<b>174,589</b>	<b>358,581</b>
<b>Total Operating Budget Recovered through URCA fees</b>	<b>4,843,500</b>	<b>5,315,013</b>	<b>6,609,160</b>
<b>Capital Expenditure</b>	<b>2,398,525</b>	<b>2,863,225</b>	<b>1,461,152</b>

Further explanation of each expense category in the ECS budget is set out below:

- Total operating expenditure (OPEX), exclusive of depreciation, is anticipated to increase in 2025 by 22% compared to the previous year due to continued efforts to promote the policy objectives of the ECS.
- Overall staff costs for the ECS have increased by 25% due to the annual increased base pay and associated staff benefits. There is a provision in BY 2025 for new hires in the ECS due to staff exits in the previous year and to ensure that the staffing levels are such to effectively affect regulatory oversight of the sector along with the continued efforts to cross-train professionals.
- Professional services expenditure is anticipated to increase by 53% over the previous year's budget allocation because of carryover regulatory projects continuing into 2025, including scheduled market assessments, surveys, reviews, and litigation related to the ECS.
- Conferences, training and travel have increased by 43% to fund continued in-person attendance at international conferences, hosting high-level and cross-sector regulatory forums, and staff participating in training opportunities.
- Field Operations (previously included in travel) decreased significantly despite continued monitoring activities of spectrum licensees as in the previous year, BMA and other local site visits occurred; during the current budget year, spectrum monitoring is scheduled to continue through the utilisation of mobile and fixed tower apparatus.
- Consumer Education and Public Relations budgeted allocation increased by 126% to fund the resumption of consumer education and outreach in the Family Islands and sponsorship of the ICT Youth Ambassador Program.
- Office Services increased by 85% due to operating the NBO and finance charges associated with credit facilities.
- General and administrative expenses, which include international regulatory membership and related activities, are budgeted to decrease despite the underwriting campaign costs of The Bahamas' candidate for the senior ITU post. Budgeted bad debt due to major licensee's unpaid fees is less this year because the correction for underestimation of bad debt was included in the prior year's budget.



### 5.3 Electricity Sector Budget 2025

Table 5.3 summarises URCA’s draft 2025 budget for its regulatory activities in the ES compared with its budget for the preceding two years.

<b>Table 5.3 - ES Draft Budget 2025</b>	<b>BY-2023</b>	<b>BY-2024</b>	<b>BY-2025</b>
Staff Costs	1,277,473	1,265,617	1,037,404
Non-Executive Compensation	163,200	138,513	58,095
Executive Compensation	233,600	182,037	157,468
Professional Services	399,980	393,755	702,776
Conferences, Training, and Travel	168,300	59,604	97,993
Sector Field Operations	43,000	9,000	15,599
Premises Costs and Utilities	88,225	221,837	155,055
Consumer Education and Public Relations	86,500	58,200	76,553
Office Services	63,125	77,440	92,100
Information Technology	54,300	124,870	91,574
General and Administrative Expenses	504,240	938,858	666,760
<b>Total Operations Expenditure (OPEX)</b>	<b>3,081,943</b>	<b>3,469,730</b>	<b>3,151,376</b>
<b>Depreciation</b>	<b>41,115</b>	<b>115,494</b>	<b>98,196</b>
<b>Total Operating Budget Recovered through URCA fees</b>	<b>3,123,058</b>	<b>3,585,224</b>	<b>3,249,572</b>
<b>Capital Expenditure</b>	<b>462,975</b>	<b>221,110</b>	<b>397,391</b>

Explanations of changes in the major expense categories are as follows:

- Total operating expenditure (OPEX), exclusive of depreciation, is anticipated to decrease in 2025 by 9% compared to the prior year; this is due to efficiencies of operations in which resources existing in the ES are being utilised in this sector and the newly formed Natural Gas Sector.
- Staff Costs are anticipated to decrease by 18% as the human resources in ES are being shared with the NG sector.
- Professional services expenditures are anticipated to increase significantly by 78% due mainly to anticipated litigation involving GBPC and GBPA; additionally, the budget allocation has been made to fund regulatory projects commenced in 2024 to completion.
- Conferences, training, and travel costs are budgeted to significantly increase due to continued upskilling of staff through participation in training opportunities to align with long-term sector strategies.
- Consumer Education and Public Relations increased due to consumer education initiatives engaging stakeholders concerning the National Energy Policy and the results of various tariff reviews that are anticipated to be completed in 2025.

- General and administrative expenses budgeted decreased due to corrections for the underestimation of bad debt included in the prior year’s budget.

#### 5.4 Natural Gas Sector Budget 2025

The Natural Gas Budget 2025 represents the first full year for this newly regulated sector, compared to the 3 months covered by the 2024 Budget. The budget allocated to this sector supports URCA's continued commitment to transparency, stakeholder engagement, and regulatory excellence, ensuring that the natural gas sector operates in accordance with national energy policies and international best practices.

Table 5.4 summarises URCA’s draft 2025 budget for its regulatory activities in the NGS.

<b>Table 5.4 - NG Draft Budget 2025</b>	<b>BY-2024*</b>	<b>BY-2025</b>
Staff Costs	137,339	397,998
Non-Executive Compensation	5,764	25,756
Executive Compensation	66,891	122,849
Professional Services	310,300	535,781
Conferences, Training, and Travel	61,250	82,066
Sector Field Operations	3,000	13,384
Premises Costs and Utilities	4,423	79,878
Consumer Education and Public Relations	1,500	46,344
Office Services	4,202	32,702
Information Technology	6,775	35,811
General and Administrative Expenses	9,126	13,975
<b>Total Operations Expenditure (OPEX)</b>	<b>610,570</b>	<b>1,386,544</b>
<b>Depreciation</b>	<b>6,267</b>	<b>54,724</b>
<b>Total Operating Budget Recovered through URCA fees</b>	<b>616,836</b>	<b>1,441,268</b>
<b>Capital Expenditure</b>	<b>1,600</b>	<b>221,463</b>

\*Budget for October – December 2024

Explanations of budget allocation for BY-2025 for major expense categories are as follows:

- Staff costs include an allocation for new hires as well as the proportional costs of other sectors and support staff.
- Professional services budget includes, in main, allocation to cover the costs of consultancy services establishing framework, guidelines and reviews of licensing documents.
- Conferences, training, and travel allocation are set at a level for new hires and other staff assigned to the sector to participate in necessary training opportunities and engage with

international organisations through attendance at conferences, seminars, and workshops.

- Premises costs and utilities include NG's proportionate share of Frederick House costs. Included in the budget line are the costs associated with the ownership of Frederick House (property insurance and real property taxes).
- Consumer Education and Public Relations is anticipated to fund significant initiatives to educate the public on URCA's role as the regulator of the NG and the NG's proportionate share of other consumer education initiatives.
- Capital Expenditure has increased significantly to include the NG's allocated portion of anticipated capital improvements and assets acquired in BY 2025 that benefit the sectors regulated by URCA; any assets acquired that are acquired specifically for use in a particular sector are excluded from allocation to other sectors.

## **6. Summary of the 2025 Annual Plan and Next Steps**

This draft Annual Plan for 2025 outlines URCA's strategic initiatives, regulatory objectives, and budgetary framework for managing The Bahamas' electronic communications, electricity, and natural gas sectors. This comprehensive plan reflects URCA's ongoing commitment to fostering sustainable development, promoting regulatory transparency, and ensuring consumer protection across all regulated sectors.

### **6.1 Strategic Outlook**

URCA's strategic outlook for 2025 emphasises strengthening leadership, enhancing employee development, addressing connectivity gaps, and expanding its regional presence. A major initiative is the establishment of the NBO to enhance oversight in underserved areas. Additionally, URCA will continue engaging in international forums to align its regulatory practices with global standards and promote the adoption of innovative technologies, such as artificial intelligence, to optimise utility operations and improve customer experiences.

### **6.2 Sectors Priorities**

The 2025 priorities are divided among URCA's regulated sectors. In electronic communications, key initiatives include implementing a regulatory framework for 5G services, reviewing universal service obligations, and enhancing cybersecurity guidelines for public communication networks. In the electricity sector, URCA will focus on energy efficiency programs, revising renewable energy frameworks, and supporting the updated National Energy Policy (2025–2030). The natural

gas sector, newly added to URCA's remit, will see foundational work such as establishing tariff guidelines and licensing for gas service workers to ensure safety and compliance.

### **6.3 Organisational Priorities**

Organizationally, URCA plans to modernise its operations through data governance enhancements and IT infrastructure upgrades. Public engagement remains a cornerstone of its strategy, with stakeholder forums, educational campaigns, and outreach programs planned, especially for the Family Islands. URCA will also measure its performance through detailed Key Performance Indicators (KPIs) that track statutory compliance, financial management, and operational efficiency.

### **6.3 Budgetary Considerations**

The proposed 2025 budget reflects a 17% increase over the previous year to support expanding responsibilities and strategic projects. Key allocations include funding for professional services, public education initiatives, and the establishment of the NBO. Investments in training and consumer engagement are also prioritised to align with URCA's goal of fostering innovation and inclusivity in its regulatory practices.

### **6.4 Stakeholder Consultation and Next Steps**

This draft Annual Plan emphasizes URCA's commitment to developing a sustainable, consumer-focused utility sector that aligns with both national and international objectives. It aims to drive innovation and economic development throughout The Bahamas. URCA has detailed its stakeholder consultation plan in Section 1.2 of this draft.

To promote inclusivity and transparency, URCA invites stakeholders to review and provide feedback on the draft plan by February 3, 2025. Additionally, a stakeholder forum will be held in March 2025 to discuss the proposed initiatives and refine the plan based on the feedback received. URCA encourages your participation in this process.