



**30 June 2025**

## **URCA Launches Public Consultation on Regulatory Accounting Guidelines for the Electricity Sector**

The Utilities Regulation and Competition Authority (URCA), the independent regulator of The Bahamas' electricity sector, has today released a public consultation document on proposed Regulatory Accounting Guidelines (RAGs). This initiative represents a critical step in URCA's ongoing mission to strengthen transparency, accountability, and fairness in the financial operations of Public Electricity Suppliers (PES).

The proposed guidelines seek to establish a standardized framework for how licensees maintain and report their financial records for regulatory purposes. The introduction of these guidelines follows the authority granted to URCA under the Electricity Act, 2024, specifically Section 28(8)(iv), which empowers URCA to require licensees to maintain specified accounting records consistent with recognized accounting principles.

The consultation marks the first formal proposal for such regulatory accounting measures since the establishment of the modern electricity regulatory regime in 2016. In previous years, URCA has observed instances where accounting data submitted by licensees included information unrelated to their regulated operations – making it difficult to accurately assess performance, enforce regulatory compliance, and protect the public interest.

Under the proposed guidelines:

- All licensed PES, regardless of size, will be required to prepare and maintain separate and distinct financial accounts for their regulated electricity activities.
- These accounts must clearly identify the financial activities of various business units and comply with internationally comparable standards.
- While URCA recognizes that account separation may be more complex for smaller suppliers, the framework is designed to remain flexible and proportional, applying full requirements primarily to larger, Approved Public Electricity Suppliers (APES).

The proposal will be rolled out in two stages, beginning with the current consultation to gather stakeholder input on account separation principles. Depending on feedback, URCA will proceed with the development and issuance of a final regulatory measure to formally establish the Regulatory Accounting Guidelines.

URCA stresses that the benefits of implementing RAGs are substantial. Beyond helping utilities manage their own financial operations more effectively, the data produced will allow the regulator to compare performance across suppliers, monitor trends over time, and ensure that rates charged to customers reflect justifiable costs. The increased transparency and alignment with international best practices are also expected to boost investor confidence in the sector.

The consultation process is open to all stakeholders, including electricity licensees, consumer advocacy groups, industry professionals, and members of the public. Interested parties are invited to submit written comments on any aspect of the consultation document by 30 July 2025.

Written responses may be submitted:

- By hand to URCA's office at Frederick House, Frederick Street, Nassau;
- By mail to P.O. Box N-4860, Nassau, Bahamas;
- Or by email to [info@urcabahamas.bs](mailto:info@urcabahamas.bs)

Respondents are encouraged to include:

- Their full name and organization (if applicable);
- Contact details;
- Specific responses to the consultation questions (as outlined in Annex A of the document);
- And any other relevant observations or recommendations.

URCA emphasizes the importance of transparency and public trust in this process.

Unless marked "Confidential," all submissions will be published on URCA's website following the consultation period. Respondents wishing to submit confidential material must provide a redacted version for public release and justify any confidentiality requests. URCA retains sole discretion over the publication of such submissions.

As the sector continues to evolve, URCA remains committed to ensuring that its regulatory framework keeps pace with national needs, international standards, and the expectations of the Bahamian public.

The proposed Regulatory Accounting Guidelines are a vital part of this modernization and reflect URCA's broader objective to ensure electricity services are delivered efficiently, transparently, and at reasonable cost to all.

The document can be found on URCA's website: [www.urcabahamas.bs](http://www.urcabahamas.bs).

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