



UTILITIES REGULATION & COMPETITION AUTHORITY

**ANNUAL REPORT 2024 &
2025 ANNUAL PLAN**

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INTRODUCTION

The Utilities Regulation and Competition Authority (URCA) presents the 2024 Annual Report and 2025 Annual Plan in compliance with section 41 of the Utilities Regulation and Competition Authority Act, 2009 (the URCA Act). The Report, which must be published before the end of April each year, provides a detailed accounting of URCA's work, including its audited financial reports for the preceding year, and, following consultation with critical stakeholders, a work plan for the current year. This 2024 Annual Report is based around the theme "Shifting Paradigms" and provides the following information:

- A report on the performance of URCA's regulated sectors during 2024;
- Highlights of the objectives that URCA accomplished during 2024;
- A report on URCA's fiscal performance for 2024, accompanied by URCA's Audited Financial Statements for the year; and
- URCA's performance against Key Performance Indicators (KPIs) for 2024.

Further, and in compliance with the requirements of the URCA Act, URCA's Draft Annual Plan for 2025 was first published in December 2024 for public consultation. Following consideration of the feedback from stakeholders during the consultation period, the final plan is included in this document. The plan provides an overarching strategic focus that considers regional and international trends in the regulated sectors, which can influence the achievement of URCA's work plan. The annual plan included in this document outlines the following:

- URCA's key projects for 2025, including its consultation schedule;
- The KPIs that URCA will use to measure its performance during 2025 and
- URCA's budget for the 2025 financial year.

The URCA Act also mandates that URCA arrange at least one oral hearing, during which the annual report and plan are presented, and questions answered. The hearing will be held at a date to be determined in May 2025.

These statutory requirements and practices ensure that URCA's work reflects its core values, i.e., fairness, integrity, accountability, transparency, one-team, people-centred and professionalism, and that its activities focus on URCA's mission of *"Improving lives through effective utilities regulation."*

ABOUT URCA

URCA is an independent multi-sector regulator with responsibilities for the Electronic Communications Sector (ECS), the Electricity Sector (ES) and the Natural Gas Sector (NGS). Established through the passage of the URCA Act, with specific responsibilities outlined in the Communications Act, 2009 (Comms Act), URCA assumed responsibility for the regulation of the ECS in September 2009. The ECS comprises fixed and mobile telecommunications services, internet, pay TV, broadcasting, and management of the radiofrequency spectrum.

On 1 June 2024, the new Electricity Act, 2024 came into force, repealing and replacing the Electricity Act, 2015, expanding URCA's remit over the regulation of the generation, transmission, distribution, and supply of electricity throughout The Bahamas.

On 1 June 2024, the Natural Gas Act, 2024 came into force, making URCA the regulator of all aspects of the value chain of the Natural Gas Sector (NGS) in The Bahamas.

In addition to the governing legislation, URCA's responsibilities as a regulator are guided by the government's policies applicable to each regulated sector, namely the Electronic Communications Sector Policy (ECSP), National Spectrum Plan (NSP), and National Energy Policy (NEP).

Governance

URCA's corporate governance structure supports the key tenets of good governance: transparency, fairness, and accountability. URCA's activities are governed by a Board which currently comprises three Non-executive Members, including the Board's Chairperson, and three Executive Members: The Chief Executive Officer (CEO), the Director of Utilities and Energy (DUE) and the Director of Electronic Communications (DEC). Non-executive Members are appointed by the Governor General, while the Executive Members are appointed by the Non-executive Members following a competitive selection process.

URCA's Board

Randol Dorsett – Chairperson

Paula Adderley – Non-executive Member

Brian Seymour – Non-executive Member

Carlton Smith – Chief Executive Officer

Jonathon Hudson – Director of Utilities and Energy

Nicole Watkins – Director of Electronic Communications

The CEO has overall executive responsibility for URCA's day-to-day activities, including overall strategy and responsibility for URCA's operational units, namely: Legal, Human Resources and Learning, Administration, Facilities, Finance, Data Governance and Records, and Corporate and Consumer Relations.

URCA is legally mandated to engage with the following Ministers of Government:

- The Attorney General, who has overall responsibility for Government's relations with URCA, and with whom URCA engages in respect of its operations, including its budget and reporting, including financial statements and audits;
- The Minister with responsibility for the ECS in respect of matters outlined in the Comms Act, which include the ECSP, and specific activities related to the allocation and pricing of spectrum, public service broadcasting, and universal services; and
- The Minister charged with responsibility for the energy sector, which includes the ES and NGS.

URCA is also occasionally required to engage with the Ministers of Government for various matters.

The Audit Committee

An additional key component of the organisation's governance structure is the Audit Committee, currently chaired by Jacqueline Hunt-Farrington. The Audit Committee's work includes:

- Review of the monthly financial reports prepared by management;
- Review, monitoring and implementation of recommendations made by the internal and external auditors; and
- Review of the annual financial statements, including assessing the accounting policies.

The Audit Committee also oversees the internal auditor's work, whose work during the year continued to focus on and ensure the organisation's compliance with internal controls and external legal and regulatory requirements.

CHAIRPERSON'S MESSAGE

It is with great pride and appreciation that I present the 2024 Annual Report of URCA.

This year has been marked by progress, resilience, and the continued commitment of URCA to fostering a regulatory environment that ensures efficiency, sustainability, and accessibility across the sectors under our purview. As we reflect on our achievements, we must also acknowledge the challenges ahead and remain steadfast in our mission to support the development of The Bahamas' electronic communications and energy sectors.

The ECS remains a critical driver of economic and social progress in The Bahamas. The demand for reliable and high-quality telecommunications services continues to grow, particularly in the Family Islands, where connectivity gaps persist. While significant strides have been made to enhance coverage and service quality, URCA recognises that challenges remain. Addressing these deficiencies requires a multi-faceted approach that includes regulatory oversight, industry collaboration, and strategic investments.

To this end, URCA has worked diligently to improve service reliability by publishing the Outage Reporting and Mitigation Regulations for the Electronic Communications Sector. This new regulatory framework mandates timely and standardised reporting of major planned and unplanned outages, ensuring that service providers are held accountable for maintaining high-quality standards. Additionally, we have strengthened our oversight of competition within the sector to foster a more dynamic and consumer-centric market that offers fair pricing and improved services to Bahamians.

A key milestone for URCA this year has been its instrumental role in helping to author the new Electricity Act, 2024 and groundbreaking Natural Gas Act, 2024. These legislative advancements are crucial in shaping a more resilient and sustainable energy future for The Bahamas. The Electricity Act introduces more robust mechanisms for efficiency and accountability, ensuring that consumers receive reliable and cost-effective power.

Meanwhile, the Natural Gas Act marks a significant shift toward diversifying our energy sources, positioning The Bahamas as a forward-thinking nation in the region's transition to cleaner, more sustainable fuel options. URCA remains appreciative of the remarkable efforts of the Director for Utilities and Energy Jonathan Hudson for both his leadership and tenacity in preparing for the emergence of the natural gas sector and its implementation.

Energy security remains a top priority for URCA, and we have undertaken extensive public consultations and industry engagements to ensure that our regulatory policies align with both national interests and best global practices. Our collaboration with stakeholders, including the government, Bahamas Power and Light (BPL), independent power producers, and international energy experts, has enabled us to push forward key reforms that will modernise the energy sector

and create a framework for greater private sector participation and innovation.

URCA's commitment to consumer protection and advocacy remains at the forefront of our regulatory approach. We continue to engage with the public through outreach programs, town hall meetings, and digital platforms to ensure that Bahamian consumers are well-informed about their rights and the services available to them. This year, we have enhanced our enforcement mechanisms to hold service providers accountable for meeting their obligations to consumers, and we remain vigilant in addressing complaints and disputes that impact the quality of service across all regulated sectors.

A major highlight of 2024 has been the transition in leadership within the ECS. We extend our sincere gratitude to former Director of Electronic Communications Rupert Pinder for his invaluable contributions to URCA during his tenure.

He was a steadfast leader and played a pivotal role in advancing our regulatory framework. We wish him all the best in his future endeavors.

Stepping into this vital role is Nicole Watkins, a seasoned professional with extensive experience in the telecommunications industry. Mrs. Watkins brings a wealth of knowledge and expertise that will be instrumental in guiding the ECS through the next phase of growth and transformation. Her leadership, vision, and commitment to excellence will undoubtedly strengthen URCA's efforts to improve service delivery and connectivity throughout The Bahamas.

I am also pleased to report that we onboarded a new General Counsel and Board Secretary, Damara Dillet, who has a wealth of legal expertise and a great level of determination, that we believe will advance our various legal matters and enhance our risk management and compliance goals.

URCA notably celebrated its 15th anniversary this year, as we move forward, URCA remains committed to fostering a regulatory environment that is transparent, inclusive, and adaptive to the evolving needs of the sectors we oversee. We recognise that innovation and technology will continue to reshape the landscape, and we must be proactive in ensuring that policies and regulations keep pace with these advancements. The introduction of 5G, the expansion of broadband services, and the integration of renewable energy solutions all present significant opportunities for The Bahamas to enhance its economic and social development. URCA stands ready to facilitate these transitions and support the growth of a more competitive and resilient market.

I wish to extend my deepest appreciation to the entire URCA team for their unflagging dedication, professionalism, and hard work throughout the year. Their commitment to excellence is the driving force behind our success, and I am confident that together, we will continue to make meaningful contributions to the advancement of The Bahamas. I wish to particularly extend

gratitude to Chief Executive Officer J. Carlton Smith, for his leadership of the URCA team and his pursuits to advance URCA's mission to improve lives through effective utilities regulation.

I am equally appreciative of the support and leadership on matters of governance extended by the non-executive members of the Board, Mrs. Paula Adderley-Wilmott and Mr. Brian Seymour. In closing, I reaffirm URCA's commitment to upholding the highest standards of regulatory integrity, consumer advocacy, and industry development. As we embark on another year of progress, the truth is though the challenges ahead may be significant, but with a strong regulatory framework and a clear vision for the future, I am confident that The Bahamas will continue to thrive.

Thank you for your continued support, and I look forward to another year of impactful work and progress at URCA.

Randol Dorsett

CHIEF EXECUTIVE OFFICER'S REPORT

“Shifting Paradigms”

As we close out another transformative year at URCA, I am honored to reflect on our significant strides in 2024. This year, we displayed our commitment to regulatory excellence, national development, and service to the Bahamian people. From the introduction of groundbreaking legislative frameworks to substantial infrastructure improvements, URCA has continued to evolve as a leading regulatory authority in the region.

One of the most critical undertakings of 2024 was our integral role in crafting the new Electricity Act, 2024, and the Natural Gas Act, 2024. The government tasked URCA with helping swiftly develop a comprehensive regulatory framework that would oversee and guide the expansion of the natural gas sector while refining the oversight of the electricity sector. This monumental assignment required our team to engage in extensive consultations, research, and policy development in an extraordinarily tight timeframe. Through dedication and diligence, we successfully established a robust regulatory framework that will not only modernise these essential industries but also ensure their sustainability and efficiency in the long term.

The Electricity Act, 2024, introduces new provisions to strengthen consumer protection, promote renewable energy integration, and improve service delivery in the electricity sector. Similarly, the Natural Gas Act, 2024, represents a historic step in diversifying our nation's energy supply. This legislation establishes the legal and regulatory foundations necessary to introduce natural gas as a viable energy alternative, reducing reliance on traditional fossil fuels and paving the way for a cleaner, more reliable future. URCA's rapid response and thorough approach in shaping these laws demonstrate our ability to navigate complex regulatory landscapes while delivering tangible benefits to the Bahamian people.

Beyond legislative developments, URCA has also embarked on an ambitious renovation project at our headquarters, Frederick House. This extensive renovation, which began in 2024 and is expected to be completed by mid-2025, represents a critical investment in our organisational infrastructure. The upgrades will not only improve our employees' working environment but will also facilitate the rental of additional office space, generating revenue streams that will contribute to URCA's financial sustainability beyond traditional licensing fees. This project demonstrates fiscal responsibility while ensuring that URCA remains a world-class regulatory body equipped to meet the challenges of the future.

In addition to these major initiatives, URCA dedicated significant efforts in 2024 toward enhancing our national presence and regulatory reach. Recognising the unique challenges faced by communities in the northern Bahamas, we explored establishing a dedicated office in Grand Bahama to better serve the needs of those islands. After extensive evaluations, we determined that an alternative approach would yield equally meaningful results. Beginning in 2025, we will

develop a medium-term strategic plan that enhances our accessibility and regulatory oversight throughout the entire Bahamas through more targeted outreach and service enhancements.

This year also saw important leadership transitions within URCA. I extend my warmest congratulations to Nicole Watkins, our new Director of Electronic Communications, who took over from Rupert Pinder. Mrs. Watkins brings an extensive background in the telecommunications industry, coupled with exceptional organisational skills and a forward-thinking approach to regulatory challenges. Under her leadership, URCA's Electronic Communications Sector will continue to advance, with a strong focus on capacity building within the regulatory department and fostering innovation within the sector.

I would also like to recognise and welcome our new General Counsel and Board Secretary Damara Dillet, who joined our team in 2024. She has already demonstrated an impressive ability to navigate the complexities of the regulatory landscape, guiding our legal team with precision and expertise. Her contributions will be instrumental in ensuring that URCA's regulatory decisions remain firmly rooted in sound legal principles and aligned with national and international best practices while guiding URCA's legal agenda.

International engagement remains a crucial component of our work, allowing us to stay ahead of emerging trends, foster international collaboration, and ensure The Bahamas remains at the forefront of global regulatory advancements. As we move into 2025, we anticipate an even greater emphasis on international cooperation, with renewed efforts to engage with the relevant local stakeholders to inform our discussions and contributions both regionally and internationally.

Last year was also notable with URCA's successful Universal Meaningful Connectivity Conference held in partnership with the International Telecommunications Union. This landmark event brought together regional and international experts, stakeholders, and policymakers to discuss strategies for understanding connectivity in developing states. The insights gained from this conference will directly inform our work on Universal Service Obligations in 2025, ensuring that all Bahamians – regardless of location – have access to reliable, high-quality electronic communications services. Connectivity is a fundamental driver of economic growth and social inclusion, and URCA remains committed to bridging digital divides and enhancing service accessibility across the archipelago.

Recognising the evolving needs of consumers and stakeholders, URCA also undertook a major redesign of its website in 2024. The new platform, which will feature enhanced user interface components to be enabled in 2025, is designed to improve accessibility, transparency, and user experience. The updated website will offer a more intuitive interface, streamlined access to regulatory documents, and an enhanced portal for consumer engagement and licensing.

URCA celebrated its 15th anniversary in 2024, it was an occasion to look back on the great work done by URCA, but also to look forward to the opportunities the future holds.

As I reflect on the achievements and challenges of 2024, I am deeply grateful for the work undertaken by all team members at URCA. Your hard work and commitment have been the driving force behind our success, and I extend my sincerest appreciation for your contributions.

As we look ahead to 2025, we must remain champions of progress, innovation, and accountability. We will continue to operate with integrity, to regulate with purpose, and to serve with dedication to improve the lives of all in The Bahamas.

Carlton Smith

URCA'S ACHIEVEMENTS IN 2024

URCA accomplished much in 2024. Our 2023 Annual Report was published along with our 2024 Annual Plan on April 30, 2024. With the passage of the Electricity Act 2024 and the Natural Gas Act 2024, URCA's regulatory remit greatly expanded midyear.

In preparation for the tabling and passing of these acts, URCA's focus shifted considerably in the second trimester of our work plan. Both acts also included a statutorily required addendum to our 2024 Annual Plan.

This finalised addendum, published in November, ensured that URCA's strategic objectives, projects, and regulatory actions remained aligned with new legislative mandates, particularly in the electricity and newly incorporated natural gas sectors. URCA also published its Draft 2025 Annual Plan on December 20, 2024.

In the ECS, URCA continued its pivotal work, advancing regulatory initiatives that strengthen market competition, enhance consumer protection, and improve service quality. Despite the additional regulatory responsibilities introduced midyear, URCA upheld its commitments and delivered key milestones in this sector while simultaneously amending our work plan to incorporate emerging priorities.

The ES underwent substantial regulatory updates in response to new legislative requirements. URCA successfully revised its strategic objectives to ensure enhanced regulatory oversight, energy efficiency, and the promotion of renewable energy sources. New initiatives included updated licensing frameworks, technical standards, and compliance monitoring systems that support a more structured and effective regulatory environment.

The newly introduced NGS required the development of licensing frameworks and compliance mechanisms from the ground up, a challenge that URCA met with diligence and expertise. By the end of the year, URCA had fulfilled the vast majority of the commitments outlined in the Addendum to the 2024 Annual Plan, demonstrating its capacity for responsive and effective regulatory governance.

The renovation of Frederick House led to a temporary shift to remote work in July. Despite this transition, creative management strategies enabled URCA to maintain an impressive level of productivity, ensuring that our regulatory functions proceeded without disruption.

A key priority for URCA in 2024 was community engagement, particularly in the Northern Bahamas. By increasing our presence and outreach in these communities, we gained valuable insights into regional concerns and needs, which will inform us of a more targeted regulatory approach moving forward. This strengthened engagement will ensure that regulatory policies not

only serve national interests but also address critical regional disparities.

Through the 2024 Annual Plan and the 2024 Annual Plan Addendum, URCA reaffirmed its commitment to effective regulation, industry oversight, and stakeholder collaboration. The regulatory adjustments made this year have laid the foundation for a more resilient and forward-thinking regulatory framework, positioning The Bahamas for continued growth and stability in key utility sectors.

PERFORMANCE AGAINST URCA'S 2024 ANNUAL PLAN

URCA structures its year in trimesters, which are groups of four months: trimester 1 (T1), trimester 2 (T2), and trimester 3 (T3).

General Projects

While most of URCA's regulatory work relates to a specific regulated sector, URCA continuously seeks to achieve outcomes that can be realised through harmonised approaches between regulated sectors, reflected in regulatory measures with "General" applicability across sectors. URCA's organisational initiatives, including its Annual Report and Annual Plan, also fall into this "General" category. During 2024, URCA worked on the following general projects.

Implementation of Integrated Electronic Document Management Tool.

As part of its broader commitment to operational efficiency and modernisation, URCA dug further into its digital transformation initiative in 2024. This initiative includes the implementation of an Integrated Electronic Document Management System (EDMS). This tool will enable URCA to centralise document storage, streamline retrieval, and enhance internal collaboration, ultimately improving productivity and information governance across the organisation.

Over the past year, URCA has made steady progress with its internal document management framework. Building on this foundation, we are now advancing toward full implementation of the EDMS, starting with our regulated sectors and finance division. System integration within our existing IT environment is well underway, and we anticipate full deployment of the platform by the end of the third trimester of 2025.

Digitalisation of Operational Processes.

URCA's Digital Transformation initiative progressed into Phase 2 in 2024, focusing on the digitalisation of several key operational processes. While progress has been slower than anticipated, due in part to resource adjustments and delays associated with renovation work at Frederick House, the objectives of this phase remain unchanged. This stage of the project aims to streamline workflows, automate manual tasks, and reduce reliance on paper-based systems through the integration of digital tools. Despite the setbacks, URCA remains fully committed to completing this phase and achieving full implementation by the end of the third trimester of 2025.

Redevelopment of URCA's Website

URCA launched the redeveloped main site in October 2024 with a refreshed design, improved navigation, and updated content aimed at making information more accessible to consumers, licensees, and stakeholders. Building on this foundation, URCA plans to launch its Licensing and Payments Portal and its Consumer Care Portal before the end of the first trimester of 2025. These

portals will enable users to apply for licenses, submit payments, and lodge consumer complaints through a fully digital process. Once live, these services will significantly improve operational efficiency and public access, aligning with URCA's broader goal of delivering accessible and responsive regulatory support in the electronic communications and energy sectors.

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 published its Draft 2025 Annual Plan in December 2024.

Electronic Communications Sector Projects

The ECS in The Bahamas is pivotal in connecting communities, empowering businesses, and facilitating access to information throughout the archipelago. In 2024, URCA completed a significant amount of work in sector that was outlined in the 2024 Annual Plan. A summary of the ECS's achievements against the goals in the 2024 Annual Plan follows.

Review of the Electronic Communications Sector Policy

The Government of The Bahamas' ECS Policy was officially gazetted on 21 October 2024. This policy sets strategic objectives for developing a modern, inclusive, and robust ICT ecosystem, supporting equitable economic and social growth. As the independent regulator, URCA will implement the policy's objectives under the Comms Act, aligning with national development goals. Key priorities include expanding emerging technologies like 5G and fiber-to-the-premises (FTTP) and ensuring universal access to high-quality, affordable ICT services, particularly for underserved communities.

Review of the Network Quality of Service Regulations

URCA remains committed to conducting a comprehensive review of the Quality-of-Service Regulations for Electronic Communications Networks and Services (ECS 42/2016) to reflect the evolving telecommunications landscape. However, due to competing regulatory priorities and resource constraints in 2024, the review has been rescheduled for 2025 to ensure it receives the necessary focus and expertise. This adjustment allows URCA to approach the review with the appropriate level of diligence and stakeholder engagement, ensuring that any updates to the regulations effectively support the continued advancement of networks and services in The Bahamas.

Review of Universal Service Obligations and Universal Service Fund

This workstream, originally listed in URCA's 2023 Annual Plan, was revised under the ECS Policy 2024-2027 and aims to address inequities in access to basic communications services across The Bahamas. The consultation phase was slated to begin in 2024 but did not commence due in part to the government's delay in gazetting the approved ECS policy. However, URCA made meaningful progress on this project in 2024, including procuring a firm to conduct a survey in

2025 that will inform our assessment of universal meaningful connectivity in The Bahamas. Following the consultation process, URCA expects to make a final determination on the implementation of USO.

Market Review of Retail Fixed Services (including Pay Television)

URCA conducted two consultation rounds on its Preliminary Determination of its review beginning 28 February 2024, receiving feedback from ECS providers with significant market power. After a thorough review, on 31 July 2024, URCA issued its Final Determination on the state of competition in retail fixed electronic communications services in The Bahamas, covering fixed voice, broadband, and pay TV services. This determination concluded that BTC has significant market power in retail fixed voice services and Cable Bahamas has significant market power in retail fixed broadband, retail pay TV, and multi-product bundles. URCA introduced measures for operators with significant market power, including a relaxation of the Retail Pricing Rules to allow more flexibility in making pricing decisions, the requirement to continue offer specific standalone services, and reinforcing consumer access to pricing information.

Spectrum Management Project: National Spectrum Plan 2024-27

Pursuant to Part V of the Comms Act, URCA is set to revise the National Spectrum Plan, a comprehensive framework governing the use of spectrum in The Bahamas. The plan is vital and addresses issues of regulation, technical, financial and geographic considerations.

Public Consultation on 5G – Focus on Supply Side

On 22 August 2024, URCA launched a public consultation on the Roadmap to Enable 5G Deployment in The Bahamas, marking a key step in establishing the regulatory framework for 5G. The consultation sought stakeholder input on supply-side and other critical issues to support a market-driven approach to 5G deployment tailored to The Bahamas. URCA appreciates the valuable feedback received and encourages continued engagement in future consultations. The Statement of Results and Next Steps is scheduled for publication in the first trimester of 2025.

ICTs for Persons with Disabilities

URCA restarted the ICTs for Persons with Disabilities project in 2024. 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. There was also valuable feedback from ECS service providers on access services in response to the public consultation on the Revised Code of Practice for Content Regulation. In line with the sector policy objectives, URCA intends to implement regulations and other measures to make ICTs more accessible for persons with disabilities.

Consultation on the Code of Practice for Content Regulation

Following a public consultation launched on 20 August 2024, URCA published its Statement of Results and Final Decision on the Revision of the Code of Practice for Content Regulation on 20 December 2024. The updated Code of Practice strengthens protections for young audiences, introduces guidelines for AI-generated content and synthetic media, and established new

standards for political broadcasts, advertising (alcohol, cannabis, gambling), and accessibility services for visually and hearing-impaired individuals. Developed through extensive stakeholder engagement, these updates promote responsible content management, protect public interests, and encourage ethical media practices while supporting innovation and creative freedom.

Consultation on Satellite Regulatory Framework

In 2024, the ECS added an unplanned project to establish a Satellite Regulatory Framework as demand for satellite-based communications services in The Bahamas increased. URCA recognized the need to modernize its regulatory approach to ensure the licensing regime, spectrum usage conditions, and fee structures remain relevant and effective. The consultation process was launched in early December 2024. A final decision on the Satellite Regulatory Framework was expected to be published in the first trimester of 2025. However, in reviewing the scope of responses, we decided to expand consultation on the project further into 2025. We plan to launch another round of consultation in the second trimester of 2025 and publish a final decision in the third trimester of 2025.

Electricity Sector Projects

In 2024, URCA progressed a broad range of regulatory initiatives under the Electricity Sector, with several projects continuing into 2025 as part of an evolving and expanded mandate under the new Electricity Act, 2024 (EA). The projects outlined below reflect URCA's ongoing work to strengthen regulatory oversight, improve sector efficiency, protect consumers, and support the transition to cleaner energy systems. Due to the work carried out in establishing the regulatory framework for the NGS, many ES projects were carried over into 2025.

Accounts Separation Guidelines

This project began in T3 of 2023 and is scheduled for completion in T3 2025. Its objective is to implement standardised guidelines for licensees to separate accounts by service category, ensuring better transparency and cost tracking. While progress continued in 2024, a decision on whether to engage a consultant is pending, and the project has been officially carried over into the 2025 work plan.

BPL Fuel Tariff Review/Audit

Initiated in T1 2024, this project aims to review and audit BPL's fuel tariff structure. A Request for Proposals (RFP) issued in May 2024 was unsuccessful due to cost overruns in the proposals received. As a result, the scope of work was revised, while retaining the core objectives, and a broader pool of bidders were invited under a reissued RFP. The contract is expected to be awarded in T1 2025.

Analysis of Renewable Energy (RE) Cost and Performance Data

Launched in T1 2024, this project involves the collection and analysis of cost and performance

data from existing RE installations to inform future policy and licensing. Public consultation and a final decision are expected in T2 and T3 2024 respectively.

Energy Efficiency and Demand-Side Management

Originally scheduled as a standalone project, this initiative is now integrated with the broader Review of the National Energy Policy (NEP). The timeline was extended to T1 2025, aligning with the NEP's objectives for greater synergy in national energy planning.

APESL Consumer Protection Plans

Commencing in T1 2024 and continuing into T1 2025, this project seeks to strengthen consumer protection obligations for Authorized Public Electricity Supply License (APESL) holders. It is being developed in-house with legal support.

Review of BPL Consumer Protection Plan and Customer Contract Documents

Parallel to the APESL review, this effort focuses specifically on BPL's consumer agreements and policies. The objective is to ensure all parties to the contracts are represented fairly and in accordance with the law and regulations. It follows the same T1 2024–T1 2025 timeline and is similarly managed in-house with legal support.

Revision of RE Frameworks

This project began in T1 2024 and is intended to consolidate and update frameworks regulating renewable energy. However, resources were temporarily diverted to establish the NGS, and the project was postponed to 2025.

Review and Revision of the Licensing Process

URCA began updating its electricity licensing framework in T1 2024 to improve efficiency and incorporate new license types. The timeline was extended to T1 2025, reflecting the additional scope created by the Natural Gas Sector's development.

Review and Revision of Licensee Reporting Requirements

This project reviews and updates reporting obligations for licensees. It began in T1 2024 and was due to conclude in T3 2024, however this project was carried over to 2025 to facilitate work in the NGS.

Review of Legislation and National Energy Policy (NEP)

In accordance with EA 2024, URCA is, in consultation with the Minister responsible for Energy assisting in the revision of the NEP. Originally intended as a limited review, the project's scope has expanded substantially. There is a statutory deadline of 1 June 2025 for completion of the revision.

Competition Law Guidelines

This project was launched in T3 2023 and concluded successfully in T2 2024. The Statement of Results and Final Decision was published on 3 April 2024.

BPL Efficiency Audit

Started in T2 2023, this project examined BPL's operational efficiency. It concluded in T2 2024, with results published on 30 July 2024.

Review of BPL Tariff Submission

Though initially planned from T3 2023 through T3 2024, this project has been deferred awaiting a tariff submission by BPL. The EA 2024 gives BPL until 2027 to submit a full tariff study, and project funds were reallocated to support the establishment of the NGS.

Review of BPL IRRP Submission

Similar to the tariff review, this review of BPL's Integrated Resource and Resilience Plan was postponed awaiting submission of an IRRP by BPL. It is expected to proceed in tandem with the tariff study and will resume once resources become available.

Review of GBPC Tariff Submission

An unplanned but necessary project, URCA received a copy of a tariff proposal from Grand Bahama Power Company in August 2024. Grand Bahama Power Company indicated before the end of 2024 that it withdrew a request for any changes to its tariff structure, ending the need for a review.

Electricity Act, 2024

URCA collaborated with the Government and stakeholders to draft and implement the EA 2024. This landmark legislation modernises electricity regulation in The Bahamas and supports the integration of new technologies and energy sources. It was finalised in T2 2024.

Electricity System Operator Licence

A new regulatory project initiated in T1 2024 following the passage of the EA 2024, this project establishes licensing parameters for system operators. Public consultation occurred in T2, with a final decision published in T3 2024.

Transmission and Distribution Licence

Also stemming from the EA 2024, this new licensing framework covers transmission and distribution utilities. The project began in T1 2024 and was finalised in T3 2024.

Natural Gas Sector

In 2024, URCA completed the comprehensive regulatory framework required to support the safe, efficient, and structured development of the NGS in The Bahamas. This included the passage of new legislation, the introduction of licensing frameworks, technical and safety regulations, and codes of conduct and performance for market participants. The purpose of each initiative was to ensure that the emerging natural gas sector is aligned with best practices, national energy priorities, environmental standards, and public safety expectations.

All projects listed below were initiated and finalised within the 2024 calendar year.

The **Natural Gas Act**, completed in T2 2024, established the foundation for the sector. URCA worked closely with the Government of The Bahamas and sector stakeholders to develop this legislation, which provided the legal mandate for introducing and regulating liquefied natural gas (LNG) into the country's energy mix. The Act defines the regulatory structure, licensing regimes, and enforcement mechanisms for the sector.

Following the enactment of the legislation, URCA developed and published a series of licenses to govern various roles within the sector in T3 2024:

- The **Gas Importer License** authorises holders to import LNG into The Bahamas. It ensures alignment with national energy policies and regulatory standards.
- The **Gas Transporter License** enables licensees to transport LNG by pipeline, ensuring safety and operational efficiency throughout the supply chain.
- The **Gas Shipper License** allows for the facilitation of LNG transportation from producer to end user by arranging for access to pipeline systems.
- The **Terminal Operator License** authorises the operation of LNG import terminals, where the product is stored and regasified.
- The **Gas Retailer License** allows for the retail sale of LNG to consumers and sets expectations for compliance with safety and legal standards.

Work also commenced on the **Gas Service Worker Licence** to certify personnel to work on gas installations and infrastructure. To support these licensing regimes, URCA completed key regulations that define the economic, technical and safety expectations for sector operations:

- **Natural Gas Supply Regulations** established processes for connection, disconnection, and reconnection of installations, as well as a framework for gas worker supervision and safety standards.
- **Liquefied Natural Gas Facilities Application for Authorization** set the requirements for authorising the construction and operation of LNG terminals.
- **Natural Gas Metering Regulations** outlined installation standards and obligations related to metering infrastructure for gas shippers, transporters, and retailers.
- **Liquefied Natural Gas Road Transport Regulations** ensured safe LNG transportation by road.
- **Natural Gas Pipeline Safety Regulations** defined safety protocols for LNG transported through pipelines.
- **Liquefied Natural Gas Facilities Safety Regulations** addressed operational safety requirements for LNG terminals.
- **Liquefied Natural Gas Waterfront Facilities Safety Regulations** governed the safe handling of LNG at waterfront facilities used for marine deliveries.
- **Liquefied Natural Gas Ship-to-Ship Handling Operations Regulations** regulated safe LNG transfers between vessels and for marine fuel use (bunkering) in Bahamian waters.

URCA also developed a set of regulatory codes to ensure consistency, reliability, and consumer protection across commercial arrangements in the sector:

- The **Natural Gas Network Code** established the rules governing the relationship between gas transporters and gas shippers using a designated pipeline.
- The **Natural Gas Supply Code** provided detailed guidance on service applications, connections, service alterations, interruptions, safety inspections, and incident response.
- The **Liquefied Natural Gas Import Code** defined the performance expectations for gas importers, ensuring reliable and compliant operations.
- The **Natural Gas Retail Code of Conduct** outlined minimum performance and ethical standards for gas retailers in conducting their business.

Summary of 2024 Outcomes

Table 1 below sets out URCA's performance against its 2024 objectives by trimester.

Table 1: Summary of 2024 Outcomes

Project	Start Period	End Period	Consultation Publication Date	Final Decision Publication Date
GENERAL PROJECTS				
Implementation of Integrated Electronic Document Management Tool	T1, 2020	T3, 2025	Ongoing.	
Redevelopment of Website	T3, 2023	T3, 2024	New site launched in T3 2024. Licensing and Customer Care portals to go active in T1, 2025.	
Digitalisation of Operational Processes	T3, 2020	T3, 2025	Ongoing..	
URCA 2025 Annual Plan	T3, 2024	T3, 2024	Draft Annual Plan published 20 Dec 2024.	T1, 2025
ELECTRONIC COMMUNICATIONS SECTOR PROJECTS				
Review/Consultation of Licences due to expire in 2024	T3, 2023	T3, 2024	T1, 2024	T3, 2024

Consultation on 5G - Focus on Supply Side Issues	T1, 2024	T3, 2024	T2, 2024	T1, 2025
Review of the Quality-of-Service Regulations for Electronic Communications Networks and Services in The Bahamas (ECS 42/2016)	T1, 2024	T3, 2024	T2, 2025	T3,2025
Consultation on Universal Service Obligations (USO) and process for designation of USP process for designation of USP	T2, 2024	T2, 2025	T2, 2025	T3, 2025
Review of Fixed Market Services and Pay Television	T3, 2022	T3, 2024	T1, 2024	T2, 2024
National Spectrum Plan 2024-27	T2, 2023	T2, 2024	T1, 2025	T2, 2025
ICTs for Persons with Disabilities	T2, 2018	T3,2024	T2, 2025	T3, 2025
Consultation on the Code of Practice for Content Regulation	T1, 2022	T3, 2024	T2, 2024	T3, 2024
Satellite Regulatory Framework (unplanned project)	T3, 2024	T2, 2025	T3, 2024	T3, 2025
ELECTRICITY SECTOR (ES) PROJECTS				
Accounts Separation Guidelines	T3, 2023	T3, 2024	T3, 2025	T3, 2025
BPL Fuel Tariff Review/Audit	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Analysis of RE Cost and Performance Data for Existing Projects	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Energy Efficiency and Demand-Side Management	T1, 2024	T1, 2025	T1, 2025	T1, 2025
APESL Consumer Protection Plans	T1, 2024	T1, 2025	T3, 2024	T1, 2025
Review of BPL Consumer Protection Plan and Customer Contract Documents	T1, 2024	T1, 2025	T3, 2024	T1, 2025
Revision (consolidation and updating) of RE Frameworks	T1, 2024	T3, 2025	T2, 2025	T3, 2025
Review and Revision of the Licensing Process	T1, 2024	T1, 2025	T3, 2024	T1, 2025

Review and Revision of the Licensee Reporting Requirements	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Review of Legislation and National Energy Policy	T1, 2024	T1, 2025	T1, 2025	T2, 2025
Competition Law Guidelines	T3, 2023	T2, 2024	T1 2024	T2, 2024
BPL Efficiency Audit	T2, 2023	T1, 2024	T3, 2023	T2, 2024
Review of BPL Tariff Submission	T3, 2023	T3, 2024	T3, 2024	T3, 2024
Review of BPL IRRP Submission	T1, 2024	T3, 2024	T3, 2024	T3, 2024
Review of GBPC Tariff Submission	T2, 2024	T3, 2024	T3, 2024	T3, 2024
Electricity Act, 2024	T1, 2024	T2, 2024	T2, 2024	T2, 2024
Electricity System Operator Licence	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Transmission and Distribution Licence	T1, 2024	T1, 2025	T2, 2024	T3, 2024
NGS PROJECTS				
Natural Gas Act	T1, 2024	T2, 2024	T2, 2024	T2, 2024
Gas Importer License	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Gas Transporter License	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Gas Shipper License	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Terminal Operator License	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Gas Retailer License	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Natural Gas Supply Regulations	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Liquefied Natural Gas Facilities Application for Authorization	T1, 2024	T3, 2024	T2, 2024	T3, 2024

Natural Gas Metering Regulations	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Liquified Natural Gas Road Transport Regulations	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Natural Gas Pipeline Safety Regulations	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Liquified Natural Gas Facilities Safety Regulations	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Liquified Natural Gas Waterfront Facilities Safety Regulations	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Liquified Natural Gas Ship-to-Ship Handling Operations Regulations	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Natural Gas Network Code	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Natural Gas Supply Code	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Liquified Natural Gas Import Code	T1, 2024	T3, 2024	T2, 2024	T3, 2024
Natural Gas Retail Code of Conduct	T1, 2024	T3, 2024	T2, 2024	T3, 2024

OTHER KEY INITIATIVES

URCA's regulatory mandate across the electronic communications and energy sectors is supported by the work of several key departments. Each plays an essential role in ensuring we meet our obligations and uphold our standards. The following section highlights departments that are central to URCA's operations and strategic objectives. Their contributions span international cooperation, stakeholder engagement, legal and regulatory advancement, and the promotion of sustainable, forward-looking solutions in a rapidly changing global environment.

Human Resources and Learning

In 2024, URCA's Human Resources department remained committed to fostering a dynamic and inclusive workplace that promotes employee growth, engagement, and overall well-being. Our strategic initiatives were designed to align with the organization's broader goals while enhancing our ability to attract, develop, and retain top talent.

We introduced a range of professional development opportunities to support continuous learning, including workshops and leadership training sessions aimed at building core competencies and enabling career progression. In addition to reviews each trimester, we had regular check-ins and the creation of individualized growth plans, encouraging more meaningful development conversations throughout the year.

As remote work remained part of our operational reality in 2024, we continued to implement initiatives to support staff working from various locations. These efforts focused on providing the necessary tools, technology, and support systems to ensure smooth transitions and sustained productivity. To further strengthen team cohesion and morale, we conducted an internal pulse survey to better understand employee sentiment and identify opportunities for improvement. These insights allowed us to make informed decisions that ensure our workforce feels both heard and supported.

Looking ahead to 2025, our HR priorities will center on maintaining a supportive, engaging, and innovative work environment where employees can thrive. By continuing to focus on teamwork, professional development, and overall well-being, we aim to cultivate a strong organizational culture that drives performance and attracts high-caliber professionals. As the needs of our workforce and the broader business landscape continue to evolve, we remain committed to adapting our strategies to meet the challenges and opportunities that lie ahead.

International Participation and Engagement

As The Bahamas' delegated representative on telecommunications matters internationally, URCA honored its commitment to keep abreast of regional and global industry, policy, and regulatory developments impacting The Bahamas' ECS sector.

In doing so, URCA participated in global multi-stakeholder forums such as the Mobile World Congress, WSIS+20 High-Level Event, AI for Good Global Summit, the Dynamic Spectrum Alliance Global Summit, Caribbean Telecommunications Union (CTU) ICT week, the 39th CANTO Annual Conference, and the International Telecommunications Union (ITU) Policy and Economics Colloquium.

Globally, the evolving 5G and spectrum landscape remained a key focus area in 2024, with discussions highlighting the need for equitable spectrum allocation strategies and innovative spectrum-sharing models to expand connectivity. Advances in satellite network technology are also increasingly being leveraged to bridge the digital divide, with increasing debate on appropriate regulatory strategies that promote this while ensuring fair market conditions for terrestrial network operators. The need for climate-resilient digital infrastructure was also widely debated in 2024, with global leaders stressing the importance of collaborative cybersecurity and data governance approaches.

Closer to home, climate resilience in ICT and energy systems was also a central theme at CTU ICT Week and CANTO's annual conference, with discussions emphasising the need for disaster recovery strategies, smart energy management, and the integration of renewable energy in ICT infrastructure. Conversations regionally also centered on the increasing need for regional cloud infrastructure to improve data sovereignty, security, and cross-border collaboration, with regional network operators advocating for equitable contributions from major tech companies to network infrastructure.

And, whilst public-private partnerships (PPPs) and fiscal incentives to encourage investment in digital infrastructure were identified as 'tried and tested' solutions to address connectivity challenges, Caribbean stakeholders continue to examine strategies to bridge the digital divide, particularly for underserved communities and students impacted by the COVID-19 pandemic.

URCA attended and supported the attendance of Government officials at the WSIS+20 High-Level Event, which commemorated two decades since the World Summit on the Information Society (WSIS) and served as a platform for diverse stakeholders to evaluate progress and address emerging challenges in building inclusive information societies. At the AI for Good Summit, URCA participated in discussions emphasising the need for robust governance frameworks and regulatory adaptability for AI in an increasingly AI-driven world, balancing innovation with risk mitigation and ensuring a human-centric approach to AI systems design and standards development.

In addition to keeping a close watch on emerging regulatory trends and industry developments in 2024, URCA also participated in the final preparatory meeting of the Organization of American States Inter-American Telecommunications Commission (CITEL) leading up to The World Telecommunication Standardization Assembly, which took place in India in October 2024 (WTSA-24), which URCA did not attend.

The team also continued to support the ambassador to the ITU and the Geneva Mission in strengthening the country's representation on the ITU Council. URCA also increased its engagement with the CTU in support of strategies for enabling the Caribbean to enhance its influence and effectiveness in digital development international forums.

Educating and Supporting Our Stakeholders

In 2024, the Corporate and Consumer Relations (CCR) Department of URCA delivered consistent and impactful work across a wide array of public engagement, digital infrastructure, stakeholder collaboration, and consumer protection initiatives.

The phased launch of URCA's new website was a major undertaking in 2024. The new main site launched in October of 2024, with the full activation of the licensing and consumer care portals due to launch publicly in 2025. These new portals will significantly modernise URCA's digital services, enabling more intuitive complaint handling, online license applications, and improved information access.

CCR also led the graphic design, publication, and distribution of URCA's 2023 Annual Report and the 2024 Annual Plan, fulfilling URCA's statutory obligations and enhancing transparency and accountability.

Throughout the year, CCR supported multiple public-facing initiatives to engage and educate the Bahamian public. This included leading logistics and content for URCA's successful Girls in ICT Day in April, which reached more than 200 young women across the country, and co-hosting a regional workshop on Universal Meaningful Connectivity with the International Telecommunications Union in June.

CCR also spearheaded the planning and communications for URCA's 15th anniversary celebrations in November, which brought together stakeholders and dignitaries to reflect on URCA's achievements and future.

Community engagement remained a priority, with CCR organising and participating in outreach trips to Abaco, Grand Bahama, the Berry Islands, and Bimini, among others. These visits helped URCA gather feedback on utilities and communications services and provided an avenue for consumer education and policy consultation at the community level.

In 2024, CCR logged and tracked complaints across electronic communications and electricity sectors, resolving many directly while following up on those requiring licensee action. While delays in licensee responses occasionally slowed resolution times, CCR maintained a steady focus on ensuring consumer rights were addressed.

Overall, the CCR department in 2024 demonstrated agility, professionalism, and a firm commitment to consumer protection and stakeholder engagement. Its work played a crucial role

in enhancing URCA's visibility, digital infrastructure, and responsiveness to the public it serves.

Data Governance and Information Management

For most of 2024, the efforts of the Data Governance and Information Management Unit (DGIM) focused on establishing the foundational elements required to support a fully functional and strategic Data Governance and Information Management framework.

However, the scope of tangible implementation remained modest, due to some gaps in technical and human resource capacity. Despite these limitations, progress was made in developing a structured strategic approach, drafting core policy frameworks, and identifying the systems, workflows, and interdepartmental linkages necessary for long-term success. The early-phase engagement across departments resulted in the completion of a data assessment exercise necessary for the development of data quality metrics and critical records management functions.

The DGIM Unit's work also included some initial work to support effective data stewardship, elements of records management, and has positioned itself to drive critical digital transformation efforts across the organisation.

The first full year of operation has reaffirmed both the relevance of the DGIM function and the necessity of dedicated resources to fully operationalise its mandate. The unit anticipates additional allocation of resources in 2025 as it prepares to advance key initiatives in records management, data protection, workflow automation, and cross-sectoral data alignment — all of which are essential enablers of efficiency, compliance, and modern governance.

Code of Practice for Broadcast Content Administration

In 2024, a public consultation led to revisions to the Code of Practice for Content Regulation. URCA developed the consultation document in collaboration with the Content Regulation Industry Group (CRIG).

The revised Code addresses several critical areas, including the protection of young people and measures to ensure responsible content management. It introduces new provisions for synthetic media and AI-generated content, emphasising the importance of accuracy, impartiality, and ethical use. Additionally, it provides enhanced guidelines for political broadcasts, advertising standards for alcohol, cannabis, and gambling, and accessibility services for individuals with visual and hearing impairments.

Licensees are required to maintain a written record of all Code complaints received. This record must include the date and time of the complaint's receipt, the complainant's name, e-mail or postal address, telephone contact information, the substance of the complaint, and the Licensee's response and date.

Moreover, licensees must report to URCA the number and details of all Code complaints within 10 calendar days of the end of each quarter or upon request. The report must include the date received, date or dates of response, details of any complaint upheld, and details of any action taken by the Licensee.

The details of any investigated complaints that have been upheld must published on URCA's website. URCA investigated two Code complaints in 2024. Neither was pursued as URCA's investigation determined no breach of the Code.

The table below summarises these complaints.

Table 2: Broadcast Licence Code Complaints

2024 Broadcast License Code Complaints & URCA Investigations					
Programme	Licensed Service	Date	Type	Issue	Outcome
"Talking Heads with Naughty"	Guardian Radio Ltd.	30 April 2024	Personal	Defamation	Not Pursued.
Hot 91.7 FM	Associated Media Group Ltd.	23 November 2024	General	Explicit Music Content	Not Pursued.

Legal Matters

In 2024, the Legal Department continued to monitor and progress, where possible, existing Supreme Court and Utilities Appeal Tribunal matters. The department also commenced an additional Supreme Court litigation matter against the Grand Bahama Port Authority.

Litigation

At the beginning of 2024, there were two pre-existing litigation matters. Both of which are stalled awaiting the decision of the Supreme Court on a submission in limine surrounding the application requesting the recusal of the trial judge assigned to hear both matters.

Grand Bahama Power Company and URCA – 2016/CLE/gen/FP/00137: This case, initiated by the Grand Bahama Power Company, contests URCA's jurisdiction to regulate various aspects of electricity functions within the port area, citing a potential violation of the Hawksbill Creek Agreement.

Cable Bahamas Ltd. et al and URCA – 2017/CLE/gen/00823: This case questions whether Cable Bahamas's telephony and internet services within the port area are subject to URCA's licensing requirements.

In 2024, URCA commenced litigation action against Grand Bahama Port Authority.

URCA and Grand Bahama Port Authority – 2024/CLE/gen/00877: This case seeks, among other things, injunctive relief to prohibit and restrain Grand Bahama Port Authority from receiving, considering, and/or approving rate electricity adjustment applications from Grand Bahama Power Company Limited or any public electricity supplier within the Port Area on the island of Grand Bahama.

Several matters are currently before the Utilities Appeal Tribunal (UAT) awaiting hearing dates. In the interim, URCA engaged in discussions with the opposing parties to explore opportunities for an amicable resolution.

Risk Management and Compliance

URCA continued to work diligently to advance its risk management and compliance practices. URCA's risk profile scores at medium with clear performance objectives to reduce the current risk burden. URCA also continued to address extant open audit findings during the 2024 fiscal year.

SECTOR UPDATES

Electronic Communications Sector

This overview delves into the various segments of the market, highlighting recent trends, subscriber data, and the competitive landscape among service providers.

Mobile Services

The mobile services landscape in The Bahamas is predominantly served by two operators – Aliv and BTC. Figure 1 shows the mobile subscribership of those providers.

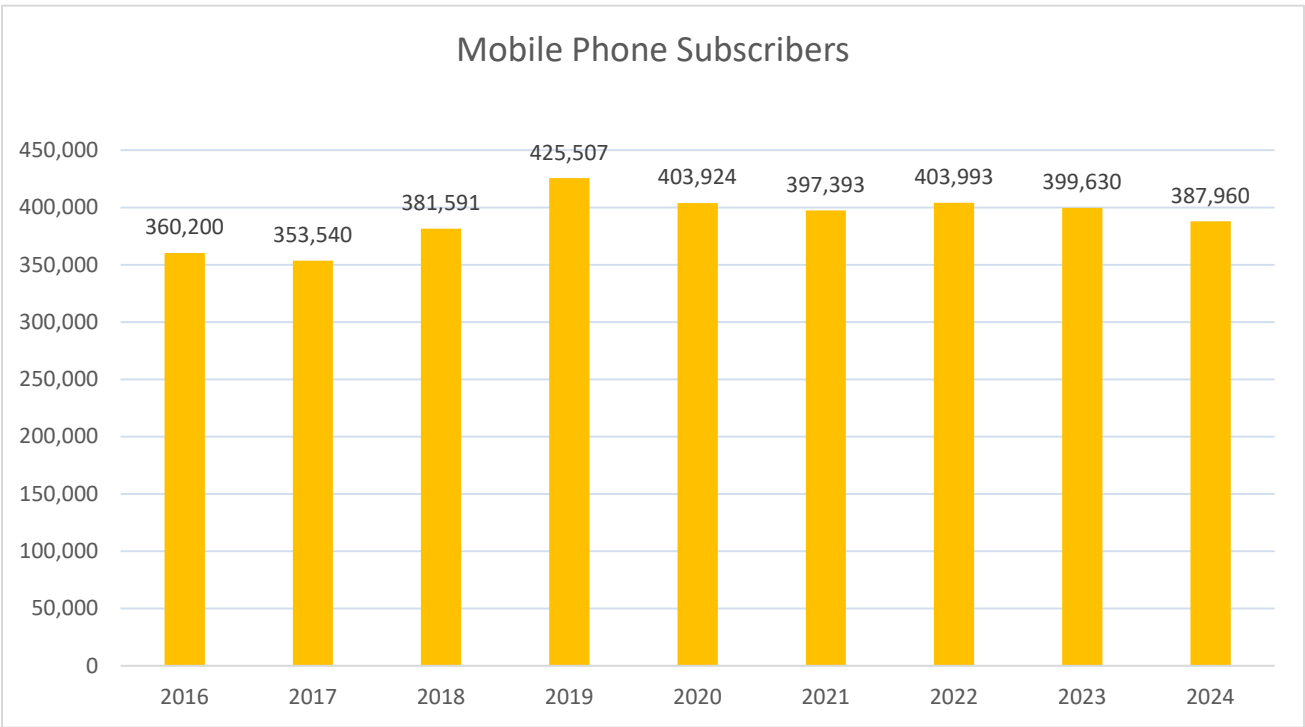


Figure 1. Mobile Phone Subscribers.

The number of mobile phone subscribers decreased by 2.92 percent year-over-year, representing the largest decrease since the COVID-19 pandemic year of 2020. The market went from 399,630 subscribers in 2023 to 387,960 subscribers in 2024. representing a 2.92 percent year-over-year reduction. Simultaneously, mobile phone subscriber penetration rate for 2024 decreased by 3.93 percent compared to 2023, from 99.47 to 95.56 mobile phone subscriptions for every 100 persons.

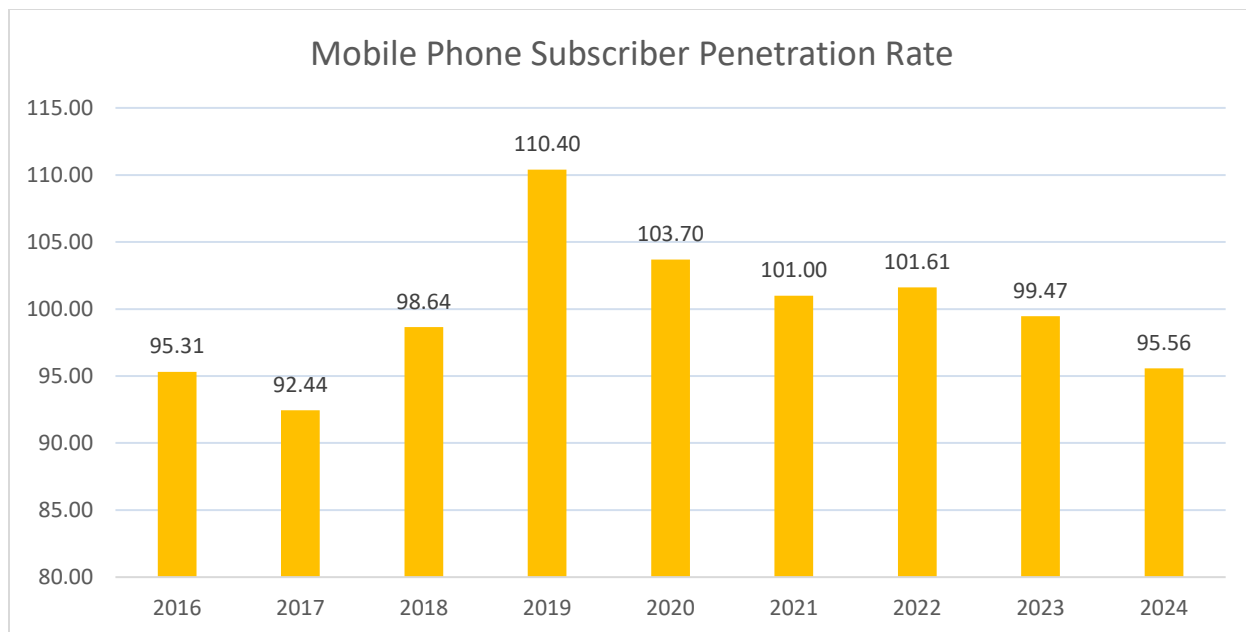


Figure 2. Mobile Phone Subscriber Penetration Rate

Retail Mobile Data Subscribers

The Mobile Data Only service relates to users who subscribe to mobile broadband services via a laptop/tablet with 3G/4G connectivity or a USB dongle with no mobile voice or SMS messaging services included. For the avoidance of doubt, those who access mobile broadband via a smartphone are not included in this category. Figure 3 shows the number of mobile data only subscribers increased by 11.92 percent in 2024.

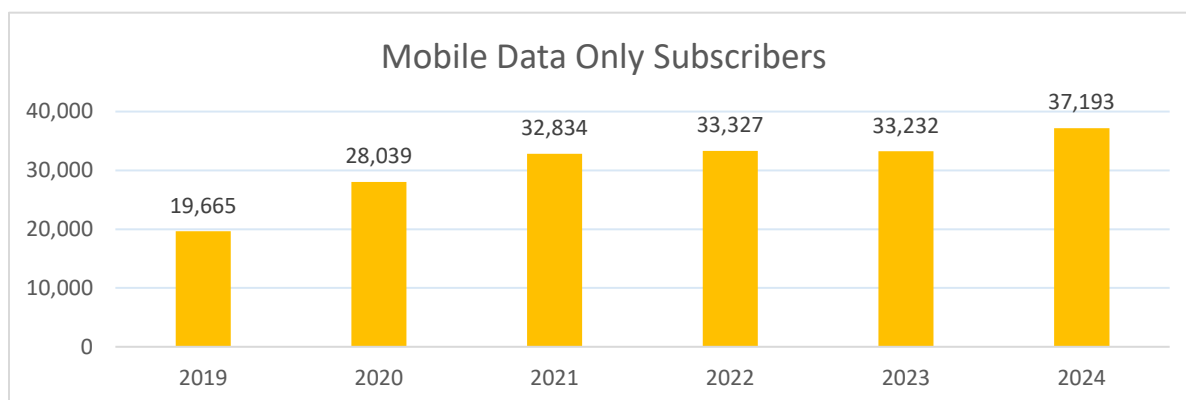


Figure 3. Mobile Data Only Subscribers

Fixed Services

BTC, Cable Bahamas, and Starlink are the retail fixed broadband service providers in The Bahamas. Previously, BTC and Cable Bahamas were the two main providers of this service until

Starlink entered the market in 2023. Cable Bahamas provides retail fixed broadband on New Providence, Grand Bahama, Abaco, and Eleuthera, while BTC and Starlink provide service throughout The Bahamas. Figure 4 shows that fixed broadband subscribers increased by 6.58 percent from 95,132 subscribers in 2023 to 101,396 subscribers in 2024. Figure 5 shows that the fixed broadband penetration rate increased to 24.98 subscriptions for every 100 persons.

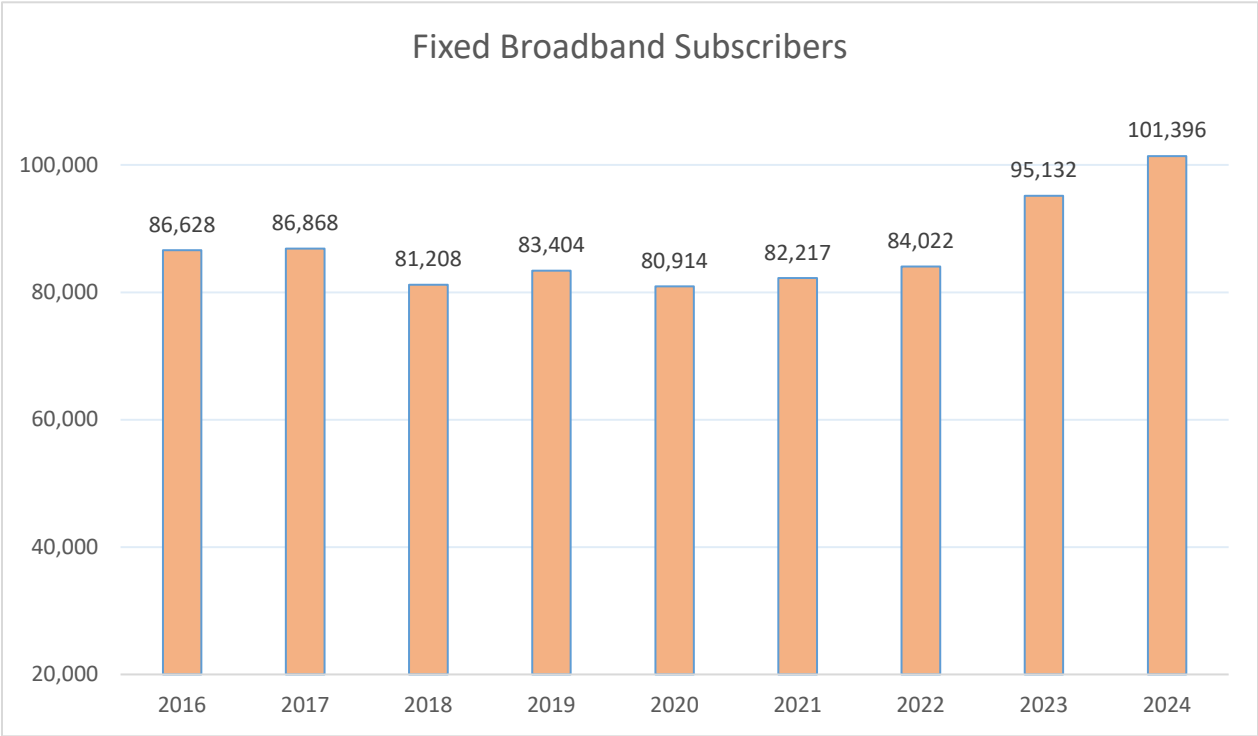


Figure 4. Fixed Broadband Subscribers

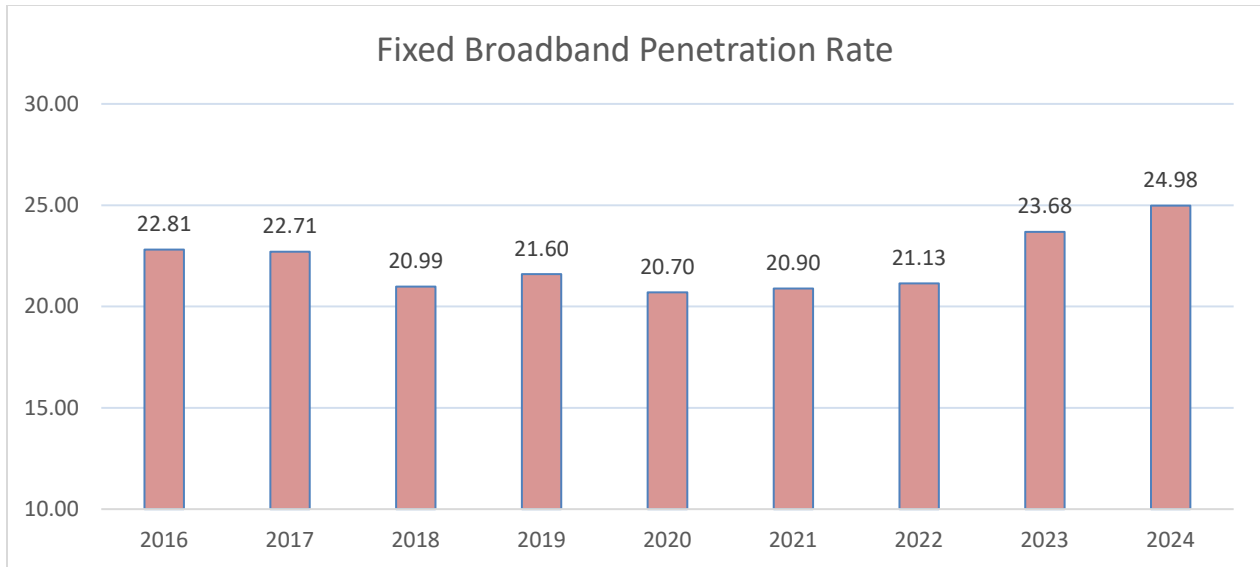


Figure 5: Fixed Broadband Penetration Rate

After last year's significant increase in the number of subscribers and two consecutive years of year-over-year percentage increases, fixed voice service/landline subscriptions resumed its previous downward trend to record a 3.77 percent decrease between 2023 and 2024. Subsequently, the penetration rate decreased from 24.08 to 22.93 subscriptions per 100 inhabitants. BTC and Cable Bahamas are the two fixed voice service providers.

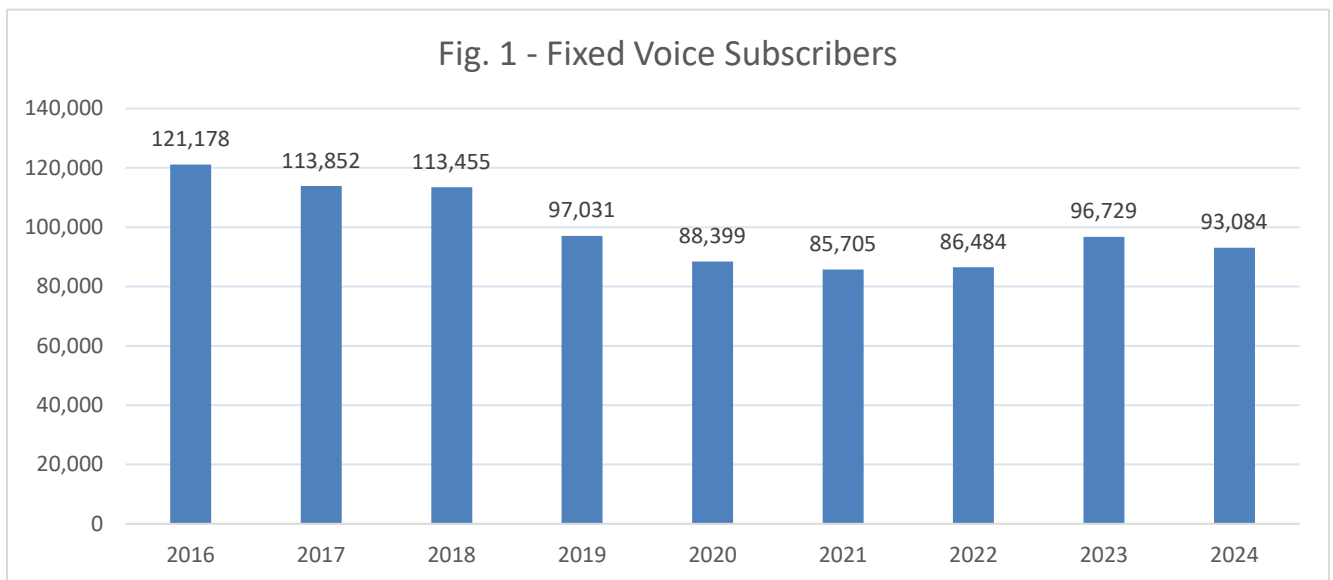


Figure 6. Fixed Voice Subscribers

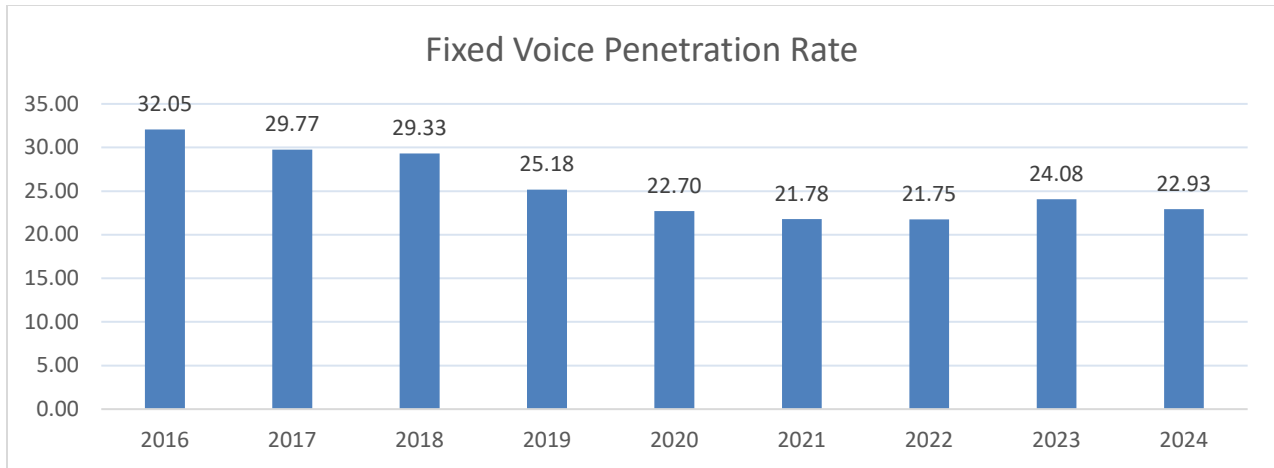


Figure 5. Fixed Voice Penetration Rate TV

Pay TV Services

Cable Bahamas retains the position as the leading provider for Pay TV services in The Bahamas via its cable and IPTV offerings while BTC offers IPTV to selected islands. After a period of declining pay TV subscriber numbers from 2018 to 2022, the number of pay TV subscribers increased for the second year in a row and also had its largest year-over-year percentage increase to date. Pay TV subscribers increased by 7.5 percent from 56,553 subscribers in 2023 to 60,800 subscribers in 2024.

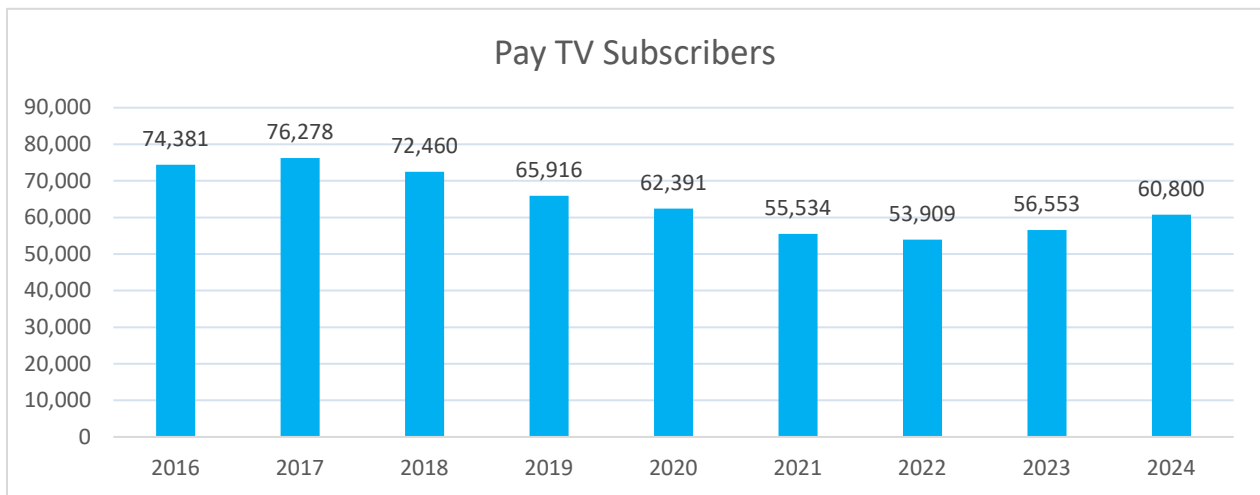


Figure 8. Pay TV Subscribers

Electricity Sector

URCA regulates electricity in the entire archipelago of The Bahamas, and even though there are still challenges to overcome the sector continues to grow and thrive and remains critical to quality of life in The Bahamas. The generation, transmission, distribution, or supply of electricity, including the management of any of these services, requires a licence or exemption from URCA, the six major licences are: Public Electricity Supplier Licence (PESL), Authorized Public Electricity Supplier Licence (APESL), Independent Power Producer Licence (IPPL), Generation Licence (GL), and the newly developed Transmission and Distribution Licence (TDL) and Electricity Systems Operator Licence (ESOL).

The two public electricity suppliers are Grand Bahama Power Company in the Port Area and other designated areas of Grand Bahama and Bahamas Power and Light everywhere else in The Bahamas. In 2024, Bahamas Utilities Holding Company was issued an IPPL, and Walker's Cay Energy Resources Ltd. was granted an APESL. Table 3 below provides a list of all licensees in the ES in 2024.

Table 3. Register of Licensees in the Electricity Sector.

	Name of Licensee	Address of Licensee	Service Territory	License Type	Duration (Years)	License Commencement Date	License Expiration Date	License Number
1	Bahamas Power and Light Company Limited	Blue Hill and Tucker Roads, Nassau, Bahamas	The Commonwealth of The Bahamas, except for the Port Area of Grand Bahama	Public Electricity Supplier	25	01 May 2018	01 May 2043	PESL-18-0001
2	Bahamas Utilities Holding Limited	Bahamas Utilities Holding Limited Clifton Pier P. O. box N 3717 Nassau, Bahamas	Bahamas Power and Light transmission grid	Independent Power Producer	15	02 July 2024	02 July 2049	IPPL-24-0001
3	Baker's Bay Utility Ltd.	Front Street, Marsh Harbour, Abaco, Bahamas	Baker's Bay Golf and Ocean Club, Great Guana Cay, Abaco	Authorized Public Electricity Supplier	25	21 December 2020	21 December 2045	APESL-20-0002
4	Cay Resorts Limited	c/o Hon. Hubert A. Ingraham Chambers Caves Village West Bay Street Nassau, Bahamas	Spanish Cay, Abaco, Bahamas	Authorized Public Electricity Supplier	25	27 September 2023	27 September 2048	APESL-23-0003
5	Gekabi Chub Cay Utilities (2013) Ltd.	1425 Lake Front Circle, The Woodlands, Texas, United States	Chub Cay, The Berry Islands	Authorized Public Electricity Supplier	25	17 February 2020	17 February 2045	APESL-20-0001
6	Grand Bahama Power Company	The Mall Drive, Freeport, Bahamas	Grand Bahama	Public Electricity Supplier	25	01 May 2016	01 May 2041	PESL-18-0002

7	Highborne Plantations Limited	c/o Graham Thompson Sassoon House Shirley Street & Victoria Avenue Nassau, Bahamas	Highborne Cay, The Exuma Cays	Authorized Public Electricity Supplier	25	05 July 2023	05 July 2048	APEL-23- 0002
6	Lexthree Ltd.	c/o Lennox Paton Building 3, Bayside Executive Park West Bay Street and Blake Road Nassau, Bahamas	Bell Island, The Exuma Cays	Authorized Public Electricity Supplier	25	23 March 2023	23 March 2048	APESL-23- 0001
9	RAV Bahamas Ltd.	4 George St., Mareva House, Nassau, Bahamas	Bimini Bay Subdivision, North Bimini	Authorized Public Electricity Supplier	25	01 March 2022	28 February 2047	APESL-22- 0001
10	St. George's Cay Power Company Ltd.	101 Power House Road, Russell Island, Eleuthera, Bahamas	St. George's Cay, Russell Island; West End Cay; Charles Cay; and Royal Island	Authorized Public Electricity Supplier	20	01 December 2018	01 December 2038	APESL-18- 0003
11	Shell Bahamas Power Company Inc.	St. Andrew's Court, Frederick Street Steps, Nassau, Bahamas	Bahamas Power and Light transmission grid.	Independent Power Producer	15	05 October 2020	05 October 2035	IPPL-20- 0001
12	Walker's Cay Energy Resources Ltd.	Building 3, Bayside Executive Park West Bay Street & Blake Road P.O. Box N 4875 Nassau, Bahamas	Walker's Cay, Little Grand Cay and Seahorse Cay	Authorized Public Electricity Supplier	25	24 April 2024	24 April 2049	APESL-24- 0001

Some exemptions to the license requirement exist. These include private standby generation with a capacity under 1 MW and renewable energy generation for non-utility use. In order to facilitate the renewable energy goals of the NEP, residential and commercial renewable energy frameworks have been developed to allow the installation and use of private renewable energy systems to offset the owner's needs and export any excess to the power grid. Most renewable energy systems in the country are photovoltaic, or solar systems. Table 4 provides a summary of the residential and commercial systems installed.

There was a 12.71 percent increase in installed capacity and a 13.6 percent increase in installed systems in 2024. Table 5 provides a summary of renewable and commercial energy systems by island.

Table 4. Summary of Residential and Commercial Renewal Energy Systems

	Number Online	Combined System Capacity, kW
Residential	327	2702
Commercial	99	9034
Total	426	11736

Table 5. Summary of Residential and Commercial Renewable Systems by Island

	Number Online	Combined System Capacity, kW
New Providence	393	9886
Abaco	10	445
Crooked Island	1	16
Eleuthera	11	150
Exuma	6	807
Long Island	4	32
Ragged Island	1	400
Total	426	11736

As of the end of 2024, approximately 99 percent of The Bahamas’ roughly 735 megawatts (MW) of installed electricity generation capacity remains powered by liquid fossil fuels such as diesel and heavy fuel oil. Renewable energy currently accounts for a negligible share of national electricity production. However, this dynamic is expected to shift meaningfully in the coming years as The Bahamas accelerates efforts to modernise its energy sector and reduce its reliance on imported fossil fuels through the Energy Sector reforms announced by the government in June 2024.

The redevelopment of the NEP is a critical step toward creating a more enabling environment for renewable energy investments and integration. Updated policy direction will aim to streamline processes for residential and commercial adoption of renewables, promote utility-scale projects, and establish regulatory clarity for independent power producers.

In support of these goals, the government has announced several new agreements for the development of large-scale renewable energy facilities on New Providence and across various Family Islands. These projects, once operational, are expected to significantly increase the country’s renewable energy footprint, reduce emissions, and enhance long-term energy security.

Natural Gas Sector

Although the full regulatory framework for the NGS was completed in 2024, there were no licensed entities operating under the framework by the end of the year. However, this is expected to change in 2025, as the infrastructure supporting liquefied natural gas (LNG) continues to take shape and the regulatory environment begins to mature. The establishment of this framework marked a significant milestone, setting clear legal and operational standards for licensing, safety, environmental compliance, and commercial conduct.

The licensing regime introduced by URCA is designed to accommodate a range of sector participants – including importers, transporters, terminal operators, shippers, and retailers – and is structured to support the safe and efficient use of natural gas across The Bahamas.

With several entities already generating electricity using natural gas, preparing to transition to LNG, and having announced agreements with the government for LNG facilities, these operators will be required to come into compliance with the new regime.

As such, URCA anticipates the issuance of its first licenses in 2025, paving the way for more structured participation in the sector and broader use of natural gas as a cleaner, more cost-effective energy source within the national energy mix.

PERFORMANCE METRICS

Key Performance Indicators 2024

URCA measures its effectiveness as a regulator through a variety of KPIs. Table 6 shows URCA's results against its established Key Performance Indicators for 2024.

Table 6: Summary of KPIs

Ref.	Category	Description	KPI Result 2024
S1	Statutory	Draft Annual Plan and Strategy published before the end of the financial year	Draft Annual Plan published on 20 December 2024
S2	Statutory	Annual Report and final Annual Plan published within four months of year-end	Annual Report 2024 and Annual Plan 2025 published on 30 April 2025
R8	Statutory	Licenses issued within: <ul style="list-style-type: none"> • 30 days – individual licences • 45 days – class licences 	11 35
R1	Regulatory	Final determinations published within one (1) month from the closing date for comments on the Preliminary Determination	Yes
R2	Regulatory	Percentage of public consultations started within the period stated in the Annual Plan	ECS – 57% ES – 63% NGS – 95%
R3	Regulatory	Time to publish results, decisions, and other regulatory measures after the close of consultation: <ul style="list-style-type: none"> 45 – 60 days 60 – 90 days >90 days 	45-60: 35 60-90: 20 >90: 8
R4	Regulatory	Number of complaints received	129
R5	Regulatory	Percentage of total complaints resolved	91%

R6	Regulatory	Complaints unresolved for >60 days	9%
R7	Regulatory	Average time taken to resolve complaints	29 days
R9	Regulatory	Volume of licences processed in the year	ECS ES 59 2
F1	Finance	Cost of Finance (% of OPEX)	6.99
F2	Finance	Period-end cycle time (Working days to close)	22 days
F3	Finance	Year-end cycle time (Working days to complete)	32 days
F4	Finance	Forecasting Accuracy	23.33%
F5	Finance	Cost of licensee invoicing	\$24.32
F6	Finance	Debtor Days	28.6 days
F7	Finance	Number of Creditor Notes and Adjustments	8
F8	Finance	Value of Creditor Notes and Adjustments	\$13,344
F9	Finance	Long outstanding debt (>90 days) as a percentage of total debt	68.5%
HR1	Human Resources	Cost of HR function (as a % of total operating expense)	8.42%
HR2	Human Resources	Cost of HR function per employee (in B\$)	\$8,792
HR3	Human Resources	The ratio of employees to HR staff	13:1
HR4	Human Resources	Annual average learning and development days per employee	5.71
HR5	Human Resources	Cost of learning and development per employee (in B\$)	\$5,079.36
HR6	Human Resources	Annual employee sick days per year (in working days)	111.5
HR7	Human Resources	Average tenure (in years)	6.33
HR8	Human Resources	Average recruitment cost (in B\$)	\$18,466.76

HR9	Human Resources	% of employees receiving an annual performance appraisal	95%
IT1	Information Technology	The cost of IT functions as a percentage of total expenditure.	1.35%
IT2	Information Technology	Organisational ICT spending (investment in ICT infrastructure hardware across the organisation)	\$628.57
IT3	Information Technology	Percentage who can access the network and system remotely	100%

*** Figures are cumulative to the end of the trimester**

Licencing Statistics 2024

Please note that there were no Individual Operating Licences or Class Operating Licence Requiring Registration processed in 2024. Table 7 provides information on individual spectrum licences for 2024. Table 8 shows information on Class Spectrum Licences.

Table 7: Individual Spectrum Licences

Individual Spectrum Licence													
Month	Total Number of Application Forms Received	Total Number of Application Forms Processed within 30 days	Total Number of Application Forms Processed outside of 30 days	Total Number of Pending App Forms Processed from previous month (s)	Total Number of Incomplete Application Forms Processed from previous month (s)	Total Number of Days Taken to Respond to Rejected Application	Processing Time [Days]	Average Processing Time [Days]	Target (Percentage % of Application Forms Processed in 30 Days)	Pending	Incomplete	Rejected/ Dropped	Total Number of Licences issued
Application Forms brought forward from 2023										1			
Jan-24	2	1	0	0	0	0	7	7	100%	1	0	0	1
Feb-24	2	0	0	1	0	0	8	8	100%	2	0	0	1
Mar-24	0	0	0	2	0	0	16	8	100%	0	0	0	2
Apr-24	1	0	0	0	0	0	0	0	0%	1	0	0	0
May-24	2	0	0	1	0	0	15	15	100%	2	0	0	1
Jun-24	0	0	0	2	0	0	11	6	100%	0	0	0	2
Jul-24	0	0	0	0	0	0	0	0	0%	0	0	0	0
Aug-24	1	0	0	0	0	0	0	0	0%	1	0	0	0
Sep-24	1	0	0	1	0	0	10	10	100%	1	0	0	1
Oct-24	0	0	0	1	0	0	5	5	100%	0	0	0	1

Nov-24	2	0	0	1	0	0	23	23	100%	1	0	0	1
Dec-24	1	0	0	1	0	0	18	18	100%	1	0	0	1
TOTAL	12	1	0	10	0	0	113	10	100%	1	0	0	11

Table 8: Class Spectrum Licences

Class Spectrum Licence Requiring Registration													
Month	Total Number of Application Forms Received	Total Number of Application Forms Processed within Forty-Five (45) days	Total Number of Application Forms Processed outside of Forty-Five (45) days	Total Number of Pending Application Forms Processed from previous month (s)	Total Number of Incomplete Application Forms Processed from previous month (s)	Total Number of Days Taken to Respond to Rejected Application	Processing Time [Days]	Average Processing Time [Days]	Target (Percentage % of Application Forms Processed in Forty-Five (45) Days	Pending	Incomplete	Rejected or Dropped	Total Number of Licences issued
Application Forms brought forward from 2023										6			
Jan-24	7	1	0	4	0	0	136	27	100%	6	0	0	5
Feb-24	3	2	0	5	0	0	162	23	100%	1	0	0	7
Mar-24	6	3	0	1	0	0	100	25	100%	3	0	0	4
Apr-24	2	0	0	3	0	0	72	24	100%	2	0	0	3
May-24	1	1	0	2	0	0	78	26	100%	0	0	0	3
Jun-24	3	2	0	0	0	0	48	16	100%	1	0	1	2
Jul-24	1	0	0	1	0	0	28	28	100%	1	0	0	1
Aug-24	0	0	0	1	0	0	11	11	100%	0	0	0	1
Sep-24	6	0	0	0	0	0	0	0	0%	6	0	0	0
Oct-24	6	0	0	7	0	0	164	23	100%	6	0	0	7
Nov-24	9	4	0	5	0	0	144	16	100%	5	0	0	9
Dec-24	1	0	0	6	0	0	142	20	100%	1	0	1	6
TOTAL	45	13	0	35	0	0	1085	22	100%	1	0	2	48

URCA Organisational Performance Indices

Building on the foundation established in 2023, URCA continued to develop and apply its Organisational Performance Indices (OPIs) framework as a tool for evaluating institutional effectiveness across critical regulatory domains. These OPIs—comprising the Strategic Development OPI, ECS Governance OPI, and ES Governance OPI—were originally developed in consultation with industry stakeholders and external advisors to ensure objectivity and relevance. The baseline for each index was set at 2.0 on a 0–4 scale to allow for consistent comparative analysis over time.

Methodological Refinement

In 2024, URCA introduced a refinement to its assessment methodology, particularly concerning the Compliance OPI component of the Governance indicators. Unlike the 2023 approach, where projects not yet reaching final publication were assigned a zero score, the 2024 methodology withheld scoring for such projects. This adjustment reflects URCA’s maturing regulatory evaluation framework and enhances the fairness and contextual integrity of performance assessments.

Two key principles underpinned this methodological evolution. First, it recognises the influence of project lifecycle stages on regulatory outcomes—acknowledging that compliance cannot be assessed for interventions still in progress. Second, the revision safeguards the validity of URCA’s data by ensuring that scores reflect completed and assessable activities, rather than penalising projects still undergoing development.

2024 OPI Results and Comparative Performance

URCA aimed for full implementation of the OPI framework in 2024. However, our inability to conduct quantitative studies on consumer engagement and sector development hindered that goal. Consequently, URCA has not produced an External Engagement OPI for 2024. However, the result of the Strategic Development OPI and the ECS and ES Governance OPIs for 2024 produced clear indications of institutional improvement. Performance increased across all three primary indices, with especially significant gains in the ES Governance category.

OPI Category	2023 Score	2024 Score	Change
Strategic Development	2.61	2.875	+0.265
ECS Governance	2.41	2.760	+0.350
ES Governance	2.64	3.321	+0.681
Overall Average Score	2.55	2.986	+0.436

Strategic Development OPI

The Strategic Development OPI evaluates URCA’s capacity to plan, deliver, and monitor its strategic objectives. It includes performance across key dimensions, such as strategic planning, stakeholder engagement, transparency, internal performance monitoring, consumer engagement, and sector development. In 2024, URCA improved its score from 2.61 in 2023 to 2.875 – an increase of 0.265 points. This suggests that the organisation has made measurable progress in aligning operational outcomes with strategic priorities, especially in internal performance management and transparency. However, areas

such as long-term sector development and consumer engagement remain near the baseline and warrant continued focus.

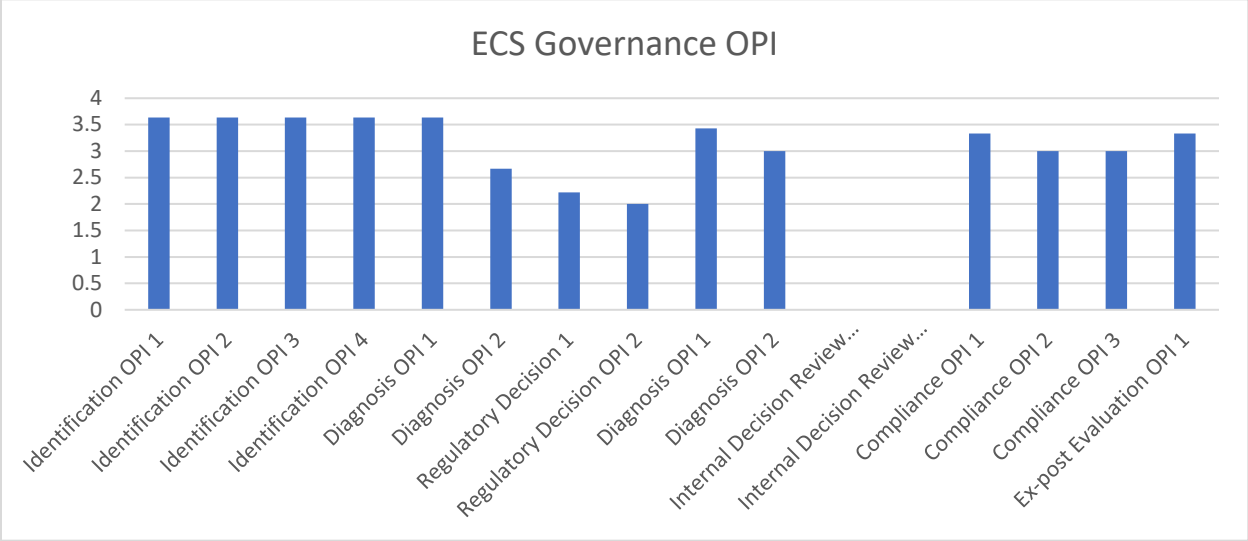
The table below presents the 2024 performance across all strategic development indicators.



ECS Governance OPI

The ECS Governance OPI measures URCA’s effectiveness in managing the regulatory cycle within the Electronic Communications Sector (ECS), including problem identification, diagnosis, decision-making, internal review, compliance enforcement, and ex-post evaluation. URCA’s 2024 score rose to 2.760 from 2.41 in 2023 – a gain of 0.350 points. This reflects improved consistency in identifying regulatory challenges and initiating planning activities. Nonetheless, persistent bottlenecks in decision-making timelines, internal review documentation, and compliance monitoring underscore the need for procedural refinements and increased oversight capacity.

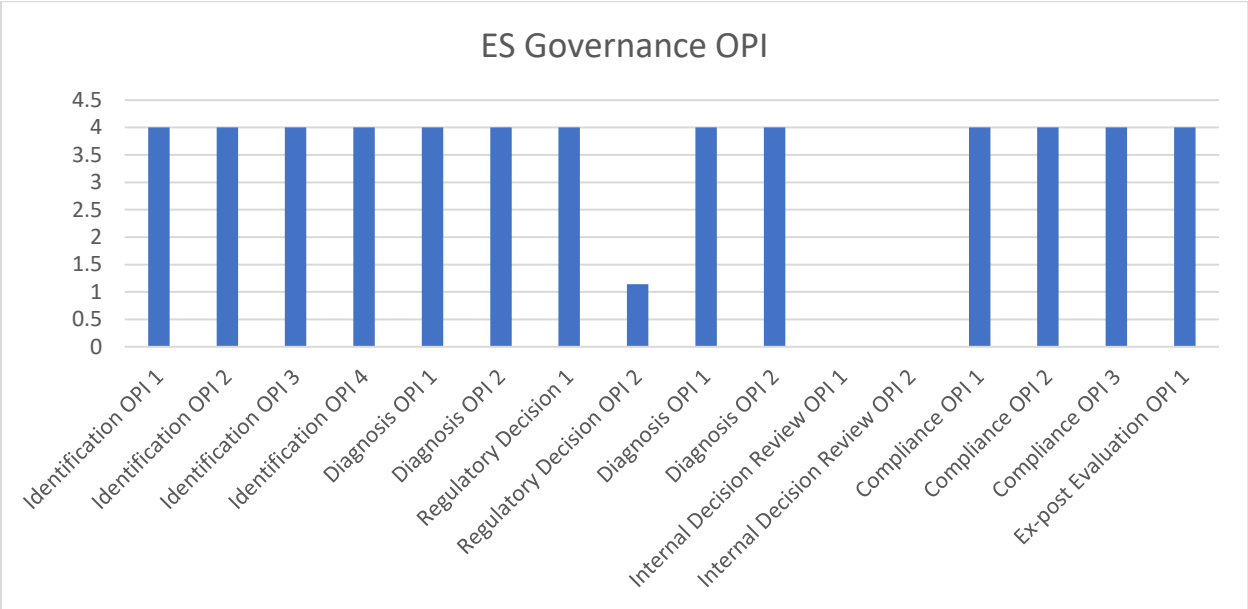
The following table provides a side-by-side comparison of ECS Governance OPI indicators for 2024, highlighting areas of progress and those requiring further improvement.



ES Governance OPI

The ES Governance OPI captures URCA’s regulatory governance in the Energy Sector, which remains in the early stages of regulatory maturity. This index tracks URCA’s performance in navigating the full regulatory lifecycle. In 2024, the ES OPI rose sharply from 2.64 to 3.321—a notable increase of 0.681 points and the highest score among the three indices. This improvement reflects enhanced execution in compliance and post-intervention evaluation. However, certain projects not yet reaching the public consultation or compliance phases were excluded from the scoring, and decision-making efficiency continues to pose a challenge.

The table below offers a detailed breakdown of the ES Governance OPI scores for 2024, showing progress achieved and areas for sustained attention.



Summary of Findings and Recommendations

URCA's performance trajectory demonstrates the value of the OPI framework in driving institutional improvement. The 0.436-point average increase across all indices highlights tangible gains in strategic execution, governance quality, and regulatory impact.

To further enhance performance in 2025, URCA will aim to:

- **Streamline the OPI framework** to ensure usability and interpretability across the organisation.
- **Operationalise consumer engagement mechanisms** to strengthen Consumer OPIs.
- **Advance sector tracking tools** to boost Sector Development KPIs.
- **Reinforce compliance enforcement processes** within ECS and ES regulatory regimes.
- **Accelerate internal decision-making** through refined delegation protocols and integrated project oversight mechanisms.

The 2024 assessment offers a vital reference point for future longitudinal tracking and reaffirms URCA's commitment to regulatory excellence and evidence-based governance. By applying these insights, URCA can enhance its dynamic capabilities and maintain alignment with evolving policy goals and industry expectations.

Overall URCA OPI Score for 2024: 2.986

Year-on-Year Improvement: +0.436 points

Actual vs. Budgeted Expenditure

The tables below present URCA's actual expenditure against its budgeted expenditure for 2024.

ACTUAL VS BUDGETED EXPENDITURE

CONSOLIDATED

Category	Actual FY-2024	Budget FY-2024	Inc/(Dec)
Revenue	8,713,642	9,517,073	(803,431)
Other income	314,592	-	314,592
Total Income	9,028,234	9,517,073	(488,839)
Expenses:			
Staff Costs	3,742,927	3,614,937	(127,990)
Non-Executive Compensation	160,690	349,000	188,310
Executive Compensation	522,986	532,363	9,377
Professional Services	1,309,108	1,251,600	(57,508)
Conference, training and travel	532,786	572,523	39,736
Provision for doubtful accounts	391,536	296,350	(95,186)
Depreciation	466,734	290,600	(176,134)
General and Administrative Expenses	311,284	563,200	251,916
Premises Costs and Utilities	304,415	330,700	26,285
Information Technology	112,516	147,500	34,984
Consumer education and Public Relations	171,076	219,000	47,924
Office Services	60,682	1,349,300	1,288,618
Total Operating Expenses	8,086,740	9,517,073	1,430,333
Gain on disposal of PPE	-	-	-
Other comprehensive loss	(4,530)	-	(4,530)
Comprehensive Loss	936,964	-	936,964

ACTUAL VS BUDGETED EXPENDITURE

ELECTRONIC COMMUNICATIONS

Category	Actual FY-2024	Budget FY-2024	Inc/(Dec)
Revenue	5,136,495	5,315,013	(178,518)
Other income	291,692	-	291,692
Total Income	5,428,187	5,315,013	113,174
Expenses:			
Staff Costs	2,505,499	2,211,981	(293,517)
Non-Executive Compensation	104,448	204,723	100,275
Executive Compensation	280,943	283,435	2,492
Professional services	722,782	547,545	(175,237)
Conference, training and travel	388,475	439,669	51,194
Depreciation	285,600	174,589	(111,011)
General and administrative services	373,659	246,117	(127,542)
Premises occupancy costs	213,168	336,941	123,773
Information technology	210,021	199,054	(10,967)
Consumer education and public relations	76,504	87,800	11,296
Office services	119,827	137,358	17,531
Provision for doubtful accounts	60,682	445,800	385,118
Total Operating Expenses	5,341,608	5,315,013	(26,595)
Comprehensive Income over Expenditure	86,580	-	(86,580)
Other comprehensive loss	(4,530)	-	4,530
Comprehensive Income	82,050	-	(82,050)

ACTUAL VS BUDGETED EXPENDITURE

ELECTRICITY

Category	Actual FY-2024	Budget FY-2024	Inc/(Dec)
Revenue	3,577,147	4,202,060	(624,913)
Other income	22,900	-	22,900
Total Income	3,600,047	4,202,060	(602,013)
Expenses:			
Staff Costs	1,208,552	1,265,617	57,065
Non-Executive Compensation	54,634	138,513	83,878
Executive Compensation	214,493	182,037	(32,456)
Professional services	415,838	393,755	(22,083)
Conference, training and travel	117,309	68,604	(48,706)
Depreciation	102,142	115,494	13,352
General and administrative services	90,267	35,358	(54,909)
Premises occupancy costs	93,260	221,837	128,577
Information technology	91,529	124,870	33,341
Consumer education and public relations	36,012	58,200	22,188
Office services	49,043	77,440	28,397
Provision for doubtful accounts	-	903,500	903,500
Total Operating Expenses	2,473,079	3,585,224	1,112,145
Comprehensive Income over Expenditure	1,126,968	-	(1,126,968)
Other comprehensive loss	-	-	-
Comprehensive Income	1,126,968	616,836	(1,126,968)

ACTUAL VS BUDGETED EXPENDITURE

NATURAL GAS

Category	Actual FY-2024	Budget FY-2024	Inc/(Dec)
Revenue	-	-	-
Other income	-	-	-
Total Income	-	-	-
Expenses:			
Staff Costs	28,876	137,339	108,463
Non-Executive Compensation	1,607	5,764	4,157
Executive Compensation	27,551	66,891	39,340
Professional services	170,488	310,300	139,812
Conference, training and travel	27,002	64,250	37,248
Depreciation	3,794	6,267	2,473
General and administrative services	2,808	9,126	6,318
Premises occupancy costs	4,856	4,423	(433)
Information technology	2,865	6,775	3,910
Consumer education and public relations	-	1,500	1,500
Office services	2,206	4,202	1,996
Provision for doubtful accounts	-	-	-
Total Operating Expenses	272,053	616,836	344,783
Comprehensive Expenditure over Income	(272,053)	-	272,053
Other comprehensive loss	-	-	-
Comprehensive Loss	(272,053)	-	272,053

Audited Financials

DISCLOSURE STATEMENT

This statement provides a formal disclosure regarding the continuity of URCA's financial audit for 2024 given the dissolution of HLB Bahamas.

In September 2022, URCA formally engaged HLB Bahamas to prepare audited financials for URCA's financial years ending 31 December 2022, 2023, and 2024. HLB Bahamas commenced services pursuant to its engagement terms with URCA.

On 29 November 2024, a published notice in the local (Bahamas) newspapers advised that the partnership carrying on business in the name of HLB Bahamas was dissolved on 11 October 2024.

URCA's Audit Committee communicated with the former partners of HLB Bahamas to (inter alia) address the continuing obligations of (then) HLB Bahamas to URCA.

At the conclusion of meetings held and considering all relevant circumstances, Ms. Shoneva Abraham and Ms. Rae Turnquest, former partners of (then) HLB Bahamas, (then) (hereinafter referred to as "the Auditors") acknowledged the continuing obligations of (then) HLB Bahamas to URCA. The Auditors agreed to fulfill the obligations to URCA and complete the audited financials for the year ending 31 December 2024. The Auditors also provided full indemnity to URCA against any claims arising from or related to HLB Bahamas, including claims from its estate, representatives, assigns, or any third party, particularly concerning the provision of audit services to URCA.

The Auditors led the 2024 audit process, with HLB Acme Advisors engaged for the exclusive purpose of assisting in the fulfillment of the remaining obligations of (then) HLB Bahamas.

URCA will initiate a formal procurement process to select an audit firm for future financial audits. URCA remains committed to upholding its statutory obligations and considers this disclosure to be in the best interest of its stakeholders.

URCA expresses its sincere appreciation to HLB Bahamas for its service and contributions throughout the engagement period. The professionalism and expertise demonstrated by HLB Bahamas ensured the integrity of URCA's financial reporting. URCA continues to keep the family, colleagues, and loved ones of Mr. Philip Galanis (deceased) in its thoughts and prayers.



Randol M. A. Dorsett
CHAIRMAN



J. Carlton Smith
CHIEF EXECUTIVE OFFICER

THE UTILITIES REGULATION AND COMPETITION AUTHORITY

**Audited Financial Statements for the
Year Ended December 31, 2024
and Independent Auditors' Report**

THE UTILITIES REGULATION AND COMPETITION AUTHORITY

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INDEPENDENT AUDITORS' REPORT

**To the Board of Directors of:
The Utilities Regulation and Competition Authority**

Opinion

We have audited the accompanying financial statements of the Utilities Regulation and Competition Authority (the "Authority") which is comprised of the statement of financial position as at December 31, 2024 and the related statements of income over expenditure and other comprehensive expenses, changes in equity, and cash flows for the year ended December 31, 2024 and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities ("IFRS for SMEs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Commonwealth of The Bahamas, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of Utilities Regulation and Competition Authority (the "Authority") for the year ended December 31, 2023, were audited by another auditor who expressed an unmodified opinion on those financial statements on March 27, 2024.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control;



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our Auditors' Report to the related disclosure in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our Auditors' Report. However, future events or conditions may cause the Authority to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

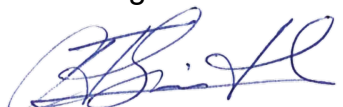
HLB Acme Advisers

March 28, 2025
Nassau, Bahamas

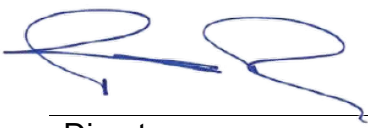
THE UTILITIES REGULATION AND COMPETITION AUTHORITY
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

	<u>2024</u>	<u>2023</u>
ASSETS		
Non-current assets		
Property and equipment (Note 4)	\$ 5,255,308	\$ 4,593,942
Investments (Note 5)	343,200	—
Total non-current assets	<u>5,598,508</u>	<u>4,593,942</u>
Current assets		
Cash on hand and at banks (Note 6)	2,581,751	2,015,168
Accounts receivable, net (Note 7)	1,251,915	995,191
Investments (Note 5)	100,000	—
Prepaid expenses and other assets	364,920	543,178
Total current assets	<u>4,298,586</u>	<u>3,553,537</u>
TOTAL ASSETS	<u>\$ 9,897,094</u>	<u>\$ 8,147,479</u>
LIABILITIES		
Non-current liabilities		
Post-employment benefits (Note 8)	\$ 571,243	\$ 537,168
Loan liability (Note 9)	486,888	—
Total non-current liabilities	<u>1,058,131</u>	<u>537,168</u>
Current liabilities		
Loan liability (Note 9)	120,851	—
Accounts payable and accrued liabilities	749,818	578,981
Total current liabilities	<u>870,669</u>	<u>578,981</u>
TOTAL LIABILITIES	<u>1,928,800</u>	<u>1,116,149</u>
NET ASSETS	<u>\$ 7,968,294</u>	<u>\$ 7,031,330</u>
NET ASSETS REPRESENTED BY:		
Contributed capital (Note 10)	\$ 1,537,891	\$ 1,537,891
URCA Fund:		
Not immediately required (Note 10)	3,459,593	3,356,639
Immediately required (Note 10)	2,970,810	2,136,800
TOTAL EQUITY	<u>\$ 7,968,294</u>	<u>\$ 7,031,330</u>

These financial statements were approved by the Board of Directors on March 28, 2025 and are signed on its behalf by:



 Director



 Director

The accompanying notes form an integral part of these audited financial statements.

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
STATEMENT OF INCOME OVER EXPENDITURE AND OTHER COMPREHENSIVE
EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

	<u>2024</u>	<u>2023</u>
REVENUE		
Electronic communications operating license fees (Note 10)	\$ 5,136,494	\$ 4,687,064
Energy sector license fees (Note 10)	3,577,146	2,478,372
Telecommunications, radio communications, energy and other fees (Note 10)	96,869	52,710
Fines (Note 10)	209,488	—
Total revenue	<u>9,019,997</u>	<u>7,218,146</u>
EXPENSES		
General and administrative expenses (Note 11)	6,513,221	6,490,857
Professional fees (Note 12)	1,509,380	944,961
Finance cost (Note 13)	55,903	—
Total expenses	<u>8,078,504</u>	<u>7,435,818</u>
OPERATING INCOME (LOSS)	941,493	(217,672)
OTHER INCOME		
Gain on disposal of assets	—	2,849
INCOME OVER EXPENDITURE (EXPENDITURE OVER INCOME)	941,493	(214,823)
OTHER COMPREHENSIVE EXPENSE:		
Items that will not be reclassified subsequently to income over expenditure:		
Remeasurement of pension asset (Note 8)	(4,530)	(12,468)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 936,963</u>	<u>\$ (227,291)</u>

The accompanying notes form an integral part of these audited financial statements.

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

	URCA FUND			
	Contributed capital	Not immediately required	Immediately required	Total
Balance as at December 31, 2022	\$ 1,537,891	\$ 3,695,880	\$ 2,024,850	\$ 7,258,621
Excess of expenditure over income- ECS (Note 10)	—	(260,999)	—	(260,999)
Excess of income over expenditure- ES (Note 10)	—	46,176	—	46,176
Funds not required for immediate use	—	(111,950)	111,950	—
Items that will not be reclassified subsequently to income over expenditure:				
Remeasurement of pension asset (Note 8)	—	(12,468)	—	(12,468)
Balance as at December 31, 2023	1,537,891	3,356,639	2,136,800	7,031,330
Excess of income over expenditure- ECS (Note 10)	—	86,580	—	86,580
Excess of income over expenditure- ES (Note 10)	—	1,126,968	—	1,126,968
Excess of expenditure over income- NG (Note 10)	—	(272,054)	—	(272,054)
Funds not required for immediate use	—	(834,010)	834,010	—
Items that will not be reclassified subsequently to income over expenditure:				
Remeasurement of pension asset (Note 8)	—	(4,530)	—	(4,530)
Balance as at December 31, 2024	\$ 1,537,891	3,459,593	\$ 2,970,810	\$ 7,968,294

The accompanying notes form an integral part of these audited financial statements.

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive income (loss) for the year	\$ 936,963	\$ (227,291)
Adjustments to reconcile total comprehensive income to cash provided by (used in) operating activities:		
Depreciation (Note 4)	391,535	389,710
Provision for post-employment benefits (Note 8)	34,076	506,627
Provision for doubtful accounts	60,682	404,237
Finance cost	55,903	–
Gain on sale of property and equipment	–	(2,849)
(Increase) decrease in operating assets:		
Accounts receivable	(317,406)	(17,463)
Prepaid expenses and other assets	178,257	(213,546)
Increase in operating liabilities:		
Accounts payable and accrued expenses	170,838	78,017
Net cash generated by operating activities	<u>1,510,848</u>	<u>917,442</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment (Note 4)	(1,052,901)	(42,998)
Purchase of investments (Note 5)	(443,200)	–
Proceeds from the sale of property and equipment	–	2,849
Net cash used in investing activities	<u>(1,496,101)</u>	<u>(40,149)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan obtained during the year	607,739	–
Finance cost	(55,903)	–
Net cash provided by financing activities	<u>551,836</u>	<u>–</u>
Net increase in cash and cash equivalents	566,583	877,293
Cash and cash equivalents at the beginning of the year	<u>2,015,168</u>	<u>1,137,875</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,581,751</u>	<u>\$ 2,015,168</u>

The accompanying notes form an integral part of these audited financial statements.

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

1. GENERAL INFORMATION

The Utilities Regulation and Competition Authority (the “Authority” or “URCA”) was established on 1 August 2009, as a corporate body, under the Utilities Regulation and Competition Authority Act, 2009 (the “Act”). The offices of the Authority are located at Frederick House, Frederick Street, New Providence, Bahamas.

The functions of the Authority are to: i) regulate the electronic communications sector (ECS) to further the interests of consumers in accordance with the electronic communications policy objectives; ii) regulate the energy sector (ES) in accordance with the goals, objectives and principles underpinning the national energy sector policies; iii) regulate the natural gas sector (NGS) in accordance with the aims and goals of the national energy sector policies iv) to represent the Government of the Commonwealth of The Bahamas (the “Government”) in regional and international organisations as provided for in the legislation; v) charge and collect licence fees from regulated entities in accordance with relevant legislation, including billing and collecting communications licence fees and spectrum fees on behalf of the Government; and vi) perform any other duties or functions assigned to it under relevant legislation.

The ECS is regulated by URCA in accordance with the Communications Act, 2009 (the “Communications Act”) and the Electronic Communications Sector Policy. With the passing of the Electricity Act 2015 and the URCA (Amendment) Act 2015, on 28 January 2016 URCA commenced regulating the ES in addition to the ECS. As the independent regulator of the ES, URCA is responsible for the development of a regulatory regime which governs the generation, transmission, distribution and supply of electricity throughout The Bahamas as well as encourage an environment that promotes renewable energy. On 1 June 2024, the Natural Gas Act 2024 (NGA) was enacted and established URCA as the independent regulator. As the independent regulator, URCA is responsible for licensing and regulatory oversight, integration of Natural Gas into the Energy Sector, infrastructure development, and environmental and safety standards.

URCA has a responsibility to ensure that funds related to and expenses attributable to each regulated sector are separated. The financial performance of the Authority is the result of the regulation of the ECS, ES and gas sectors. The results of operations of these sectors are allocated to “the Fund”. It should be noted that the regulation of other sectors of The Bahamas’s economy may be added to URCA’s responsibility as determined by the Government, and consequent to the passing of legislation governing the regulation of any such sectors.

URCA’s decisions are appealable to the Utilities Appeal Tribunal, which was formed pursuant to the Utilities Appeal Tribunal Act, 2009.

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

1. GENERAL INFORMATION (CONTINUED)

URCA is also responsible for billing and collection of the Tribunal Fee, through which the Tribunal is funded, on behalf of the Tribunal.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SMEs) as issued by the International Accounting Standards Board ("IASB") and are presented in Bahamian Dollars ("B\$"), the Authority's reporting currency. They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with the IFRS for SMEs requires management to exercise its judgment in the process of applying its accordance accounting policies. It also requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Notes 3(c), 3(e), 3(f), 3(g), and 3(h).

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a. Cash on hand and at bank

Cash on hand and at banks include cash on hand and demand deposits.

b. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets:

It is the Authority's policy is to initially recognise financial assets at transaction price plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss which are expensed in income over expenditure.

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

b. Financial Instruments (Continued)

Financial assets: (continued)

The Authority's financial assets include account receivables, debt investment securities, and cash and bank balances as they are held with the objective to collect contractual cash flows. They are included in current assets, except for maturities greater than 12 months after the reporting date.

Account receivables and debt investments are recognised initially at the fair value including transaction costs that are directly attributable to the acquisition. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables and debt investments are established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of the financial instrument.

The carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognised in the statement of income over expenditure and other comprehensive expense.

If in a subsequent period, the amount of the provision decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the provision account. When an account receivable is uncollectible, it is written off against the provision for doubtful accounts. Subsequent recoveries of amounts previously written off are credited to the statement of income over expenditure and other loss.

Financial liabilities:

Financial liabilities of the Authority are classified and measured at fair value on initial recognition and subsequently at amortised cost net of directly attributable transaction costs.

The Authority's financial liabilities include accounts payable, pension liability and long-term debt.

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

c. Property and equipment

Property and equipment are stated at historical cost, less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. Repairs and maintenance costs are charged to the statement of income over expenditure and other comprehensive expenses during the financial period in which they are incurred.

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	20 years
Information systems	3 - 5 years
Vehicles	5 years
Furniture and office equipment	5 years

The useful life of the Authority's property and equipment and the depreciation methods are reviewed at each reporting date to ensure that they are consistent with the expected pattern of economic benefits from those assets. When an asset is retired or disposed of or is permanently withdrawn from use and no future economic benefit is expected, the cost and accumulated depreciation and impairment losses, if any, are removed from the accounts and any resulting gain or loss arising from the retirement or disposal is recognised in the statement of income over expenditure and other comprehensive expenses.

Gains and losses arising on the disposals of equipment are determined as the difference between the sales proceeds and the carrying amount of the asset sold and is recognised in the statement of income over expenditure and other comprehensive expenses.

The carrying values of equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be fully recoverable. If there is an indication that the carrying values exceed the estimated recoverable amount, the assets are written down to their estimated recoverable amount.

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

d. Income and expense recognition

Revenue is measured based on the consideration that the Authority expects to be entitled to in a contract with a licensee.

Licence fees

Revenue from licensing activities is recognised over the period of the applicable licence and is assessed based on licensee revenue recognition criteria which includes consideration of whether the licensee has the intent or ability to pay the bill when it becomes due. In instances where the Authority has commenced determination procedures against licensees, but revocation has not been completed, the amounts billed during the year have not been recognised in the statement of financial position.

Certain licence fees are fixed and others are based on the revenues of the licensees. For licence fees based on licensee revenue, the Authority makes an estimate of the fee based on the latest available financial information of the licensee and recognised any increase or decrease in that estimate upon receipt of the final revenue amounts of the licensee for the applicable licence period. The applicable revenues for fee purposes are those earned in the licensee's fiscal year ending within the licence period.

All other income and expenses are recognised on the accrual basis of accounting.

Fines

Under Section 109 of the Communications Act and Section 72 of the Electricity Act, the Authority has the power to impose fines on licensees in instances where a licensee contravenes a provision of either Act, a licence condition, or regulatory and other measures. When an infraction occurs, the Authority can impose fines on the licensee up to ten percent (10%) of its relevant turnover. Once a Final Determination and Order is issued, the Authority recognises revenue associated with fines as other income. Fines imposed are subject to appeals that are presented for adjudication before the Utilities Appeal Tribunal ("the Tribunal").

e. Post employment benefits

The Authority's employees participate in a defined contribution plan and there is a post-employment benefit obligation from the former defined benefit pension plan for one employee.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

e. Post employment benefits (Continued)

In 2023, a pension committee was formed to oversee the management and administration of pension plans, monitor plan performance, and make recommendations on the investment of funds returned at the closure of the previous defined benefit plan.

Defined Contribution Plan

A defined contribution plan is a pension plan that defines the amount of the contributions to be made by the plan sponsor (Authority) and participant (employee). These contributions are placed in individual accounts maintained at a financial institution to the credit of the participant. The participant determines how the funds are invested and any amount that the participant receives on exiting the plan is not guaranteed but is determined by the quantum of contributions made by both sponsor and participant, vesting rules of the plan and how well the credited funds have been invested and the return of the investment.

Employees who transferred from the former defined benefit plan or joined the Authority on or after March 31, 2016 participate in the defined contribution plan. The Authority pays fixed contributions, equivalent to 10% of each member employee's salary, into the Plan which is administered by a third party. These contributions are expensed in the period in which the employees rendered the services entitling them to the benefits. In addition, each member also contributes 5% of their salary. The Authority has no legal or constructive obligations to pay further contributions if the Plan does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense in the statement of comprehensive income in the period when they are due. The Authority has no further payment obligations once the recognised contributions have been paid.

Defined Benefit Obligation

Effective December 31, 2022, the former defined benefit plan was discontinued with the settlement of benefits to all but one member. That member signed an employment contract with the Authority and retains the right to a fixed lifetime payment upon the end of his contractual employment. The Authority has set aside investments separately disclosed that are intended to meet this obligation.

The liability recognised in the statement of financial position in respect of the defined benefit obligation is the present value of the defined benefit obligation at the date of the statement of financial position.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

e. Post employment benefits (Continued)

Defined Benefit Obligation (continued)

The present value of the defined benefit obligation has been calculated by an independent actuary and is determined by discounting the estimated future cash outflows using interest rates of government securities that have terms to maturity approximating the terms of the related liability.

f. Provisions

Provisions for restructuring costs and legal claims are recognised when: the group has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre- tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

g. Taxation

The Authority is established under the laws of the Commonwealth of The Bahamas. It is not subject to income, capital gains or other corporate taxes.

h. Fiduciary activities

The Authority collects certain fees from licensees on behalf of the Government. The assets associated with these activities include cash held by URCA and receivables owed by the licensees to the Government and are excluded from the Authority's statement of financial position, as they do not belong to the Authority.

i. Segment reporting

The Authority uses as its basis for segmentation and reporting, the results of operations and the financial position of its separately managed business components for which management review the financial results.

j. Borrowing costs

All borrowing costs are recognised in income over expenditure in the period in which they are incurred.

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

4. PROPERTY AND EQUIPMENT

Property and equipment comprises of the following balances:

	<u>2024</u>	<u>2023</u>
Fixed assets	\$ 4,390,226	\$ 4,593,942
Capital work in progress	865,082	—
Total property and equipment	\$ <u>5,255,308</u>	\$ <u>4,593,942</u>

Fixed assets schedule is as follows:

	<u>Land</u>	<u>Building</u>	<u>Information Systems</u>	<u>Vehicles</u>	<u>Furniture and Office Equipment</u>	<u>Total</u>
COST						
Balance as at January 1, 2022	\$ 1,313,500	\$ 4,903,755	\$ 2,294,015	\$ 187,080	\$ 684,078	\$ 9,382,428
Additions	—	—	6,757	—	36,682	43,439
Adjustments	—	(441)	—	—	—	(441)
Disposals	—	—	—	—	(12,991)	(12,991)
Balance as at December 31, 2023	1,313,500	4,903,314	2,300,772	187,080	707,769	9,412,435
Additions	—	—	181,725	—	6,094	187,819
Adjustments	—	—	—	—	—	—
Disposals	—	—	(3,093)	—	—	(3,093)
Balance as at December 31, 2024	\$ <u>1,313,500</u>	\$ <u>4,903,314</u>	\$ <u>2,479,404</u>	\$ <u>187,080</u>	\$ <u>713,863</u>	\$ <u>9,597,161</u>

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

4. PROPERTY AND EQUIPMENT (CONTINUED)

	<u>Land</u>	<u>Building</u>	<u>Information Systems</u>	<u>Vehicles</u>	<u>Furniture and Office Equipment</u>	<u>Total</u>
ACCUMULATED DEPRECIATION						
Balance as at January 1, 2022	\$ —	\$ 1,611,013	\$ 2,046,408	\$ 175,415	\$ 608,937	\$ 4,441,773
Depreciation	—	281,843	73,957	9,999	23,912	389,711
Disposals	—	—	—	—	(12,991)	(12,991)
Balance as at December 31, 2023	—	1,892,856	2,120,365	185,414	619,858	4,818,493
Depreciation	—	281,787	84,413	1,666	23,669	391,535
Disposals	—	—	—	—	(3,093)	(3,093)
Balance as at December 31, 2024	\$ —	\$ 2,174,643	\$ 2,204,778	\$ 187,080	\$ 640,434	\$ 5,206,935
NET BOOK VALUE						
Balance as at December 31, 2024	\$ <u>1,313,500</u>	\$ <u>2,728,671</u>	\$ <u>274,626</u>	\$ <u>—</u>	\$ <u>73,429</u>	\$ <u>4,390,226</u>
Balance as at December 31, 2023	\$ <u>1,313,500</u>	\$ <u>3,010,458</u>	\$ <u>180,407</u>	\$ <u>1,666</u>	\$ <u>87,911</u>	\$ <u>4,593,942</u>

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

4. PROPERTY AND EQUIPMENT (CONTINUED)

The movement in capital work in progress is as follows:

	<u>2024</u>	<u>2023</u>
Additions during the year	\$ 865,082	\$ –
Closing balance	\$ 865,082	\$ –

5. INVESTMENTS

In 2024, the Authority invested the funds remaining after the discontinuation of the Defined Benefit Pension Plan. This investment has been earmarked to meet the remaining post-employment benefits obligation. The Authority has invested in short to medium fixed income securities issued by the Bahamas Government.

As at December 31, 2024, the investment comprised of Bahamas Government Registered Stock (BGRS) that pay interest semi-annually with interest rates ranging between 3.25% - 5.54% (2023: \$Nil) with maturity dates ranging between 2025 to 2034. Interest earned in the current year amounts to \$8,235 (2023: \$Nil). The movement between the investments during the year is as follows:

	<u>2024</u>	<u>2023</u>
Additions during the year	\$ 443,200	\$ –
Closing balance	\$ 443,200	\$ –

The classification of investments between current and non-current is as follows:

	<u>2024</u>	<u>2023</u>
Current	\$ 100,000	\$ –
Non-current	343,200	–
Total	\$ 443,200	\$ –

6. CASH ON HAND AND AT BANKS

Cash on hand and at bank are comprised of the following balances:

	<u>2024</u>	<u>2023</u>
Cash at bank	\$ 2,579,751	\$ 2,013,168
Cash on hand	2,000	2,000
Total cash on hand and at banks	\$ 2,581,751	\$ 2,015,168

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

7. ACCOUNTS RECEIVABLE- NET

	<u>2024</u>	<u>2023</u>
Accounts receivables:		
Electronic communications	\$ 1,969,395	\$ 1,636,607
Energy	610,241	638,746
	<u>2,579,636</u>	<u>2,275,353</u>
Provision for doubtful accounts:		
Electronic communications	(1,144,648)	(1,097,089)
Energy	(183,073)	(183,073)
Accounts receivable, net	<u>\$ 1,251,915</u>	<u>\$ 995,191</u>

Movements in provision for doubtful accounts are as follows:

	<u>2024</u>	<u>2023</u>
As at January 1:	\$ 1,280,162	\$ 914,260
Increase in provision for doubtful accounts:		
Electronic communications	60,682	365,902
Write-offs	(13,123)	—
As at December 31	<u>\$ 1,327,721</u>	<u>\$ 1,280,162</u>

8. POST-EMPLOYMENT BENEFITS

Defined Contribution Plans

The Authority's defined contribution plan was established in 2016. Employees are required to contribute a minimum of 5% and the Authority contributes 10% of salary. The Authority's contributions totaled \$132,199 (2023: \$124,733) and there were 24 (2023:21) participants in the Plan at 31 December 2024.

Defined Benefit Plans

Effective December 31, 2022, the Authority's defined benefit plan was discontinued. One former member of that plan who remains employed with the Authority retains an entitlement to a future post-employment payment based on the terms outlined in his fixed term employment contract. The below reflects the Authority's liability and the assumptions used in the liability calculation.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

8. POST-EMPLOYMENT BENEFITS (CONTINUED)

Defined Benefit Plans (continued)

	<u>2024</u>	<u>2023</u>
Discount rate	5.50%	5.50%
Future salary increases	n/a	n/a

Mortality rates have been taken from the 1994 Group Annuity Mortality Table.

The following tables summaries the components of net post-employment benefit expense and the funded status and amounts recognised in the statement of financial position for the Plan as determined as of the date of the last actuarial review.

	<u>2024</u>	<u>2023</u>
Administrative costs	\$ —	\$ 5,595
Net interest expense	29,545	21,263
Total included in salaries and benefits	\$ <u>29,545</u>	\$ <u>26,858</u>

The post-employment benefit plan asset is analysed as follows:

	<u>2024</u>	<u>2023</u>
Present value of post-employment benefit obligations	\$ (571,243)	\$ (537,168)
Liability in the statement of financial position	\$ <u>(571,243)</u>	\$ <u>(537,168)</u>

Movements in the asset in the statement of financial position comprise:

	<u>2024</u>	<u>2023</u>
Liability as of beginning of year	\$ (537,168)	\$ (30,541)
Expense recognised in statement of income over expenditure	(29,545)	(26,858)
Amount recognized in other comprehensive loss	(4,530)	(12,468)
Refund to the employer	—	(467,301)
Liability as of end of year	\$ <u>(571,243)</u>	\$ <u>(537,168)</u>

Movements in the present value of the post-employment benefit obligations comprise:

THE UTILITIES REGULATION AND COMPETITION AUTHORITY
NOTES TO THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in Bahamian Dollars)

8. POST-EMPLOYMENT BENEFITS (CONTINUED)

Defined Benefit Plans (continued)

	<u>2024</u>	<u>2023</u>
Present value of post-employment benefit		
beginning of year obligations as of	\$ 537,168	\$ 504,343
Interest cost	29,545	27,740
Actuarial loss due to remeasurement of		
benefits obligations	4,530	5,085
Present value of post-employment benefit		
obligations as of end of year	\$ <u>571,243</u>	\$ <u>537,168</u>

Movements in the fair value of plan assets comprise:

	<u>2024</u>	<u>2023</u>
Fair value of plan assets as of beginning of year	\$ —	\$ 473,802
Expected return on plan assets	—	6,476
Administrative costs	—	(5,595)
Actuarial loss on plan assets	—	(7,382)
Refund to Employer	—	(467,301)
Fair value of plan assets as of end of year	\$ <u>—</u>	\$ <u>—</u>

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are the discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Benefit obligations as at December 31, 2024 due to 1% change in the discount rate and future salary increases are shown below:

	<u>December 31, 2024</u>		<u>December 31, 2023</u>	
	1% p.a. Increase	1% p.a. Decrease	1% p.a. Increase	1% p.a. Decrease
Discount rate	\$ (63,670)	\$ 75,557	\$ (63,670)	\$ (75,557)
Future salary increases	n/a	n/a	n/a	n/a

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8. POST-EMPLOYMENT BENEFITS (CONTINUED)

Defined Benefit Plans (continued)

- If deferred member lived one year longer, the benefit liability would be \$586,316 (2023: \$581,908).
- The duration of the benefit liability is 11.3 (2023: 12.3) years.

The Authority has the right to claim reimbursement from The Bahamas government for the portion of the post-employment benefit payments related to the employee's service in the public sector. To date, no post-employment benefit payments have not been made.

9. LOAN LIABILITY

The Authority entered a demand term loan with Bank of the Bahamas Limited (BOB) for \$2,000,000 to facilitate the renovation and improvement of Frederick House. The term of the debt is 10 years at an interest rate of .25% over the Nassau prime rate (currently 4.25%). During the renovation period (9 months) interest-only payments will be made. Additionally, the Authority obtained a \$500,000 operating overdraft facility to assist with funding operating expenses while awaiting the payment of licence fees. The facility is for one (1) year and at an interest rate of .5% over the Nassau prime rate (currently 4.25%). Both facilities are secured by Frederick House. In June of the current year, the Authority drew down on the demand term loan facility. As at year end, the total draw down was \$607,739. The interest only payments are expected to end in March 2025 and payments of principal and interest are expected to commence in the following month.

As at the end of the year, the operating overdraft facility was not utilized.

	<u>2024</u>	<u>2023</u>
As at January 1	\$ —	\$ —
Loan draw down	607,739	—
As at December 31	\$ <u>607,739</u>	\$ <u>—</u>

The classification of investments between current and non-current is as follows:

	<u>2024</u>	<u>2023</u>
Current portion of long-term debt	\$ 120,851	\$ —
Non- current portion of long-term debt	486,888	—
Total loan liabilities	\$ <u>607,739</u>	\$ <u>—</u>

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10. OPERATING SEGMENTS- FUND BALANCES

Contributed capital

The net assets transferred to the Authority were designated as contributed capital based on legislation enacted at the time; and revenue earned from transferred deferred revenue relating to regulatory activities no longer performed or from which fees are no longer earned by the Authority, net of any expenses associated with the net assets transferred from the PUC, are allocated to contributed capital.

Utilities Regulations and Competition Authority Fund (URCA Fund)

Under the Communications, Electricity, and Natural Gas Acts, charges and fees levied by the Authority are to be determined in order to: cover the annual budgeted costs of its functions under the Communications, Electricity, and Natural Gas Acts; recover any deficit from previous years; and take into account any surpluses. As disclosed in Note 1, the Amendment Act (2013) repealed and replaced section 37 of the principal Act with the following conditions relative to the Electronic Communications Fund (EC Fund): monies paid into the EC Fund that are not immediately required by the Authority are to be considered surplus funds; the Minister of Finance at the end of the financial year may authorize the Authority to reserve from the surplus funds such sums as the Minister may determine; subject to the aforementioned, at the end of each financial year the Authority shall pay into the Consolidated Fund all surplus funds standing to the credit of the Authority.

The Amendment Act (2013) also repealed section 40 of the principal Act, which provided for the Authority to impose sufficient fees and charges to carry out its duties including anticipated costs for the forthcoming financial year and allowed it to retain surplus funds to be applied for subsequent years.

The CEO assesses the performance of the operating segments of the Authority. Management has determined the operating segments based on the reports reviewed by the CEO in making strategic decisions. The CEO considers the business based on the following operating segments.

- Electronic communications sector;
- Energy (Electricity) sector;
- Natural gas sector.

In 2024, the NGA was passed which resulted in the new sector being placed under URCA's remit. Operations for the segment began on October 1, 2024. The operating segments derive their revenue primarily from licence fees issued to sector participants.

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10. OPERATING SEGMENTS- FUND BALANCES (CONTINUED)

All of the Authority's business activities and operating segments are reported within the above segments. The segment information provided to the CEO for the operating segments, (which also represent the reportable segments) is as follows:

2024 DESCRIPTION	Electronic Communications	Energy (Electricity)	Natural Gas
Revenue	\$ 5,136,494	\$ 3,577,146	\$ –
Other income	283,457	22,900	–
Total income	5,419,951	3,600,046	–
Expenses:			
Staff costs	2,882,639	1,473,363	57,907
Professional services	911,366	427,526	170,488
Conference, training and travel	399,680	121,625	27,129
Depreciation	285,600	102,142	3,794
General and administrative expenses	228,119	78,579	2,809
Premises occupancy costs	202,948	93,260	4,856
Information technology	210,020	91,529	2,865
Consumer and public relations	62,822	36,012	–
Office services	89,495	49,043	2,206
Provision for doubtful accounts	60,682	–	–
Total expenses	5,333,371	2,473,079	272,054
Excess of income over expenditure	86,580	1,126,968	(272,054)
Other comprehensive loss	(4,530)	–	–
Opening fund balance January 1, 2024	5,359,918	133,521	–
Closing fund balance December 31, 2024	\$ 5,441,968	\$ 1,260,489	\$ (272,054)

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10. OPERATING SEGMENTS- FUND BALANCES (CONTINUED)

Utilities Regulations and Competition Authority Fund (URCA Fund) (Continued)

2023 DESCRIPTION	Electronic Communications	Energy (Electricity)	Natural Gas
Revenue	\$ 4,687,064	\$ 2,478,372	\$ –
Other income	43,860	8,850	–
Total income	<u>4,730,924</u>	<u>2,487,222</u>	<u>–</u>
Expenses:			
Staff costs	2,453,317	1,585,353	–
Professional services	575,566	214,432	–
Conference, training and travel	388,037	248,116	–
Depreciation	331,254	58,456	–
General and administrative services	235,714	57,153	–
Premises occupancy costs	202,591	84,035	–
Information technology	185,142	46,286	–
Consumer and public relations	110,607	110,953	–
Office services	108,307	36,262	–
Provision for doubtful accounts	404,237	–	–
Total expenses	<u>4,994,772</u>	<u>2,441,046</u>	<u>–</u>
Excess of income over expenditure	(260,999)	46,176	–
Other comprehensive loss	(12,468)	–	–
Opening fund balance January 1, 2023	5,633,385	87,345	–
Closing fund balance December 31, 2023	<u>\$ 5,359,918</u>	<u>\$ 133,521</u>	<u>\$ –</u>

Prior to January 1, 2017, the URCA Fund consisted of surplus funds that have been accumulated since the commencement of operations of the Authority. These surplus funds at December 31, 2016 totaled \$3,175,638 are assigned to the Electronic Communications Sector and until January 1, 2017 was included in the financial statements as the Electronic Communications Fund.

The Authority will determine, at the end of each financial year, whether any fund balances include amounts that are required in respect of existing contracts, planned projects and other commitments which are anticipated to arise and become payable during the first quarter of the following year. Such amounts will be designated as funds immediately required by the Authority.

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10. OPERATING SEGMENTS- FUND BALANCES (CONTINUED)

Utilities Regulations and Competition Authority Fund (URCA Fund) (Continued)

As at December 31, 2024 \$2,970,810 (2023: \$2,136,800) has been designated as funds immediately required. Additionally, under section 40 of the Communications Act, the Authority was to retain any excess sums collected for application to the following financial year(s). In previous years, 2009-2012 (prior to the repeal of section 40), the Authority utilized surpluses in the fund to amend charges and fees in subsequent years levied on the licensees by the Authority. For the year ended December 31, 2024, fines amounting to \$209,488 (2023: \$669,496) that were assessed and ordered against licensees in accordance with the provision of the said Act.

11. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses consist of the following:

	<u>2024</u>	<u>2023</u>
Salaries and benefits	\$ 4,413,909	\$ 4,038,671
Depreciation	391,536	389,710
Information technology	304,414	231,428
Premises occupancy costs	301,064	175,486
Training	285,364	306,622
Travel	232,150	290,176
Office services	140,744	211,954
Premises repairs and maintenance	111,526	111,140
Advertising and public relations	98,834	174,752
Communications	95,065	53,189
Provision for doubtful acts	60,682	404,237
Regulatory conference hosting	30,920	39,355
Donations	29,950	46,808
Automotive maintenance	17,063	17,329
Total general and administrative expenses	\$ <u>6,513,221</u>	\$ <u>6,490,857</u>

12. PROFESSIONAL FEES

Professional fees consist of the following:

	<u>2024</u>	<u>2023</u>
Legal, professional and consultancy fees	\$ 1,309,108	\$ 789,997
Professional membership	200,272	154,964
Total professional fees	\$ <u>1,509,380</u>	\$ <u>944,961</u>

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13. FINANCE COSTS

	<u>2024</u>	<u>2023</u>
Bank charges	\$ 52,712	\$ —
Interest expense	11,426	—
Interest income	(8,235)	—
Total finance cost	\$ 55,903	\$ —

14. RELATED PARTY BALANCES AND TRANSACTIONS

Related parties comprise: i) Government ministries and departments; ii) Government corporations and agencies; iii) entities controlled by the Government; iv) entities in which the Government has a significant ownership interest; and v) key management personnel. Balances and transactions with related parties, not otherwise disclosed in the financial statements, are as follows:

	<u>2024</u>	<u>2023</u>
Assets		
Cash at banks	\$ 1,605,650	\$ 752,323
Investments	443,200	—
Accounts receivable	777,048	421,923
	\$ 2,825,898	\$ 1,174,246
Liabilities		
Loan liability	\$ 607,739	\$ —
Accounts payable and accrued expenses	624,746	8,629
	\$ 1,232,485	\$ 8,629
Revenue		
Electronic communications operating licence fees	\$ 2,195,912	\$ 2,214,883
Energy sector licence fees	3,427,408	2,357,943
Telecommunications, radio communications, energy application and other fees	224,688	6,000
Interest Income	8,235	—
	\$ 5,856,243	\$ 4,578,826
Expenses		
Salaries and benefits	\$ 96,758	\$ 73,764
Communications	30,614	25,956
Premises occupancy costs	86,974	70,319
Donations	500	3,001
Interest Expense	38,926	—
Training	—	1,085
Total expenses	\$ 253,772	\$ 174,125

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14. RELATED PARTY BALANCES AND TRANSACTIONS (CONTINUED)

Key Management Compensation - Key management personnel comprise the members of the Board, the chairman of the Audit Committee and members of the Executive Committee. The executive members of the Board and four (2023: 4) other members of the Authority's management constitute the Executive Committee. Compensation of key management personnel for the year for salaries and other short-term benefits amounted to \$1,204,859 (2023: \$1,073,744).

15. COMMITMENTS AND CONTINGENCIES

Contingencies

The Authority is party to several legal cases involving its major licensees in the electronic communications sector, including a related party. In most instances, the cases involve breaches of the Telecommunications Act and Telecommunications Sector Policy, or challenges against the rulings by the Authority brought by licensees. Costs associated with these legal cases are uncertain and will depend on whether the Authority is successful, which is not possible to predict. Accordingly, no provisions have been made in these financial statements relative to the legal proceedings.

16. CAPITAL RISK MANAGEMENT

The Authority's objectives when managing capital are to: i) safeguard its ability to continue as a going concern; and ii) maintain a capital base sufficient to support the expected expansion of its regulatory powers and associated operations.

17. CHANGE IN NOMENCLATURE

During the current financial year, the Company revised the nomenclature of "Pension Liability" to "Post-Employment Benefits" in its financial statements. This change was made to better reflect the nature and scope of the obligation in line with applicable accounting standards and industry practice.

The change in terminology does not affect the recognition, measurement, or presentation of the underlying liability in the financial statements. It is a reclassification in name only and has no impact on the financial position, performance, or cash flows of the Company.

Comparative figures have been updated accordingly to ensure consistency and clarity.

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18. SUBSEQUENT EVENTS

Management has evaluated the possibility of subsequent events existing in the financial statements through nth month 2025, the date financial statements were made available to be issued. Management has determined that there are no material events that would require adjustment in the financial statements.

2025 Annual Plan

Introduction

The Utilities Regulation and Competition Authority (URCA) is pleased to publish its Final Annual Plan for 2025, outlining the strategic priorities, regulatory objectives, and operational focus for the year ahead. This Plan reflects URCA's continued efforts to promote fair competition, encourage innovation, and safeguard consumer interests across The Bahamas' regulated utility sectors—namely, electronic communications, electricity, and natural gas.

This Final Plan builds upon the Draft Annual Plan released for public consultation. It incorporates stakeholder feedback received during the consultation period, including written submissions and contributions made during the stakeholder forum held in March 2025. It also reflects URCA's statutory mandate under key legislative instruments, including the Communications Act, 2009 (Comms Act), the Electricity Act, 2024 (EA), and the Natural Gas Act, 2024 (NGA). It aligns with national policy frameworks for energy and electronic communications.

URCA's regulatory approach for 2025 supports The Bahamas' sustainable development and energy security goals by prioritising the advancement of renewable energy, the implementation of modern grid technologies, and the enhancement of consumer protections. This year's Plan further reinforces URCA's commitment to leveraging emerging technologies, such as Artificial Intelligence (AI), to optimise electricity distribution, increase efficiency, and improve customer service delivery.

Guided by stakeholder insights gathered through SWOT and PESTLE analyses, this Annual Plan is grounded in the realities of the evolving regulatory environment. It emphasises transparency, regulatory independence, and ethical governance while promoting an innovation-friendly ecosystem that supports investment and improved service outcomes across all regulated sectors.

URCA thanks all stakeholders for their active engagement and looks forward to delivering on the priorities set out in this Plan with accountability, integrity, and a shared commitment to national development.

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 stakeholder-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.

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. In 2024, this scope 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 across its regulated sectors to implement effective interventions and regulatory decisions that foster growth and development within the 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

URCA initially planned to establish the Northern Bahamas Office (NBO) in the first trimester of 2025 to enhance stakeholder engagement and regional oversight. However, following stakeholder feedback and internal review, URCA has decided to delay the physical establishment of the NBO. Instead, URCA will conduct further evaluation of cost-effective digital engagement solutions to meet the objectives of accessibility, oversight, and outreach in the northern region.

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.

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, through the ECS Policy, has instructed URCA to strengthen its relationships with regional and international organisations. 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 the 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 the 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 CITELE 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 an internal 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.

3.6 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
Unplanned Carryover Projects				
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
New Projects				
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 earth stations in motion (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. URCA will adopt a structured and equitable regulatory framework for satellite-based services to ensure consistent treatment and integration with terrestrial networks.
- ***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.

URCA affirms that the review of the Universal Service Obligations (USO) and the Universal Service Fund (USF) remains a priority for 2025. In line with stakeholder recommendations, URCA will consider the feasibility of allocating fines imposed on licensees to support the USF. A comprehensive market reassessment is currently underway to modernize the framework and ensure it reflects current consumer needs and technological developments.

- ***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.

The revised National Spectrum Plan (NSP) for 2024–2027 will reflect technological advancements such as

5G deployment and satellite integration. URCA will ensure efficient spectrum utilization, equitable treatment of service providers, and alignment with international best practices tailored to The Bahamas' unique geographic and market context.

- ***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.

URCA will implement a transparent and structured 5G regulatory framework, with specific attention to infrastructure sharing and submarine cable access, ensuring equitable and competitive rollout across The Bahamas.

- ***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.

URCA remains committed to inclusive access and will rescope the ICTs for Persons with Disabilities project to focus on achievable, high-impact outcomes in 2025. This includes reviewing and validating existing data, re-engaging with advocacy groups, and implementing practical deliverables to enhance digital accessibility.

- ***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.

URCA's review of the Network Quality of Service (QoS) Regulations will incorporate considerations of the impact of electricity reliability on telecommunications services. This approach reflects the operational interdependencies identified by stakeholders and will include engagement with electricity service providers.

- ***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) cognizant 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. URCA will revise infrastructure sharing regulations to balance competition with investment incentives and address critical infrastructure such as submarine cables.
- **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 subscribers 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. URCA will develop cybersecurity guidelines for public electronic communications networks in alignment with national initiatives and stakeholder consultation. These will ensure best practices for safeguarding digital infrastructure.

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
Planned Carryover Projects				
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-	T1-2025	T1-2025	T2-2025

	2024			
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
New Projects				
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

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 revised 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 section 15 of the EA, 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 section 16 of the EA. 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
Unplanned Carryover Projects				
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
New Projects				

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 section 19 of the NGA. 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
New Projects				
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.

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"> Number of complaints received
<ul style="list-style-type: none"> Percentage of total complaints resolved
<ul style="list-style-type: none"> Complaints unresolved for >60 days

<ul style="list-style-type: none"> • Average time taken to resolve complaints
Licenses issued within:
<ul style="list-style-type: none"> • 30 days - individual licences
<ul style="list-style-type: none"> • 45 days - class licences

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
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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.

URCA is committed to refining its Key Performance Indicators (KPIs) framework to include measurable outcomes, stakeholder feedback, cost-efficiency metrics, and improved sector accountability.

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 NGS 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.

Utilities Regulation and Competition Authority	BY-2023	BY-2024	BY-2025
Staff Costs	3,195,457	3,614,937	4,106,167
Non-Executive Compensation	408,000	349,000	202,000
Executive Compensation		532,363	590,734

	486,100		
Professional Services	797,900	1,011,600	1,674,300
Legal costs	170,000	240,000	349,100
Conferences, Training, and Travel	572,900	487,323	693,499
Field Operations	78,000	85,200	69,900
Premises Costs and Utilities	313,500	563,200	598,300
Consumer Education and Public Relations	173,000	147,500	319,501
Office Services	264,000	219,000	373,901
Information Technology	271,500	330,700	374,200
General and Administrative Expenses	962,100	1,639,900	1,210,499
Total Operations Expenditure (OPEX)	7,692,457	9,220,723	10,562,101
Depreciation	274,100	296,350	510,100
Total Operating Budget Recovered through URCA fees	7,966,557	9,517,073	11,072,200
Capital Expenditure	2,861,500	3,085,935	2,070,706

Overall, URCA proposes an increase to its operating budget (excluding depreciation) in 2025 by approximately 15% compared to 2024. Some of the key changes are explained below:

- New hires added to URCA's staff complement (5) and Non-Executive Board member anticipated for Budget Year (BY) 2025 necessitated by the expanding regulatory remit in NG sector, increases in base pay and the attendant increases in benefits (health insurance, pension and gratuity costs) are the main drivers for the increase of 14% in staff costs. Non-Executive Director compensation decreased 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 42%, 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 continued upskilling of regulatory staff and succession initiatives that seek to prepare the future leadership at the Authority.
- Field Operations (previously included in travel) decreased by 18% 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 that compliance by BMA to agreed Memorandum of Understanding.
- Premises costs and utilities increased by 6% year over year due to slight increase in building insurance costs and continued preventative maintenance projects at Frederick House.
- Consumer Education and Public Relations budget allocation will be increased by 117% due to 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 audit and community outreach.
- Office services increased by 71% caused by finance costs and incremental costs emanating from continued remote working protocols.
- Information Technology is budgeted to increase by 13% 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.

Electronic Communications Sector	BY-2023	BY-2024	BY-2025
Staff Costs	1,903,185	2,211,981	2,661,925
Non-Executive Compensation	249,600	204,723	117,969
Executive Compensation	262,500	283,435	310,418
Professional Services	531,683	439,544	697,951
Legal costs	36,237	108,000	96,394
Conferences, Training, and Travel	404,600	366,469	515,832
Sector Field Operations	35,000	73,200	38,600

Premises Costs and Utilities	225,275	336,941	369,374
Consumer Education and Public Relations	86,500	87,800	188,283
Office Services	200,875	137,358	242,810
Information Technology	217,200	199,054	239,580
General and Administrative Expenses	457,860	691,917	528,936
Total Operations Expenditure (OPEX)	4,610,515	5,140,422	6,008,071
Depreciation	232,985	174,589	356,881
Total Operating Budget Recovered through URCA fees	4,843,500	5,315,012	6,364,952
Capital Expenditure	2,861,500	2,863,225	2,080,006

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 15% 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 20% due to the annual increased base pay and associated staff benefits. There is provision in BY 2025 for new hires in the ECS due to staff exits in previous year and ensure that the staffing levels are such to provide regulatory oversight of the sector along with the continued efforts to cross-train professionals.
- Professional services expenditure is anticipated to increase by 59% 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 41% 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 utilization of mobile and fixed tower apparatus.
- Consumer Education and Public Relations budgeted allocation increases 114% to fund resumption of consumer education and outreach in the Family Islands, and sponsorship of ICT Youth Ambassador Program.
- Office Services increases 77% due to operating costs and finance charges associated with credit facilities.
- General and administrative expenses, which include international regulatory membership and related activities, are budgeted to decrease despite underwriting campaign costs of The Bahamas'

candidate to 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.

Electricity Sector	BY-2023	BY-2024	BY-2025
Staff Costs	1,277,473	1,265,617	959,378
Non-Executive Compensation	163,200	138,513	57,943
Executive Compensation	233,600	182,037	157,468
Professional Services	266,217	259,992	471,187
Legal costs	133,763	133,763	213,745
Conferences, Training, and Travel	168,300	59,604	89,953
Sector Field Operations	43,000	9,000	25,105
Premises Costs and Utilities	88,225	221,837	123,171
Consumer Education and Public Relations	86,500	58,200	71,068
Office Services	63,125	77,440	84,415
Information Technology	54,300	124,870	83,276
General and Administrative Expenses	504,240	938,858	663,519
Total Operations Expenditure (OPEX)	3,081,943	3,469,730	3,000,227
Depreciation	41,115	115,494	90,566
Total Operating Budget Recovered through URCA fees	3,123,058	3,585,224	3,090,792
Capital Expenditure	462,975	221,110	397,391

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 14% compared to the prior year; this is due to efficiencies of operations in which resources existing in the ES is being utilized in this sector and the newly formed Natural Gas Sector.
- Staff Costs are anticipated to decrease by 24% as the human resources in ES are being shared

with the NG sector.

- Professional services expenditures are anticipated to increase significantly by 81% due to litigation involving GBPC and GBPA; additionally, budget allocations have been made to ensure the completion of regulatory projects initiated in 2024.
- 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 results of various tariff reviews that are anticipated to be completed in 2025.
- General and administrative expenses budgeted decrease due to correction for underestimation of bad debt included in the prior year's budget.

Natural Gas Sector	BY-2024*	BY-2025
Staff Costs	137,339	484,864
Non-Executive Compensation	5,764	26,088
Executive Compensation	66,891	122,849
Professional Services	310,300	505,162
Legal costs	-	38,961
Conferences, Training, and Travel	61,250	87,715
Sector Field Operations	3,000	6,195
Premises Costs and Utilities	4,423	105,755
Consumer Education and Public Relations	1,500	60,150
Office Services	4,202	46,676
Information Technology	6,775	51,344
General and Administrative Expenses	9,126	18,044
Total Operations Expenditure (OPEX)	610,570	1,553,803
Depreciation	6,267	62,653
Total Operating Budget Recovered through URCA fees	616,836	1,616,455
Capital Expenditure	1,600	221,463

*Budget for October – December 2024

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

- Staff costs include allocation for new hires as well as proportional cost of other sectors and support staff.
- Professional services budget includes allocation to cover the costs of consultancy services establishing framework, guidelines and reviews of licensing documents.
- Conferences, Training and Travel allocation is set at a level for new hires and other staff assigned to the sector to participate in necessary training opportunities, as well as engagement with international organizations, 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 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 is acquired specifically for use in a particular sector, is excluded from allocation to other sectors.

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. 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 (AI)—particularly in the electricity sector, to optimise utility operations and improve customer experiences.

6.2 Sector Priorities

The 2025 priorities are divided among URCA's regulated sectors. In the electronic communications sector, 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). In the natural gas sector, newly added to URCA's remit, foundational work will include establishing tariff guidelines and licensing requirements 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.

6.4 Budgetary Considerations

The proposed 2025 budget reflects a 15% increase in URCA's operating budget (excluding depreciation) compared to the previous year in support of expanding responsibilities and strategic projects. Key

allocations include funding for professional services, public education initiatives, and enhanced regulatory focus on the Family Islands. Investments in staff training, capacity-building, and consumer engagement are prioritised to align with URCA's goal of fostering innovation, regulatory effectiveness, and inclusivity.

6.5 Next Steps

URCA extends its gratitude to all stakeholders who contributed valuable feedback during the public consultation period, including through written submissions and participation in the stakeholder forum held in March 2025.

URCA will now publish this Final Annual Plan for 2025 alongside its Annual Report for 2024, in accordance with Section 41 of the URCA Act. These documents reflect URCA's regulatory priorities, strategic objectives, and operational performance, reaffirming its commitment to transparency, accountability, and continuous improvement across all regulated sectors.