



**UTILITIES REGULATION & COMPETITION
AUTHORITY ANNUAL REPORT 2025 & ANNUAL
PLAN 2026**

URCA 03/2026

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INTRODUCTION

The Utilities Regulation and Competition Authority (URCA) presents the **2025 Annual Report and 2026 Annual Plan** in compliance with section 41 of the Utilities Regulation and Competition Authority Act, 2009 (the **URCA Act**). This document, which must be published before the end of April each year, provides a detailed account of URCA's work, including its audited financial statements for the preceding year and, following consultation with key stakeholders, its work plan for the current year.

This **2025 Annual Report** is presented under the theme "**Evolution**" and provides the following information:

- A report on the performance of URCA's regulated sectors during 2025;
- Highlights of the objectives that URCA accomplished during 2025;
- A report on URCA's fiscal performance for 2025, accompanied by URCA's Audited Financial Statements for the year; and
- URCA's performance against Key Performance Indicators (KPIs) for 2025.

Further, and in compliance with the requirements of the URCA Act, URCA's Draft Annual Plan for 2026 was first published on **19 December 2025** for public consultation. Following consideration of the feedback received during the consultation period, the final plan is included in this document. The plan provides an overarching strategic focus that takes account of domestic priorities, as well as regional and international developments in the regulated sectors, which may influence the achievement of URCA's work programme. The Annual Plan included in this document outlines the following:

- URCA's key projects for 2026, including its consultation schedule;
- The KPIs that URCA will use to measure its performance during 2026; and
- URCA's budget for the 2026 financial year.

The URCA Act also requires URCA to arrange at least one Oral Hearing during which the Annual Report and Annual Plan are presented and questions addressed. Following publication of this document, an Oral Hearing is planned in 2026 in furtherance of URCA's statutory obligations and stakeholder engagement objectives.

These statutory requirements and practices help to ensure that URCA's work reflects its core values of fairness, integrity, accountability, transparency, one-team, people-centredness and professionalism, and that its activities remain aligned with 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 by the URCA Act, and with specific responsibilities outlined in the Communications Act, 2009 (the Comms Act), URCA assumed responsibility for the regulation of the ECS in September 2009. The ECS comprises fixed and mobile telecommunications services, internet, pay television, broadcasting, and management of the radiofrequency spectrum.

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

On 1 June 2024, the Natural Gas Act, 2024 (NGA) 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, the National Spectrum Plan, and the National Energy Policy, as may be amended from time to time.

Governance

URCA's corporate governance structure supports the key principles of good governance, namely transparency, fairness and accountability. URCA's activities are governed by a Board which currently comprises four Non-executive Members, including the 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

Christina Davis-Justin – 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 required 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 obligations, financial statements and audits;
- The Minister with responsibility for the ECS in respect of matters outlined in the Comms Act, including the Electronic Communications Sector Policy 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, including the ES and NGS.

URCA is also, from time to time, required to engage with other Ministers of Government on matters relevant to its functions.

The Audit Committee

An additional key component of URCA's governance framework is the Audit Committee, currently chaired by Jacqueline Hunt-Farrington. The Audit Committee's responsibilities include:

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

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

Chairman's 2025 Report

It is with genuine appreciation and an abiding sense of responsibility that I present URCA's 2025 Annual Report.

The year marked a significant period in the continued development of URCA as an independent regulator serving the public interest across electronic communications, electricity and natural gas. It was a year in which URCA continued to strengthen its role within an evolving legal and policy environment, while remaining firmly guided by the statutory principles of transparency, fairness, proportionality and accountability.

URCA's mandate is both broad and consequential. It requires URCA to regulate sectors that are foundational to national development, economic competitiveness and the daily lives of the Bahamian people. In discharging that responsibility, URCA operates within a policy framework established by Parliament and shaped by national priorities. At the same time, URCA's legitimacy depends on the consistent exercise of independent judgment, procedural fairness and regulatory integrity. Throughout 2025, URCA remained committed to maintaining that balance.

This was particularly important as URCA continued to exercise responsibilities within sectors that have undergone notable transformation in recent years. In electricity, the regulatory framework remains relatively new and continues to mature as the sector adjusts to a more modern legislative and institutional structure. That framework brings with it important expectations regarding pricing oversight, consumer protection, transparency and regulatory discipline. During 2025, URCA continued to support the development of that framework, while recognising that the long-term success of electricity reform will depend not only on rules and institutions, but on consistency, clarity and public confidence.

In natural gas, the pace of sectoral development has remained considerable. The emergence of a new regulated industry requires careful attention to licensing, operational standards, safety considerations and the broader public interest. During the year, URCA continued to advance the foundations of credible oversight in this area, recognising that effective regulation is indispensable to ensuring that sector development proceeds in a lawful, orderly and responsible manner.

Within electronic communications, URCA continued to confront a set of persistent and uniquely Bahamian challenges. Regulation in this sector must account for the realities of an archipelagic state, including dispersed populations, uneven economies of scale, exposure to hurricanes and severe weather events, and the logistical complexities associated with infrastructure deployment, maintenance and service restoration across multiple islands and cays. These

conditions continue to affect the cost, resilience and consistency of communications services. They also reinforce the importance of a regulatory approach that is both principled and practical, capable of promoting investment and innovation while remaining responsive to the structural constraints of the domestic environment.

Against that background, URCA continued to advance work intended to support market development, consumer interests, regulatory certainty and institutional modernisation. URCA also deepened its participation in regional and international regulatory processes. This included important preparatory work associated with The Bahamas' hosting of the World Telecommunication/ICT Policy Forum in 2026, as well as engagement connected to the campaign for the post of ITU Deputy Secretary-General.

A regulator's effectiveness depends not only on the substance of its decisions, but on the quality of its governance, systems, personnel and public-facing operations. During 2025, URCA continued to improve its internal capabilities, planning processes, stakeholder engagement and digital infrastructure.

There were, however, clear challenges. Institutional growth places pressure on resources, systems and internal capacity. New sectors require new competencies. Public expectations continue to rise. In that context, URCA must continue investing in the capabilities required to regulate effectively without compromising the quality or integrity of its work. Such pressures are not unusual for an institution in transition, but they do require focus and steady leadership.

Looking ahead, URCA appears likely to assume an even more prominent role in national regulatory governance. As the sectors under its remit become more interconnected, and as new areas potentially emerge for future oversight, URCA must continue to develop in a manner that is measured and faithful to its statutory purpose. Its task is not merely to respond to change, but to regulate it in a way that protects the public interest, supports national progress and preserves confidence in the independence of the institution.

I extend my sincere thanks to the Board, the Chief Executive Officer, management and staff for their service throughout 2025. I also thank URCA's stakeholders, licensees, partners and the wider public. URCA's mandate is of great national importance, and URCA remains committed to fulfilling it with independence, diligence and transparency.

2025 CEO's Report

“Evolution”

Regulators do the unglamorous work of ensuring that the frameworks which support critical systems remain intact. It is steady, often unseen work, but it is essential to the stability and progress of any modern society.

The theme of this year's report, “Evolution”, reflects both the reality of the environment in which URCA operates and the deliberate steps taken to strengthen the organisation in response. Regulation in The Bahamas is no longer static. It is being reshaped by rapid technological change, expanding sectoral responsibilities, and a growing national focus on energy reform and economic development. In this context, the role of the regulator must also evolve.

During my tenure, my overarching objective has been to position URCA to better serve the broader interests of the sectors it regulates, while supporting the development of productive, resilient and competitive markets. This has required a clear focus on building capacity, strengthening systems and ensuring that the organisation is equipped to respond to both present demands and emerging challenges.

Over the past several years, the government set out a clear vision for energy reform, and URCA has had the opportunity to play a central role in helping to facilitate the transformation of the regulatory framework.

This evolution has involved the development of new areas of expertise, engagement with international and local partners, and a sustained effort by URCA's economists, attorneys, engineers and other staff to support a more modern and effective regulatory approach. At the same time, it has reinforced the fundamental truth that sound regulation depends not only on policy and technical knowledge, but on the strength of the institution itself.

In recent years, our annual reports have reflected themes such as “Adaptation” and “Transformation”. These were not concepts pulled from thin air. They were chosen as we remained grounded in the reality of the work required to reposition the organisation and respond to a changing environment. This year's theme reflects a different stage in that journey. It speaks to the work undertaken in a world that has shifted significantly since the COVID-19 pandemic, and to the need to prepare for future shocks that cannot be predicted with certainty but must be anticipated as part of our existence.

Across the organisation, the focus remained on strengthening operational readiness, advancing key initiatives and ensuring that URCA is equipped to carry out its mandate in an increasingly complex environment.

As Chief Executive Officer, my responsibility is both fiduciary and operational. It is to ensure that URCA remains well governed, strategically aligned and capable of delivering on its mandate across electronic communications, electricity and natural gas. This requires a keen focus on administration, but so much more. It demands sustained attention to people, systems and processes that support an effective regulator.

During the year, URCA moved from strength to strength. Statutory obligations were met, stakeholder engagement remained active, and internal initiatives were advanced to improve efficiency, accountability and service delivery. Efforts to modernise digital systems and improve access to regulatory information continued, alongside work to refine internal planning and support a more responsive organisation.

There was also continued focus on improving digital and administrative infrastructure. Progress in this area has not been without challenge, and the organisation has had to adjust its approach in response to practical experience. These lessons have been valuable, and URCA remains committed to establishing systems that are reliable, accessible and suited to the needs of the sectors it regulates.

At the sectoral level, URCA managed a broad and expanding work programme. In electronic communications, work continued across market oversight, regulatory development, public consultation and consumer engagement. This was undertaken with a clear understanding of the structural realities of The Bahamas, where geography presents ongoing challenges for service provision and resilience. Effective regulation in this environment requires approaches that are informed by international standards but grounded in local conditions.

In electricity, URCA continued to implement a relatively new regulatory framework that places greater emphasis on oversight, transparency and consumer protection. In natural gas, work continued to support the development of a new regulatory space through licensing and framework development, with a focus on ensuring that the sector evolves in a safe and orderly manner.

URCA also expanded its engagement at the regional and international levels. This engagement reflects the importance of ensuring that The Bahamas is not only informed by global developments but is also able to contribute meaningfully to them. For a small island developing state, this is essential to maintaining relevance and credibility in a rapidly evolving regulatory landscape.

At the same time, it is important to acknowledge that organisational development is ongoing. Constraints remain, including capacity limitations and the complexity of implementing new responsibilities across multiple sectors. Some initiatives progressed more slowly than planned, and in some cases adjustments were required. These are part of the process of building an institution that is both ambitious and effective.

URCA is, however, better positioned than it has been in previous years. The organisation is becoming more structured, more capable and more aware of the disciplines required for long-term effectiveness. It continues to evolve into a regulator that is technically sound, operationally grounded and responsive to both local and global challenges.

The work ahead remains significant. Continued investment in governance, people and systems will be required to support URCA's growth in scope and complexity.

When all is said and done, URCA's effectiveness will not be assessed solely in numbers and metrics. URCA will be judged on how much it can impact the quality of life for everyone in The Bahamas. Evolution for URCA means continuing to adjust to make URCA a globally respected regulator. That respect will come from the how we shape the environment to make The Bahamas thrive, and the strides we take to show that small states like ours are not defined by our challenges, but in the way we rise to meet them.

I thank the Chairman and Board for their guidance and oversight, and I thank the staff of URCA for their professionalism and commitment throughout the year. The progress made in 2025 provides a solid basis for the work that lies ahead.

URCA'S ACHIEVEMENTS IN 2025

Following the publication of its 2024 Annual Report and 2025 Annual Plan, URCA continued the demanding work of implementing an expanded regulatory mandate across electronic communications, electricity and natural gas. As the first full year operating under the EA and the NGA, the year required URCA to function within a significantly broader and more complex regulatory environment.

In the ECS, URCA advanced a number of important initiatives aimed at strengthening competition, promoting consumer protection and improving regulatory clarity. This included work relating to market structure, retail pricing, spectrum planning, compliance oversight and long-term sector development, all undertaken against the operational realities of communications regulation across an archipelago. Consumer protection also remained a central part of URCA's work. Throughout the year, URCA continued to receive, assess and investigate consumer complaints, helping to ensure that concerns raised by consumers were properly examined and addressed within the regulatory framework. This work formed an important part of URCA's broader effort to uphold consumer rights, improve service accountability and maintain confidence in regulated sectors.

In the ES, 2025 was a year of substantial regulatory development as URCA worked within an enhanced statutory and reformed policy framework that continues to take root. Key areas of focus included regulatory accounts, energy efficiency, renewable energy, standby generation licensing and compliance oversight. URCA also contributed to wider national energy policy development and continued to support a more transparent, structured and accountable regulatory environment for the sector.

In the NGS, URCA continued to build the regulatory architecture for a new and strategically significant industry. Work during the year focused on the development of regulations, licensing frameworks and oversight mechanisms to support the orderly development of the sector. This took place within the context of broader changes in the national energy landscape and a growing number of entities falling within URCA's supervisory remit.

URCA also continued to strengthen its institutional capacity during the year. Major works at Frederick House progressed, including important infrastructure and facility upgrades intended to support a more resilient, efficient and fit-for-purpose working environment for the organisation over the medium to long term. URCA maintained its regulatory functions while continuing to invest in organisational development, human resource capacity and stronger internal systems. Staff development remained an important priority, with continued emphasis on training, professional growth and building the technical and operational capabilities required to regulate effectively across an expanding range of sectors and responsibilities.

PERFORMANCE AGAINST URCA'S 2025 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

During 2025, URCA continued to advance a series of cross-cutting institutional projects aimed at strengthening internal efficiency, enhancing transparency, and supporting a more modern and responsive regulatory environment. These initiatives formed a core part of URCA's broader digital transformation agenda and aligned with its strategic objective of improving operational effectiveness across all departments.

Implementation of Integrated Electronic Document Management Tool

The implementation of an Integrated Electronic Document Management Tool progressed during 2025 as a core component of URCA's digital transformation. The system enhanced document storage, retrieval, and collaboration, improving information management across the organisation.

By year-end, the initiative had evolved beyond initial deployment. The plan is to have the system integrated into URCA's wider operational digitalisation programme, reflecting its role as a foundational element of enterprise-wide workflow management.

Digitalisation of Operational Processes

URCA completed Phase 2 of its digital transformation programme in 2025, focusing on the digitalisation of key operational processes. This included automating manual tasks, reducing paper-based systems, and streamlining internal workflows.

These improvements enhanced efficiency, standardised processes, and strengthened service delivery. The progress achieved in 2025 will enable URCA to transition into Phase 3 in 2026, with a focus on embedding digital practices across the organisation.

URCA Draft Annual Plan

In accordance with Section 41 of the URCA Act, URCA successfully published its 2025 Annual Plan by the statutory deadline of 30 April 2025. The Draft Annual Plan 2026 was published in December 2025. The Draft Plan provided a clear framework for regulatory priorities, operational activities, and resource allocation, supporting improved coordination across the organisation.

Electronic Communications Sector Projects

During 2025, URCA progressed a number of priority regulatory projects, comprising both carryover initiatives and new workstreams arising from prior consultations. While some projects were completed within the reporting period, others advanced through consultation and stakeholder engagement phases and will continue into 2026.

Review of the Quality-of-Service Regulations for Electronic Communications Networks (ECS 42/2016)

During 2025, URCA advanced preparatory work on the review of the Quality-of-Service framework for electronic communications networks and services. This work was informed by ongoing concerns regarding service reliability across The Bahamas, particularly in the Family Islands, and formed part of URCA's broader review of the quality-of-service framework for the sector. The project remained in progress at the end of 2025.

Consultation on Universal Service Obligations (USO) and Process for Designation of USP

During 2025, URCA continued work on the review of universal service obligations and the broader framework for universal service provision. This included a comprehensive nationwide assessment intended to inform the basis of consultation and support future determinations on implementation arrangements, including possible funding mechanisms. Given the breadth of the issues under consideration, the project remained ongoing at the end of the reporting period.

National Spectrum Plan 2024–27

URCA progressed work during 2025 on the revision of the National Spectrum Plan in consultation with the Government of The Bahamas. As the principal framework governing spectrum use nationally, the Plan required consideration of technical, regulatory, financial, and geographic issues. The National Spectrum Plan was completed in T1-2026.

ICTs for Persons with Disabilities

In 2025, URCA advanced this project. This work supported the development of future measures aimed at improving accessibility to ICTs for persons with disabilities. The project remained in progress at the end of 2025.

Implementation of Remedies Following Fixed Market Services and Pay Television Review

This project was completed in 2025. As part of implementation of remedies arising from URCA's fixed market review, URCA issued the Statement of Results and Final Decision (ECS 03/2025) together with the revised Retail Pricing Rules (ECS 04/2025) on 12 June 2025. The revised rules repealed and replaced the previous framework and introduced a more streamlined approach to oversight of regulated services, while maintaining protections for consumers. Components of

the project regarding determining consumer switching behavior are expected to be coordinated with the Corporate and Consumer Relations Department in 2026.

Consultation on the Implementation of the 5G Regulatory Framework

URCA advanced this project during 2025 as part of the final phase of its public consultation process on 5G. The work undertaken during the year laid the foundation for publication of the third and final consultation document in 2026. The third consultation sets out URCA's proposed regulatory approach to enabling 5G rollout in The Bahamas, including matters relating to spectrum assignment and pricing, licence conditions, rollout obligations, quality-of-service benchmarks, infrastructure resilience, and network security. The outcomes of the consultation process will inform URCA's final decisions on the 5G regulatory framework.

Review of Infrastructure Sharing Regulations

During 2025, URCA initiated a review of the Infrastructure Sharing Regulations, recognising infrastructure sharing as an important enabler of efficient network deployment and expanded access to advanced electronic communications services, including 5G. Matters raised during the 5G roadmap consultation, and in the ongoing consultation on the implementation of a 5G regulatory framework, have implications for the direction of this review and will be taken into account in its further development in 2026.

Consultation on Guidelines for Cybersecurity of Public Electronic Communications Networks and Services

URCA commenced work in 2025 on the development of cybersecurity guidelines for public electronic communications networks and services. This initiative was intended to promote best practice in safeguarding the confidentiality, integrity, and availability of networks and services, improve resilience against cyber incidents, and support consumer protection. Given the extended timeline for government implementation of cybersecurity laws, this project will continue into 2026 and will be developed in alignment with The Bahamas' national cybersecurity framework, including coordination, as appropriate, with relevant national institutions such as the National Computer Incident Response Team of The Bahamas (CIRT-BS).

Review and Amendment of URCA's Fee Schedule

This project was completed in 2025. The review and amendment of URCA's fee schedule formed part of URCA's broader effort to modernise and clarify aspects of its regulatory and licensing framework.

Regulatory Framework for Satellite-Based Electronic Communication Services

URCA made significant progress on this project during 2025. Following the first consultation launched on 9 December 2024, responses were published on 8 July 2025 to allow stakeholders to review and comment on the positions advanced by other respondents. URCA then published

a Second Round Consultation Document on 11 November 2025, seeking further input on licensing, spectrum management, and the regulation of emerging satellite-based services, including Direct-to-Device and Internet of Things connectivity, as well as disaster management, orbital and environmental sustainability, lawful access, intercept, and data protection. The project remained ongoing at the end of 2025.

Electricity Sector Projects

In 2025, URCA's ES work programme was guided by the objectives of the Electricity Act 2024 and the broader national energy policy framework, with a focus on promoting competition, ensuring access to safe and reliable electricity, supporting affordability, advancing energy efficiency, and strengthening consumer protection.

The year followed a period of significant legislative reform in 2024, which required substantial regulatory engagement and resulted in the deferral of several planned activities. As a result, much of the ES work undertaken in 2025 comprised unplanned carryover projects from 2024, alongside new and expanded initiatives.

BPL Fuel Tariff Review/Audit

Significant progress was made during 2025 on the review of Bahamas Power and Light's fuel charge. Following a rebid of the consultancy in 2024, work advanced steadily throughout the year to assess whether the fuel cost recovery mechanism complies with applicable laws and regulatory frameworks and reflects efficient procurement and operational practices. The project remained ongoing at year end, with completion and publication of findings expected in the second trimester of 2026.

Energy Efficiency and Demand Side Management

During 2025, this project was incorporated into the broader revision of the National Energy Policy, which was completed during the year and places significant emphasis on energy efficiency. With foundational policy work substantially advanced, URCA put out a consultation document in T3 2025, with a decision expected in the second trimester of 2026.

APESL Consumer Protection Plans

Work continued during 2025 to support the preparation of Consumer Protection Plans for Authorised Public Electricity Suppliers. However, URCA's engagement revealed that several licensees required additional guidance to meet their statutory obligations and that consumer protection frameworks across the sector remained uneven. As at year end, the project remained incomplete and, in light of competing regulatory priorities, will not be carried forward into the 2026 Annual Plan. URCA intends to revisit this work at a later stage.

Review of BPL Consumer Protection Plan and Customer Contract Documents

This project progressed during 2025 as part of URCA's broader consumer protection oversight. Initial review work indicated the need for further development and alignment across consumer-facing policies. As at the end of 2025, the project remained ongoing but, similar to related consumer protection initiatives, will not be carried forward into 2026 due to resource prioritisation, with a view to revisiting the work in a future period.

Revision (Consolidation and Updating) Renewable Energy Frameworks

During 2025, URCA had intended to advance a comprehensive revision and consolidation of renewable energy frameworks. However, external funding initially identified to support this work was withdrawn. As URCA determined that the cost should not be passed on to the sector at this time, the project did not progress to implementation and will not be carried forward into the 2026 Annual Plan. URCA will instead continue to promote renewable energy uptake within the existing framework.

Review and Revision of the Licensing Process

Work advanced during 2025 on improving and streamlining the licensing process to reduce friction and provide greater clarity for applicants. The scope of the project was expanded to include the development of a dedicated digital licensing portal on URCA's website. As at year end, the project remained in progress and will continue into 2026, with timelines aligned to the rollout of the portal.

Review and Revision of the Licensee Reporting Requirements

During 2025, URCA progressed work to review and improve licensee reporting requirements, with a focus on ensuring that reporting obligations provide meaningful data for regulatory decision-making without imposing unnecessary burden. The scope was expanded to integrate reporting into a new digital portal. The project remained ongoing at year end and will continue into 2026.

Review of Legislation and National Energy Policy

URCA continued to work closely with the Ministry of Energy and Transportation during 2025 on the revision of the National Energy Policy, following the enactment of updated legislation in 2024. The revised policy framework, covering the period 2025–2030, was completed during the year and establishes a renewed strategic direction for the sector, including a strong emphasis on energy efficiency and sustainability.

Review of BPL Tariff

While no formal tariff application was submitted during 2025, URCA undertook preparatory work in anticipation of future submissions, as required under the Electricity Act 2024. This

included ensuring that appropriate resources and frameworks are in place to assess any tariff review application when submitted. The project will continue into 2026.

Review of BPL Integrated Resource Plan (IRP)

URCA continued to monitor Bahamas Power and Light's obligation to develop an Integrated Resource Plan to meet future electricity demand efficiently and sustainably. Preparatory work and regulatory oversight continued during 2025, with provisions in place to support a full review once the IRP is submitted. The project remained ongoing at year end and will continue into 2026.

Regulatory Accounts Guidelines for the Electricity Sector

This project is intended to establish a clear and standardised framework for how Public Electricity Suppliers prepare and maintain separated regulatory accounts, strengthening URCA's ability to regulate tariffs, assess financial performance, improve transparency, and guard against cross-subsidisation between regulated and unregulated activities. The consultation was released in T2-2025 through URCA's Preliminary Determination. A final decision has been delayed to T2 2026 following a request from a major Bahamian accounting body for additional time to submit feedback.

Natural Gas Sector Projects

The 2025 NGS work plan was designed to establish the core regulatory building blocks necessary to support sector development, including licensing, tariff oversight, safety standards, compliance procedures, and stakeholder awareness. By the end of 2025, several initiatives had progressed through early development and consultation stages, with further refinement and implementation to continue into 2026.

These efforts positioned URCA to transition to active regulatory oversight as the sector moves from early development into operational phases.

Public Education

URCA initiated public education efforts during 2025 to support awareness and understanding of the natural gas sector, including safety considerations and the role of natural gas in the evolving energy mix. This work formed an important component of early sector development and will continue to expand in 2026 as infrastructure development progresses.

Review of Licence Applications

During 2025, URCA began reviewing licence applications as part of establishing the sector's licensing framework. This work supported the issuance of the first natural gas licences toward the latter part of the year and provided initial insight into the effectiveness of the licensing

process. Further refinement of the framework will be undertaken in 2026, including a planned external review.

Guidelines for the Regulation of NGS Tariffs

URCA advanced work during 2025 on developing guidelines for the regulation of natural gas tariffs, aimed at identifying market inefficiencies, assessing compliance, and establishing appropriate remedies. This work is intended to ensure that tariffs are fair, transparent, and aligned with the objectives of the Act. The project progressed through its initial development phase and will continue into 2026 for consultation and finalisation.

Complaints Handling Procedure

During 2025, URCA initiated the development of a complaints handling procedure to support consumer protection within the natural gas sector. This work focused on establishing clear processes for receiving, managing, and resolving complaints in a consistent and transparent manner. The project remained in progress at year end and will continue into 2026.

Procedure for Investigations

URCA also progressed work during 2025 on establishing procedures for investigations within the natural gas sector. This initiative is intended to provide a structured framework for addressing potential breaches, ensuring regulatory compliance, and supporting enforcement activities. The project remained ongoing at the end of 2025 and will continue into 2026.

Gas Service Worker Licence

Work commenced during 2025 on the development of a Gas Service Worker Licence to establish minimum standards of competence and safety for individuals working within the sector. This initiative is intended to ensure that all personnel engaged in natural gas-related activities meet appropriate qualification and training requirements. The project progressed during the year and will continue into 2026, including engagement with external training and accreditation bodies to support implementation.

St. George's Cay Power Company Renewable Energy Plan

In August 2025, URCA initiating a public consultation on the Renewable Energy Plan submitted by Saint George's Cay Power Company Limited. The review assessed the Plan's alignment with the EA and NEP objectives. Stakeholder input was invited as part of the process, with the initiative supporting URCA's broader efforts to promote sustainable, reliable and cost-effective electricity supply across The Bahamas. The Statement of Results and Final Determination is expected in T1.

Summary of 2025 Outcomes

Table 1: URCA 2025 Outcomes (* indicates result not applicable to workstream)

General Projects	Start Period	End Period	Consultation Publication Date	Final Decision Publication Date
Digitalisation of Operational Processes	T1-2025	T3-2025	N/A*	N/A
Implementation of Integrated Electronic Document Management Tool	T1-2024	T3-2025	N/A	N/A
Draft Annual Plan	T3-2025	T1-2026	T3-2025	T1-2026
ECS Projects				
Review of the Quality-of-Service Regulations for Electronic Communications Networks (ECS 42/2016)	T3-2024	T3-2025	T2-2026	T3-2026
Consultation on Universal Service Obligations (USO) and Process for Designation of USP	T1-2025	T2-2025	T2-2026	T3-2026
National Spectrum Plan 2024-27	T3-2024	T2-2025	T2-2025	T1-2026
ICTs for Persons with Disabilities	T3-2024	T2-2025	T2-2026	T3-2026
Implementation of Remedies Following Fixed Market Services and Pay Television Review	T3-2024	T1-2025	T3-2024	T2-2025
Consultation on the Implementation of the 5G Regulatory Framework	T1-2025	T2-2025	T2-2025	T3-2026
Review of Infrastructure Sharing Regulations	T1-2025	T3-2025	T2-2026	T3-2026
Consultation on Guidelines for Cybersecurity of Public Electronic Communications Networks and Services	T2-2025	T3-2025	T2-2026	T3-2026
Review and Amendment of URCA's Fee Schedule (URCA 02/2025)	T3-2024	T1-2025	T1-2025	T1-2025
Regulatory Framework for Satellite-Based Electronic Communication Services	T3-2024	T2-2025	T3-2025	T3-2026
ES Projects				

Regulatory Account Separation Guidelines	T1-2024	T3-2025	T2-2025	T2-2026
BPL Fuel Tariff Review/Audit	T1-2025	T3-2025	N/A	T2-2026
Energy Efficiency and Demand Side Management	T1-2025	T2-2025	T3-2025	T3-2026
APESL Consumer Protection Plans	T1-2025	T3-2025	N/A	N/A
Review of BPL Consumer Protection Plan and Customer Contract Documents	T1-2025	T3-2025	N/A	N/A
Revision (Consolidation and Updating) of Renewable Energy (RE) Frameworks	T1-2025	T3-2026	N/A	N/A
Review and Revision of the Licensing Process	T1-2025	T3-2025	T2-2026	T3-2026
Review and Revision of the Licensee Reporting Requirements	T1-2025	T3-2026	T2-2026	T3-2026
National Energy Policy 2025-2030	T1-2025	T3-2025	T2-2025	T3-2025
Review of BPL Tariff	T1-2025	T3-2025	T2-2026	T3-2026
Review of BPL Integrated Resource Plan (IRP)	T1-2025	T3-2025	N/A	N/A
Analysis of Return on Investment for Small Renewable Energy Systems	T1-2025	T3-2025	N/A	T3-2026
St. George's Cay Power Company Renewable Energy Plan	T2-2025	T1-2026	T2-2025	T1-2026
NGS Project				
Public Education	T1-2025	T3-2025	T2-2025	T2-2025
Review of License Applications	T1-2025	T3-2025	T2-2025	T3-2025
Guidelines for Regulation of NG Tariffs	T1-2025	T3-2025	T2-2026	T3-2026
Complaints Handling Procedure	T1-2025	T3-2025	T2-2026	T3-2026
Procedure for Investigations	T1-2025	T3-2025	T2-2026	T3-2026
Gas Service Workers License	T1-2025	T3-2025	T2-2026	T3-2026
Liquefied Natural Gas Import Exemption	T2-2025	T3-2025	T2-2025	T1-2026
Liquefied Natural Gas Transfer Operations Regulations	T1-2025	T2-2025	T1-2025	T2-2025

Other Key Initiatives

Human Resources and Learning

In 2025, the Human Resources & Learning Department focused on strengthening workforce stability, building organizational capacity, and advancing key transformation initiatives. Recruitment efforts were strategically targeted to address critical roles and support succession planning, while internal movements enhanced the alignment of talent with operational needs. The performance management framework continued to be embedded across the organization, with an increased focus on accountability and preparation for a comprehensive redesign in 2026. Progress was also made in identifying skills gaps through the Capacity Building Initiative, alongside the delivery of targeted training programmes to enhance employee capability. In parallel, foundational work commenced on several strategic priorities, including the digital transformation of HR processes and the modernization and enhancement of policies. Collectively, these efforts are intended to position the organization for a more agile, efficient, and future-ready HR function.

International Representation and Engagement

In 2025, URCA's International Representation and Engagement workstream made solid progress in strengthening institutional capacity and advancing the interests of The Bahamas through active participation in key regional and international ICT fora.

Through stronger internal coordination, strategic engagement with national and regional partners, enhanced youth representation, and substantive policy contributions, URCA strengthened its ability to anticipate emerging trends, promote knowledge exchange, and enhance The Bahamas' international visibility. This, in turn, supported our ongoing efforts to evolve our national regulatory strategy in response to a rapidly changing digital and telecommunications landscape, while ensuring that our approach remains fit for purpose for the sustainable development of the electronic communications sector.

Most notably, URCA strengthened its coordination and readiness for multilateral engagement for the International Telecommunications Union (ITU) World Telecommunication Development Conference, held in Baku, Azerbaijan, in November 2025 (WTDC-25). Capacity-building was supported through the CITELE mentorship programme, completed by four team members, including a youth delegate, which helped deepen understanding of international preparatory processes and better position URCA and The Bahamas for effective participation.

Building on this strong foundation, URCA played an active role in ITU, CITELE and related regional preparatory activities. On behalf of The Bahamas, we contributed to the development of regional initiatives and thematic priorities for the WTDC Baku Action Plan (2026–2029), led two Inter-American Proposals (IAPs) on maritime underserved areas and the use of ICTs in disaster preparedness and response, and supported other IAPs of direct relevance to The Bahamas and the wider Caribbean.

Collaboration with CIRT-BS helped shape CITELE IAPs on child online protection and national CIRTs, with emphasis on resource constraints, capacity-building and online safety training. Youth delegates also participated actively in the Global Youth Summit and regional preparatory discussions, including contributions that recognized the crucial role of emerging technologies, and the need to empower youth to harness these technologies to contribute to digital transformation in their communities across various sectors.

URCA also supported The Bahamas' Ambassador to the ITU at ITU Council and strengthened collaboration with the Caribbean Telecommunications Union (CTU) and other CARICOM Member States in preparation for ITU Council and Council Working Group meetings, in line with URCA's objective of strengthening regional alliances and representation in international fora.

Another significant milestone in 2025 was support for The Bahamas' expanding role in high-level ITU policy processes. In addition to the ITU Council decision to host the 2026 World Telecommunications/ICT Policy Forum (WTPF-26) in The Bahamas, URCA participated actively in the informal expert group preparing the draft Secretary-General's Report and expert opinions for the Forum, including on the digital divide, green digital transformation, and ICT/Telecommunications resilience. This helped position The Bahamas as both host and substantive contributor to a key global ICT policy dialogue.

Internally, URCA also advanced a draft strategy and key performance indicators for international representation and participation as part of its new strategic plan. Although initially developed for the ECS, the strategy is also being extended to the energy sector, reflecting URCA's mandate under both the Comms Act, and the EA, and the need for a more coordinated approach to engagement across interconnected digital and energy policy areas. This is intended to strengthen prioritisation, accountability, cross-sector alignment, and institutional learning, while more closely aligning URCA's international engagements with national policy priorities and broader sustainable development objectives.

Corporate and Consumer Relations

The Consumer and Corporate Relations Department (CCR) maintained a consistent focus throughout 2025 on strengthening stakeholder engagement, advancing URCA's strategic communications priorities, and improving the management and resolution of consumer complaints, while also supporting a number of major institutional and international initiatives. At the start of the year, CCR played a central role in supporting the publication and communication of URCA's Draft Annual Plan, ensuring that stakeholders and the public were properly informed in accordance with statutory obligations. This work extended into the preparation and eventual publication of the Annual Report and Annual Plan in April, alongside the successful execution of a stakeholder forum to facilitate public engagement on URCA's priorities.

In parallel, CCR supported domestic and international campaigns across sectors, including communications and coordination efforts related to the World Telecommunication/ICT Policy Forum 2026.

CCR also played an active role in national outreach and stakeholder engagement, including URCA's participation in the public consultation process for the revised National Energy Policy. This effort began with focus groups in New Providence and extended to town hall meetings across the country, including the Family Islands, where URCA representatives joined the Ministry of Energy team to help gather feedback and provide regulatory and technical input. CCR helped ensure that national policy development was informed by a broader cross-section of Bahamian voices and that communities outside the capital were meaningfully included in the consultation process. This also tied into cross-sector outreach in the Family Islands.

The department also supported initiatives that reflected URCA's role as a responsible corporate citizen, including strategic partnerships, targeted outreach and contributions to public-interest efforts that aligned with its broader mandate of national development and public engagement, with the annual Girls in ICT Day being a standout example.

Consumer protection and complaints management remained a core function throughout the year. CCR continued to manage and track consumer complaints through its systems, working to resolve reported issues while addressing a backlog of outstanding matters, including several complex regulatory investigations. The Department maintained a steady focus on improving response times, increasing resolution rates, and enhancing communication with licensees to facilitate outcomes for consumers.

Data Governance and Information Management

In 2025, URCA continued advancing the establishment of a structured Data Governance and Information Management function aimed at positioning data as a strategic regulatory asset. Work remained focused on developing the policies, frameworks and institutional awareness needed to support stronger data management, better regulatory decision-making and greater organisational accountability. This is an evolving programme of work that continues to be rolled out across the organisation on a department-by-department basis.

During the year, significant progress was made on URCA's core DGIM framework and supporting policies, including the Data Governance Strategy, Data Governance Framework, Information Management Policy and Records Retention Policy. Together, these documents set out key governance principles, clarify roles and responsibilities, and establish expectations for managing data and information throughout their lifecycle. By the end of the year, these foundational documents were substantially completed and positioned for formal adoption.

Work also continued to strengthen data quality and standardisation. A Data Assessment Matrix was developed to identify existing data assets, ownership arrangements and storage locations across the organisation. This has provided an important baseline for improving the accuracy, consistency and reliability of URCA's information and will support the phased introduction of data quality measures and ongoing monitoring.

In the area of information lifecycle management, the Unit continued enhancing records management practices through the organisation and structuring of digital repositories, including expanded use of DocuWare. Efforts also focused on encouraging more consistent document storage and retrieval practices across departments, with the aim of improving accessibility, reducing duplication and strengthening information control over time.

Recognising that effective data governance depends on organisation-wide participation, the Unit also prioritised internal alignment and awareness-building. Planning began in late 2025 for a series of internal workshops and seminars intended to build shared understanding of data governance principles, reinforce accountability across business functions and support the transition from framework development to phased implementation.

Progress was also made in workflow automation, with backend development for the licensing process completed and user engagement underway. The system is expected to go live following final testing. At the same time, early work began on a second process, reflecting a phased and scalable approach to automation as the function continues to mature. Overall, performance in 2025 reflected the Unit's foundational focus.

Code of Practice for Broadcast Content

In 2025, following a 2024 public consultation that led to the publication of the Final Decision (ECS 77/2024) regarding revisions to the Code of Practice for Content Regulation (ECS 78/2024), URCA developed the consultation document in collaboration with the Content Regulation Industry Group (CRIG).

In preparation for the upcoming 2026 General Election and during T3 2025, ahead of the 2025 by-election, URCA launched a public information campaign highlighting the revised Code, which includes key updates to political broadcasts. This campaign features public notices, interviews on radio and television, and radio advertisements. The revised Code emphasises enhanced guidelines for political advertising, ensuring fairness and transparency during the election period. Additionally, it outlines standards for advertising related to alcohol, cannabis, and gambling. The Code also addresses the protection of young people and establishes new measures to manage AI-generated content and synthetic media, prioritising accuracy and ethical standards. Furthermore, it includes accessibility services for individuals with visual and hearing impairments.

URCA also upgraded the capacity of its Content and Technical Standards Monitoring System to monitor FM Broadcast Licensee Content and to ensure that primary evidence exists to support, expedite, or trigger the initiation of its own code-breach investigations.

Licensees are required by sections 10.16 (1) and (2) of the Code to maintain a written record of all Code Complaints received. This record must include the date and time of receipt, the complainant's name, e-mail or postal address, telephone contact information, the substance of the complaint, and the Licensee's response(s), including the substance and date.

Additionally, Licensees must report to URCA the number and details of all Code Complaints within 10 calendar days after the end of each quarter, or upon request. The report must include the date received, the 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 be published on URCA's website.

URCA investigated two Code complaints in 2025. The complaints were determined not to have merit, and URCA's investigation determined no breach of the Code. Neither was pursued. Table 2 below summarises these complaints.

Table 2: Code Complaints

2025 Broadcast License Code Complaints & URCA Investigations					
Programme	Licensed Service	Date	Type	Issue	Outcome
"Talking Heads with Naughty", "Off The	Guardian Radio Ltd.	30 April 2025	General	Due Impartiality	Not Pursued

Record with Zhivargo Laing”					
“The Rundown”	Broadcasting Corporation of the Bahamas	12 November 2025	General	Due Impartiality	Not Pursued.

Legal, Risk and Compliance Overview

URCA’s top five emerging risk categories in 2025 significantly shaped and inform URCA’s risk landscape. These categories include: (a) regulatory capacity and capability, (b) regulatory expansion and remit uncertainty, (c) independence and governance focus, (d) government relations, and (e) international and regional commitment.

The 2025 risk profile illustrated a more polarized but clearer risk landscape. This improved risk differentiation enhanced URCA’s risk oversight by enabling a more focused approach on priority risk areas while maintaining assurance over controlled risks.

A revamped approach to risk and compliance revealed that high and low risk exposures increased notably, while medium risk exposures declined sharply.

As regulatory expansion continues, limitations in planning, and resource allocation and the absence of periodic reviews of regulatory frameworks may affect regulatory effectiveness and contribute to operational delays. Limited engagement with key stakeholders may result in misaligned regulatory initiatives, missed policy opportunities, reputational risks, and reduced organizational effectiveness.

Additionally, failure to align URCA’s policies, practices, and regulatory frameworks with applicable regional and international standards may expose the organization to financial risk, weaken regulatory credibility, and undermine stakeholder confidence at both domestic and international levels.

As these risks are anticipated to affect URCA’s 2026 risk landscape, a focus on strategic planning, and increased oversight and monitoring, will be key to mitigating against these risks and maintaining regulatory effectiveness.

Litigation and Dispute Resolution

During the reporting period, URCA’s Legal Department achieved measurable progress in advancing a number of legacy matters before the Supreme Court. These efforts formed part of a deliberate legal strategy to reduce protracted litigation exposure.

URCA’s 2025 litigation profile includes the following matters:

Table 3: Supreme Court Matters

SUPREME COURT LITIGATION MATTERS	
Case	Reference
<i>Grand Bahama Power Company v. URCA</i> Status: Active	Claim No. 2019/CLE/gen/00579
<i>URCA v. Grand Bahama Port Authority</i> Status: Active	Claim No. 2024/CLE/gen/00877
<i>Euriette Wright v. URCA et. al.</i> Status: Dormant	Claim No. 2024/PUB/jrv/FP/00003

Table 4: UAT Matters

UTILITIES APPEAL TRIBUNAL MATTERS	
Case	Reference
<i>Bahamas Power and Light v. URCA</i> Status: Settled	UAT/App/No.001/2019
<i>Bahamas Power and Light v. URCA</i> Status: Settled	UAT/App/No.001/2020
<i>Cable Bahamas Ltd. v. URCA</i> Status: Dormant	UAT/App/No.001/2022
<i>Bakers Bay Utility Ltd. v. URCA</i> Status: Settled	UAT/App/No.001/2023
<i>BTC Ltd. v. URCA</i> Status: Dormant	UAT/App/No.001/2024

At the time of reporting, there were no active matters before the Magistrate Court within the Commonwealth of The Bahamas.

In 2025, approximately 50% of active Utilities Appeal Tribunal matters were successfully resolved, reflecting a continued commitment to the timely and efficient disposition of cases. This outcome was supported by a sustained emphasis on the use of alternative dispute resolution mechanisms, which have contributed to more expeditious, cost-effective, and mutually constructive outcomes across a range of existing legal matters.

URCA will continue to utilize ADR mechanisms to minimize legal costs and effectively mitigate against legal risk and exposure.

In 2026, priority will be given to reducing prolonged legal exposure by advancing existing litigation matters toward timely resolution. Beyond the litigation portfolio, focused attention will be directed toward strengthening the legal and compliance functions. This will include enhanced engagement in ongoing regulatory matters, as well as a comprehensive review of the existing legal and regulatory framework to ensure continued alignment with applicable standards. These efforts are intended to reinforce governance structures and support a more proactive, coordinated, and integrated approach to the management of legal and regulatory matters.

2025 Sector Updates

Electronic Communications Sector Market Review

Note on Data Completeness Reporting Compliance and Presentation of Information

The analysis presented in this report is traditionally based on data submitted by licensees pursuant to the Market Information Reporting Requirements for Specified Licensees (ECS 06/2021). URCA's annual market reporting has consistently served as a useful reference point for critical sector information used by domestic and international stakeholders.

URCA is concerned that, for the 2025 reporting period, complete data was not received from all relevant licensees across certain services. This is particularly concerning in respect of non-compliance by key licensees, whose submissions are essential to the preparation of complete and reliable market analysis.

URCA considers timely and accurate data reporting to be a fundamental regulatory obligation. URCA is therefore reviewing the full suite of regulatory options available to secure improved compliance with reporting requirements and to ensure that licensees meet their obligations going forward.

In light of the incomplete submissions received for the reporting period, URCA does not consider it prudent to publish quantitative ECS market data in this report where doing so may result in incomplete, non-comparable, or potentially misleading indicators.

URCA remains mindful of its statutory obligation to safeguard commercially sensitive and confidential information, including under section 11 of the URCA Act and section 14 of the Communications Act, 2009.

URCA will make every effort to ensure that future market reporting reflects complete, validated, and comparable licensee data, and will continue working to strengthen compliance, data quality, and the reliability of published sector information.

Utilities and Energy Market Review

Electricity Sector

There are six major licence types in the ES. These include Public Electricity Supplier Licence (PESL), Authorized Public Electricity Supplier Licence (APESL), Independent Power Producer Licence (IPPL), Generation Licence (GL), Transmission and Distribution Licence (TDL) and Electricity Systems Operator Licence (ESOL). The sector grew significantly in 2025 with the further unbundling of the value chain and addition of new licensees resulting from the continued roll out

of the Government's Energy Sector Reform, which was first announced in 2024. The changes have led to more private involvement in the sector in both the generation and distribution of electricity.

There are two statutorily appointed public electricity suppliers, Grand Bahama Power Company in the Port Area, and other designated areas of Grand Bahama, and Bahamas Power and Light covering everywhere else in The Bahamas. In 2025, one APESL, two GL, six IPPL, and one TDL were added as licensees in the ES. Table 5 below provides a list of all licensees in the ES in 2025. 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.

Table 5: Register of Licensees in the Electricity Sector

No	Name of Licensee	Address of Licensee	Service Territory	Licence Type	Duration (Years)	Licence Commencement Date	Licence Expiration Date	Licence Number
AUTHORISED PUBLIC ELECTRICITY SUPPLIER LICENCES								
1	St. George's Cay Power Company Ltd.	101 Power House Road, Russell Island, Eleuthera, The 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
2	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
3	Baker's Bay Utility Ltd.	Front Street, Marsh Harbour, Abaco, The 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	RAV Bahamas Ltd.	4 George St., Mareva House, Nassau, The Bahamas	Bimini Bay Subdivision, North Bimini	Authorized Public Electricity Supplier	25	01 March 2022	28 February 2047	APESL-22-0001
5	Lexthree Ltd.	c/o Lennox Paton	Bell Island, The Exuma Cays	Authorized Public	25	23 March 2023	23 March 2048	APESL-23-0001

		Building 3, Bayside Executive Park West Bay Street and Blake Road Nassau, The Bahamas		Electricity Supplier				
6	Highborne Plantations Limited	c/o Graham Thompson Sassoon House Shirley Street & Victoria Avenue Nassau, The Bahamas	Highborne Cay, The Exuma Cays	Authorized Public Electricity Supplier	25	05 July 2023	05 July 2048	APEL-23- 0002
7	Cay Resorts Limited	c/o Hon. Hubert A. Ingraham Chambers Caves Village West Bay Street Nassau, The Bahamas	Spanish Cay, Abaco, The Bahamas	Authorized Public Electricity Supplier	25	27 September 2023	27 September 2048	APESL-23- 0003
8	Walker's Cay Energy Resources Ltd.	Building 3, Bayside Executive Park West Bay Street &	Walker's Cay, Little Grand Cay and Seahorse Cay	Authorized Public Electricity Supplier	25	24 April 2024	24 April 2049	APESL-24- 0001

		Blake Road P.O. Box N 4875 Nassau, The Bahamas						
9	Island Power Producers Ltd.	#3 Bayside Executive Park West Bay Street and Blake Road P. O. Box CB 13012 Nassau, The Bahamas	Arawak Cay Nassau, The Bahamas	Authorized Public Electricity Supplier	25	29 October 2025	29 October 2050	APESL-25- 0001
GENERATION LICENCES								
10	CTF BM Operations Ltd.	One Baha Mar Boulevard Nassau, The Bahamas		Generation Licence	15	1 August 2025	1 August 2024	GL-25- 0001
11	Island Hotel Company Limited	Atlantis Bahamas Resort P. O. Box N 477 Nassau, The Bahamas		Generation Licence	15	1 August 2025	1 August 2040	GL-25- 0002
INDEPENDENT POWER PRODUCER LICENCES								
12	Shell Bahamas Power Company Inc.	St. Andrew's Court, Frederick Street Steps, Nassau, Bahamas	Bahamas Power and Light transmission	Independent Power Producer	15	05 October 2020	05 October 2035	IPPL-20- 0001

			grid.					
13	Eco Energy (Bahamas) Ltd.	Beaumont House P.O. Box CB -12736 Nassau, The Bahamas	Bahamas Power and Light transmission grid	Independent Power Producer	15	17 April 2025	17 April 2040	IPPL-25-0001
14	Madeleine Solar Power Ltd.	10 Market Street P. O. Box N 8303 Nassau, The Bahamas	Bahamas Power and Light transmission grid	Independent Power Producer	15	23 May 2025	23 May 2040	IPPL-25-0002
15	The Exumas Renewable Energy Corporation Ltd.	10 Market Street P. O. Box N 8303 Nassau, The Bahamas	Bahamas Power and Light transmission grid	Independent Power Producer	15	27 June 2025	27 June 2040	IPPL-25-0003
16	EA Energy Limited	#3 Bayside Executive Park West Bay Street & Blake Road P. O. Box CB 13012 Nassau, The Bahamas	Bahamas Power and Light transmission grid	Independent Power Producer	15	30 October 2025	30 October 2040	IPPL-25-0004 (Eleuthera)

17	EA Energy Limited	#3 Bayside Executive Park West Bay Street & Blake Road P. O. Box CB 13012 Nassau, The Bahamas	Bahamas Power and Light transmission grid	Independent Power Producer	15	30 October 2025	30 October 2040	IPPL-25-0005 (Abaco)
18	CVB Utility Company Limited	303 Shirley Street Nassau, The Bahamas	Bahamas Power and Light transmission grid	Independent Power Producer	15	11 September 2025	11 September 2040	IPPL-25-0006

PUBLIC ELECTRICITY SUPPLIER LICENCES

19	Bahamas Power and Light Company Limited	Blue Hill and Tucker Roads, Nassau, The Bahamas	The Commonwealth of The Bahamas, except for the Port Area of Grand	Public Electricity Supplier	25	01 May 2018	01 May 2043	PESL-18-0001
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			Bahama					
20	Grand Bahama Power Company	The Mall Drive, Freeport, The Bahamas	Grand Bahama	Public Electricity Supplier	25	01 May 2016	01 May 2041	PESL-18-0002
TRANSMISSION AND DISTRIBUTION LICENCES								
21	Bahamas Grid Company Ltd.	#3 Bayside Executive Park West Bay Street & Blake Road P.O. Box N-4875 Nassau, The Bahamas	The Commonwealth of The Bahamas covering the geographic area of New Providence	Transmission and Distribution	25	28 February 2025	28 February 2050	TDL -25-0001

Renewable Energy

To facilitate the renewable energy goals of the NEP, residential and commercial renewable energy frameworks have been developed which 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, solar systems. Tables 6 and 7 provide a summary of the residential and commercial systems installed and their capacity by customer class and by island. In 2025, there was a 13% increase in the number of systems installed and a 9% increase in the overall capacity.

Table 6: Summary of Residential and Commercial Renewable Energy Systems

	Number Online	Combined System Capacity, kW
Residential	366	3,137
Commercial	117	9,686
Total	483	12,823

Table 7: Summary of Residential and Commercial Renewable Energy Systems by Island

	Number Online	Combined System Capacity, kW
New Providence	428	11,158
Abaco	11	449
Crooked Island	1	16
Eleuthera	28	347
Exuma	7	814
Long Island	4	32
Ragged Island	4	7
Total	483	12,823

Renewable energy penetration in The Bahamas remains low. In 2025, almost 100% of the electricity needs were met through the use of fossil fuels. In terms of Utility-Scale renewable energy generation, independent power producers had 10 MW installed capacity in 2025. Total utility scale renewable generation not provided by IPPs was 70 MW and total battery energy storage was 47 MWh.

Generation Capacity

The total installed generation capacity in the country remained at just over one gigawatt (GW). Public Electricity Suppliers were responsible for the majority of electricity generation in The Bahamas, although more Independent Power Producers (IPPs) have come online in recent years. IPPs had a capacity of 80 MW of generation in 2025. A shift in the balance of power generation is projected to continue as BPL moves to retire a large portion of its generation fleet in the coming years. Figure 9 shows the share of energy generated by PESs compared to IPPs in 2025. Figure 10 shows the share of the types of fuel used to generate that energy.

Figure 1: PES versus IPP production

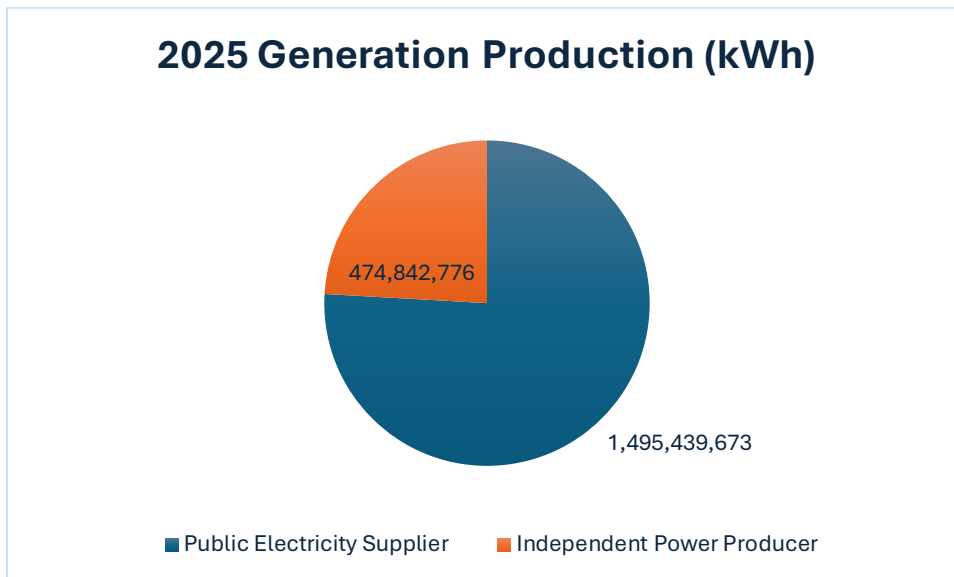
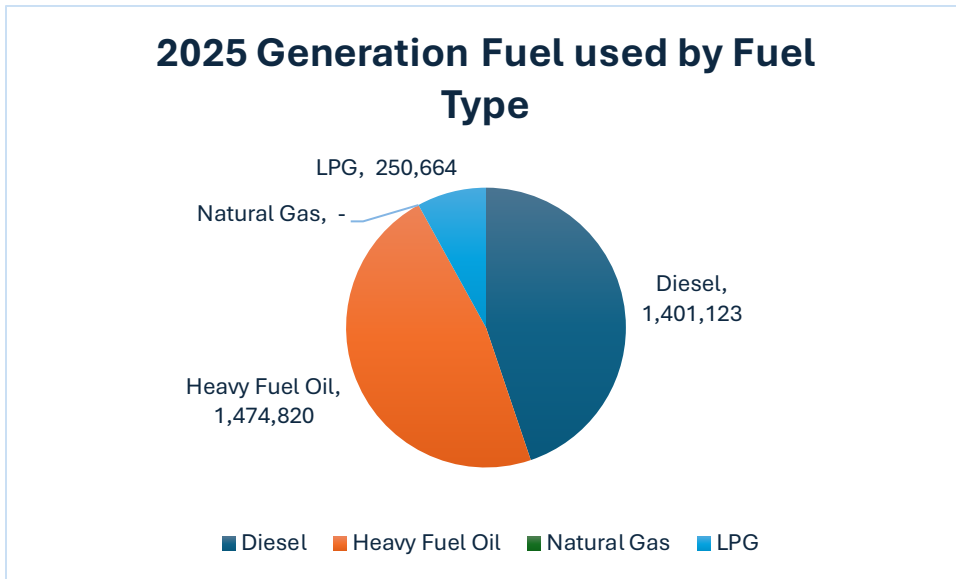
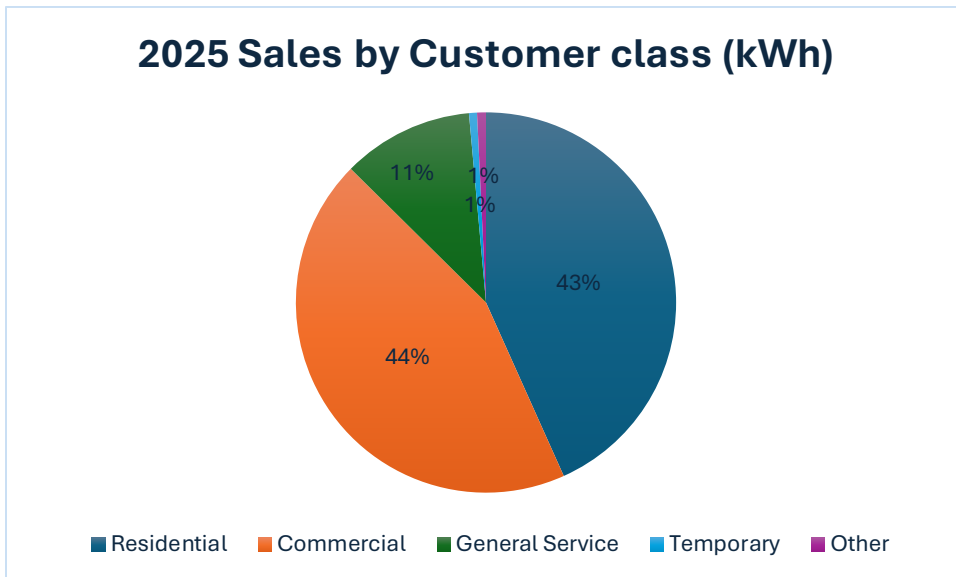


Figure 2: Fuel Used in Power Generation in Barrels



The maximum demand for power in the country occurred in August and was 346 MW. Customers consumed 12.6 million kWh of electricity in the course of the year. Figure 11 shows the portion of sales by Customer Class.

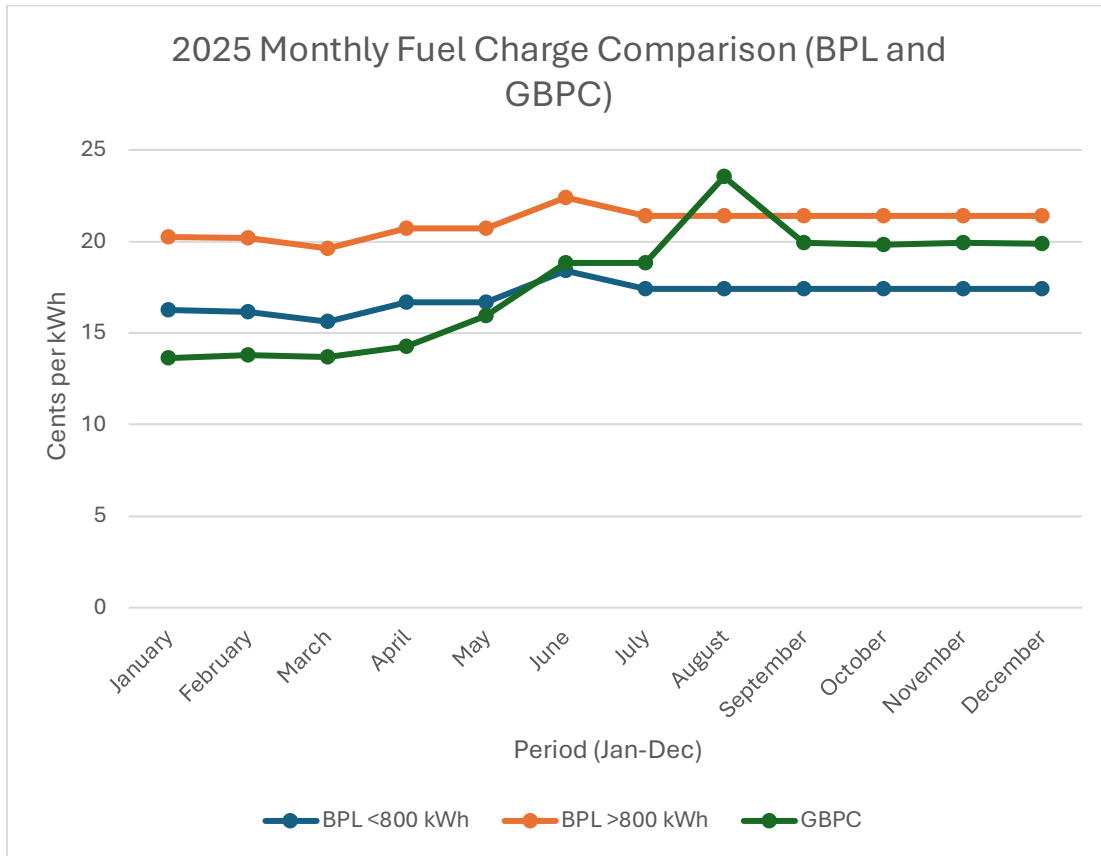
Figure 3: Electricity Consumption by Customer Type



Electricity Tariffs

In The Bahamas, customers pay a base rate plus a fuel charge for the electricity (kWh) they consume. The base rates for both BPL and GBPC remained unchanged in 2025. The fuel charge is a pass-through cost based on how much the utility paid for the fuel used in a respective month. Figure 12 shows how the fuel charge varied during the year.

Figure 4: Fuel Charge



Natural Gas Sector

There were no NGS licensees in 2024, but this changed in 2025. URCA spent 2025 continuing to build out and refine the regulations established in 2024 to adapt to the changing environment. Table 8 shows the licensees that were added in 2025.

Table 8: Register of Licensees in the Natural Gas Sector

No.	Name of Licensee	Address of Licensee	Service Territory	License Type	Duration (Years)	Licence Commencement Date	License Expiration Date	Licence Number
LNG Terminal Operator Licence								
1	New Providence Gas Ltd.	Librery House #82 Dowdeswell Street P.O. Box N-8181 Nassau, Providence The Bahamas	LNG Terminal, Clifton, New Providence	Liquefied Natural Gas Terminal Operator	15	28 July 2025	28 July 2040	NTOL-25-01
2	Island Power Producers Ltd.	#3 Bayside Executive Park West Bay & Blake Road	LNG Terminal, Arawak Cay, New Providence	Liquefied Natural Gas Terminal Operator	15	12 September 2025	12 September 2040	NTOL-25-02

		P.O. Box CB13012 Nassau, The Bahamas						
Natural Gas Transporter Licence								
3	Pipeline Specialist Ltd.	Librery House #82 Dowdeswell Street P.O. Box N-8181 Nassau, Providence The Bahamas	LNG Terminal, Clifton Pier, New Providence & BPL, Baillou Hill Road Power Plant	Natural Gas Transporter & Licence	15	28 August 2025	28 August 2040	NTL-25-01
LNG Importer Licence								
4	Island Power Producers Ltd.	#3 Bayside Executive Park West Bay & Blake Road P.O. Box CB13012	LNG Terminal, Arawak Cay, New Providence	Liquefied Natural Gas Importer Licence	15	12 September 2025	12 September 2040	NILU-25-01

		Nassau, The Bahamas						
Natural Gas Shipper Licence								
5	Island Power Producers Ltd.	#3 Bayside Executive Park West Bay & Blake Road P.O. Box CB13012 Nassau, The Bahamas	LNG Terminal, Arawak Cay, New Providence	Natural Gas Shipper Licence	15	12 September 2025	12 September 2040	NSL-25-01
Natural Gas Transfer Service Provider Registration								
6	Elnet Maritime Limited	Blue Marlin BLD #4, Suite 3, Freeport, Grand Bahama, The Bahamas	The Island of Grand Bahama	Natural Gas Transfer Provider	1	1 September 2025	31 August 2026	NTSPR-25-01
7	Shell Bahamas Power Company Inc.	#2 Bayside Executive Park West Bay Street & Blake Road Nassau, Bahamas	The Island of Grand Bahama	Natural Gas Transfer Provider	1	10 October 2025	31 October 2026	NTSPR-25-02

Much of the work of the NGS in 2025 took place in the background with entities obtaining required approvals and financing for the projects. Construction is expected to commence in 2026 with most projects coming online in 2027.

Overall, the energy landscape continues to change, primarily as a result of the Energy Reform plan. By the time the plan is fully implemented, over 20 new IPPs are expected to be added to the sector with an overall installed capacity of 84 MW of fossil fuel powered generation, 97 MW of solar, and 72.4 MWh of battery energy storage. There is also a planned shift from heavy and light fuel oils to natural gas.

Key Performance Indicators

Table 9: KPIs

Ref.	Category	Description	KPI Result 2025
S1	Statutory	Draft Annual Plan and Strategy published before the end of the financial year	Draft Annual Plan published on 19 December 2025
S2	Statutory	Annual Report and final Annual Plan published within four months of year-end	Annual Report 2025 and Annual Plan 2026 published by 30 April 2026
R8	Statutory	Licenses issued within: <ul style="list-style-type: none"> • 30 days – individual licences • 45 days – class licences 	7 55
R1	Regulatory	Final determinations are to be 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 – 33% ES – 30% NGS – 33%
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: 0 60-90: 0 >90: 6
R4	Regulatory	Number of complaints received	74
R5	Regulatory	Percentage of total complaints resolved	95%
R6	Regulatory	Complaints unresolved for >60 days	4%
R7	Regulatory	Average time taken to resolve complaints	10.79 days

R9	Regulatory	Volume of licences processed in the year	ECS - 62 ES - 10 NGS - 7
F1	Finance	Cost of Finance (% of OPEX)	8.70
F2	Finance	Period-end cycle time (Working days to close)	40 days
F3	Finance	Year-end cycle time (Working days to complete)	23 days
F4	Finance	Forecasting Accuracy	31.77%
F5	Finance	Cost of licensee invoicing	\$230.81
F6	Finance	Debtor Days	26.8 days
F7	Finance	Number of Creditor Notes and Adjustments	16
F8	Finance	Value of Creditor Notes and Adjustments	\$26,341
F9	Finance	Long outstanding debt (>90 days) as a percentage of total debt	99.6%
HR1	Human Resources	Cost of HR function (as a % of total operating expense)	4.12%
HR2	Human Resources	Cost of HR function per employee (in B\$)	\$4,962.50
HR3	Human Resources	The ratio of employees to HR staff	13:1
HR4	Human Resources	Annual average learning and development days per employee	9.21
HR5	Human Resources	Cost of learning and development per employee (%)	5.6%
HR6	Human Resources	Annual employee sick days per year (in working days)	97
HR7	Human Resources	Percentage of roles filled by permanent staff	90%
HR8	Human Resources	Average recruitment cost (in B\$)	\$21,308.29

HR9	Human Resources	Percentage of people in the role after 12 months of service	100%
HR10	Human Resources	The percentage of employees who left the organisation during the year	7.5%
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)	\$609.91
IT3	Information Technology	Percentage who can access the network and system remotely	100%

Licensing Statistics 2025

Please note that there were no Individual Operating Licences or Class Operating Licence Requiring Registration processed in 2025. Table 10 provides information on individual spectrum licences for 2025. Table 11 shows information on Class Spectrum Licences.

Table 10: 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
									1				
0	0	0	1	0	0	20	20	100%	0	0	0	1	0
0	0	0	0	0	0	0	0	100%	0	0	0	0	0
0	0	0	0	0	0	0	0	100%	0	0	0	0	0
1	0	0	0	0	0	0	0	100%	1	0	0	0	1
0	0	0	1	0	0	1	1	100%	0	0	0	1	0
0	0	0	0	0	0	0	0	100%	0	0	0	0	0
1	0	0	0	0	0	0	0	100%	1	0	0	0	1
1	0	0	0	0	0	0	0	0%	1	0	0	0	1
1	0	0	0	0	0	0	0	0%	1	0	0	0	1

1	0	0	1	0	0	10	10	100%	1	0	0	1	1
2	0	0	2	0	0	36	18	100%	2	0	0	2	2
0	0	0	2	0	0	40	0	100%	0	0	0	2	0
7	0	0	7	0	0	107	15	100%	1	0	0	7	7

Table 11: 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 2024										1			
Jan-25	7	0	0	1	0	0	33	33	100%	7	0	0	1
Feb-25	9	0	0	7	0	0	185	26	100%	9	0	0	7
Mar-25	6	3	0	9	0	0	208	17	100%	3	0	0	12
Apr-25	4	2	0	3	0	0	102	20	100%	2	0	0	5
May-25	6	3	0	2	0	0	72	14	100%	3	0	0	5
Jun-25	3	0	0	3	0	0	68	23	100%	3	0	0	3
Jul-25	4	2	0	3	0	0	114	23	100%	2	0	0	5
Aug-25	0	0	0	2	0	0	57	29	100%	0	0	0	2
Sep-25	0	0	0	0	0	0	0	0	0%	0	0	0	0
Oct-25	9	2	0	0	0	0	47	24	100%	7	0	0	2
Nov-25	4	2	0	5	0	0	94	13	100%	2	0	0	7
Dec-25	8	4	0	2	0	0	147	25	100%	4	0	0	6

TOTAL	60	18	0	37	0	0	1127	20	100%	6	0	0	55
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URCA Organisational Performance Indices

Executive summary

This report was prepared as part of URCA’s 2025 organisational performance reporting. Using the same three-index construct published in 2024, URCA’s headline 2025 OPI was 2.944 on a 0–4 scale, compared with 2.986 in 2024. This represents only a marginal movement of -0.042 points and indicates that organisational performance remained above the 2.0 benchmark. Strategic Development and ECS Governance improved modestly in 2025. ES Governance eased from its exceptionally strong 2024 level but remained the strongest of the three headline indices. A separate NGS Governance OPI of 2.871 has been reported for 2025. This provides the first distinct performance view of the Natural Gas Sector as a standalone governance area.

1. Key results

Index	2023 published	2024 published	2025 score	Movement (25-24)	Commentary
Strategic Development OPI	2.61	2.875	2.889	+0.014	Planning and transparency remained strong.
ECS Governance OPI	2.41	2.760	2.836	+0.076	Project design improved; timeliness remained mixed.
ES Governance OPI	2.64	3.321	3.106	-0.215	Still the strongest headline index despite a lower score.
NGS Governance OPI	—	—	2.871	—	New 2025 measure; credible early-stage result.
Headline URCA OPI*	2.55	2.986	2.944	-0.042	Slight movement; performance remained above benchmark.

* For comparability with the published 2024 position, the headline URCA OPI remains the average of the Strategic Development, ECS Governance and ES Governance indices. The NGS Governance OPI is presented separately as a new 2025 measure. 2023 published scores are included for trend reference; the movement shown is from 2025 to 2024.

Context note for interpretation

Stakeholders should note that, during 2025, the Electricity Sector team also assumed responsibility for the Natural Gas Sector, but there was no substantive change in team composition. Accordingly, the 2025 ES and NGS scores should be interpreted principally in light of the expanded mandate rather than a material reshaping of the team.

2. Background and methodology

URCA’s 2024 OPI report, published in 2024, established the benchmark for this assessment. The framework evaluates organisational performance on a 0–4 scale, with a baseline of 2.0, across Strategic Development, ECS Governance and ES Governance. In 2024, URCA also refined its methodology by withholding compliance scores for projects that had not yet reached an assessable stage, rather than automatically assigning a zero. That same interpretive approach has been maintained in reviewing the 2025 workbook. Stakeholders should note, however, that a number of projects initiated between 2023 and 2025 remain in progress or have not yet matured sufficiently for their full outcomes to be assessed.

To provide a more complete picture of regulatory outcomes once projects have matured, the 2026 report will include an assessment of the comprehensive list of projects URCA undertook from 2023 to 2026.

This 2025 report has therefore been prepared by reviewing the published 2024 OPI narrative and applying the scoring contained in the 2025 OPI workbook. The report is intended to present the 2025 results in a stakeholder-facing format, explain the principal movements in scores, and identify the main areas requiring further attention.

3. Overall 2025 assessment

The 2025 results indicate that URCA maintained overall organisational performance above the benchmark and broadly sustained the gains made in 2024. The slight movement in the headline URCA OPI does not suggest a material weakening in institutional capability. Rather, it reflects a mixed year in which stronger strategic planning and modest ECS improvement were balanced against a lower, though still strong, ES governance score.

The results also show that URCA continues to perform best at the front end of the regulatory cycle: problem identification, project definition, and strategic planning remain clear strengths. The lower-scoring areas across the governance indices remain concentrated in consultation timing, final decision timing for some projects, internal lessons-learned documentation, and other close-out disciplines.

4. Commentary by index

4.1 Strategic Development OPI

The Strategic Development OPI increased slightly from 2.875 in 2024 to 2.889 in 2025. This result reflects continued strength in strategic planning, annual planning alignment, transparency, and consumer-facing activity. It also suggests that URCA has retained coherent institutional planning architecture while continuing to improve its communication of priorities and performance. In summary:

- Planning and transparency remain strong and continue to anchor URCA's institutional performance;
- The consumer score was strengthened by the nationwide ICT access and usage survey undertaken in 2025; and
- Stakeholder engagement, value-for-money indicators, internal KPIs, and sector development indicators appear more mixed and continue to warrant management attention.

4.2 ECS Governance OPI

The ECS Governance OPI increased from 2.760 in 2024 to 2.836 in 2025. This reflects a modest improvement in the management of the ECS regulatory cycle. The strongest aspects of the 2025 profile are the consistency of issue identification and project definition. However, the score pattern suggests that stronger front-end project design has not yet translated consistently into timely consultation, final decision-making, and post-project learning across all projects. In summary:

- Project identification and scoping appear strong and consistent across the ECS work programme;
- Timeliness through consultation and decision stages remains uneven across several projects; and
- The score profile suggests that stronger internal review and post-project documentation would improve governance quality further.

4.3 ES Governance OPI

The ES Governance OPI declined from 3.321 in 2024 to 3.106 in 2025, but it remained the strongest of the three headline indices. The 2025 score indicates that the Electricity Sector continued to perform strongly in identifying, structuring, and progressing regulatory work. It also retained strong compliance and ex-post evaluation outcomes for projects that had matured sufficiently. The main areas that reduced the score were the timing of regulatory decisions and the limited evidence of immediate post-project review.

This result should be read alongside the operational context noted above. During 2025, the ES team also assumed responsibility for the Natural Gas Sector, but there was no substantive change in team

composition. Accordingly, the 2025 ES and NGS results should be interpreted primarily considering the expanded mandate. In summary:

- ES remained URCA’s strongest headline governance area in 2025;
- The reduction from 2024 appears to be driven more by timing and close-out disciplines than by weakness in problem identification or compliance follow-through; and
- The result remains positive and should be interpreted in light of the team’s broadened responsibilities.

4.4 NGS Governance OPI

The NGS Governance OPI was 2.871 in 2025. As the first distinct reporting result for the Natural Gas Sector, this is a credible outcome indicating a developing yet functional governance pattern. The score suggests that URCA has established the key elements of issue identification, compliance follow-up, and ex-post assessment. However, the sector still requires stronger consultation-stage throughput, internal review discipline, and organisational consolidation.

Because the ES team assumed the Natural Gas Sector as part of an expanded mandate, and with no substantive change in team composition, the 2025 NGS result should also be viewed as an early-stage indicator of performance under the broadened scope rather than a settled, mature-state score.

5. Focus areas for continued improvement

URCA’s 2025 OPI results indicate that, while URCA continues to perform at a generally satisfactory level, sustained improvement will depend on strengthening the timeliness and consistency of project delivery, embedding organisational learning, building capacity for the expanded UES (ES/NGS) mandate, deepening the evidence base for stakeholder-facing assessment, and refining the OPI framework to reflect URCA’s full multi-sector responsibilities. This report indicates that, to strengthen organisational performance further, URCA should:

- Continue strengthening consultation and final-decision timeliness across regulatory projects;
- Institutionalise immediate post-project reviews and lessons-learned reporting across ECS, ES and NGS;
- Support the ES/NGS function with sustained capacity building, workflow support and role clarity to reflect the expanded mandate;
- Further strengthen stakeholder, consumer and sector-development evidence so that repeatable data and documented trend analysis support external-facing OPIs; and
- Clarify, for future reporting cycles, whether the headline URCA OPI should formally incorporate the NGS Governance OPI once a consistent multi-year series becomes available.

6. Conclusion

Overall, the 2025 OPI results present a picture of stable institutional performance, continued strategic maturity, and credible governance across URCA’s expanding regulatory remit. While the headline score moved only marginally relative to 2024, the results also show where further gains can be made, particularly in timeliness, internal review, and transition support for the broadened UES (ES/NGS) function. URCA remains well placed to build on these results in the next reporting cycle.

Actual vs. Budgeted Expenditure

The tables below present URCA's actual expenditure against its budgeted expenditure for 2025.

ACTUAL VS BUDGETED EXPENDITURE

CONSOLIDATED

Category	Actual FY-2025	Budget FY-2025	Inc/(Dec)
Revenue	10,466,318	11,032,204	(516,819)
Other income	19,416	-	19,416
Total Income	10,485,734	11,032,204	(497,403)
Expenses:			
Staff Costs	4,035,953	4,088,166	52,213
Executive Compensation	570,449	590,734	20,285
Non-Executive Compensation	181,597	202,000	20,403
Professional services	943,041	2,023,401	1,080,360
Conference, training and travel	715,049	741,400	26,351
General and administrative services	567,558	464,501	(103,057)
Depreciation	421,407	510,101	88,694
Information technology	318,203	374,200	55,997
Premises occupancy costs	299,401	598,301	298,900
Office services	147,163	373,900	226,737
Consumer education and public relations	83,000	319,500	236,500
Loss on disposal of assets	41,200	-	(41,200)
Provision for doubtful accounts	15,238	746,000	730,762
Total Operating Expenses	8,339,259	11,032,204	2,692,945
Other comprehensive income	48,588	-	48,588
Comprehensive Income	2,195,063	-	2,195,063

ACTUAL VS BUDGETED EXPENDITURE

ELECTRONIC COMMUNICATIONS

Category	Actual FY-2025	Budget FY-2025	Inc/(Dec)
Revenue	6,214,520	6,345,243	(130,723)
Other income	19,416	-	19,416
Total Income	6,233,936	6,345,243	(111,307)
Expenses:			
Staff Costs	2,375,597	2,651,531	275,934
Executive Compensation	280,257	310,418	30,160
Non-Executive Compensation	106,216	118,149	11,934
Professional services	685,412	794,368	108,956
Conference, training and travel	584,096	544,791	(39,305)
General and administrative services	340,534	412,943	72,409
Depreciation	266,374	356,894	90,520
Information technology	188,769	239,599	50,830
Premises occupancy costs	175,249	369,412	194,163
Office services	88,581	242,830	154,249
Loss on disposal of assets	41,200	-	(41,200)
Consumer education and public relations	41,131	188,308	147,177
Provision for doubtful accounts	15,238	116,000	100,762
Total Operating Expenses	5,188,654	6,345,243	1,156,589
Comprehensive Income over Expenditure	1,045,282	-	1,045,282
Other comprehensive income	48,588	-	48,588
Comprehensive Income	1,093,870	-	1,093,870

ACTUAL VS BUDGETED EXPENDITURE

ELECTRICITY

Category	Actual FY-2025	Budget FY-2025	Inc/(Dec)
Revenue	2,684,648	3,070,744	(386,096)
Other income	-	-	-
Total Income	2,684,648	3,070,744	(386,096)
Expenses:			
Staff Costs	1,317,732	952,791	(364,941)
Executive Compensation	151,222	157,468	6,246
Non-Executive Compensation	52,227	58,095	5,868
Professional services	215,969	684,687	468,718
General and administrative services	170,268	33,462	(136,806)
Depreciation	107,782	90,440	(17,342)
Information technology	89,734	83,076	(6,658)
Conference, training and travel	87,012	102,953	15,941
Premises occupancy costs	77,065	122,771	45,706
Office services	39,842	84,202	44,360
Consumer education and public relations	36,083	70,800	34,717
Provision for doubtful accounts	-	630,000	630,000
Total Operating Expenses	2,344,935	3,070,744	725,809
Comprehensive Income over Expenditure	339,713	-	339,713
Other comprehensive income	-	-	-
Comprehensive Income	339,713	-	339,713

ACTUAL VS BUDGETED EXPENDITURE

NATURAL GAS

Category	Actual FY-2025	Budget FY-2025	Inc/(Dec)
Revenue	1,567,150	1,616,217	(49,067)
Other income	-	-	-
Total Income	1,567,150	1,616,217	(49,067)
Expenses:			
Staff Costs	342,624	483,844	141,220
Executive Compensation	138,970	122,849	(16,121)
Non-Executive Compensation	23,154	25,756	2,601
General and administrative services	56,756	18,096	(38,660)
Depreciation	47,251	62,767	15,516
Premises occupancy costs	47,087	106,118	59,031
Conference, training and travel	43,942	93,656	49,714
Professional services	41,660	544,346	502,686
Information technology	39,700	51,525	11,825
Office services	18,740	46,868	28,128
Consumer education and public relations	5,786	60,392	54,606
Provision for doubtful accounts	-	-	-
Total Operating Expenses	805,670	1,616,217	810,547
Comprehensive Expenditure over Income	761,480	-	761,480
Other comprehensive income	-	-	-
Comprehensive Income	761,480	-	761,480

2026 Annual Plan

Introduction

The Utilities Regulation and Competition Authority (URCA) presents its Annual Plan 2026, which outlines the organization's strategic objectives for the year in order to fulfil our statutory and policy obligations to foster a sound regulatory environment that promotes fairness in competition, allows for innovation in the sector under our remit, the protection of consumer rights, and optimizes the national development of The Bahamas. The Plan is guided by the legislative framework of the URCA Act, 2009, the Communications Act, 2009 (Comms Act), the Electricity Act, 2024 (EA), and the Natural Gas Act, 2024 (NGA), as well as the Electronic Communications Sector Policy and the National Energy Policy 2025-2030, (NEP).

URCA will continue to operate under the guiding principle that while we regulate sectors that are different, they are intrinsically linked to national development and therefore a synergistic approach must be taken. Our 2026 approach will focus on the broader strokes of operational efficiency and value for money for all stakeholder, while drilling down in sector specific needs to not only meet statutory mandates and policy objectives, but continue to build a regulator that operates at a world-class standard for the rapid advancement of the communications and energy sectors, with the many actors and aspects of modern life they touch in mind.

Our plans for Electronic Communications, Electricity and Natural Gas are meant to maintain a competitive, fair environment that drives innovation and protects the interests of all stakeholders.

URCA remains committed to the bedrock mores of ethics, transparency, accountability and sound corporate governance, maintaining our regulatory independence, engaging more deeply with all stakeholders and demonstrating the role that URCA plays not only in The Bahamas, but in the world on The Bahamas' behalf.

1.1 Structure of the Annual Plan

URCA's role in the development of The Bahamas has been critical over the past 15-plus years. We have overseen dramatic change by being unafraid to be bold. Together, URCA's strategic goals, forward-leaning initiatives, and focused operational priorities continue to embrace that boldness by charting a path toward strengthening the economic and social fabric of The Bahamas. Our plan is designed to deliver utility services that are not only resilient and efficient, but genuinely inclusive, ensuring that every community benefits from a modern, reliable, and future-ready national infrastructure. The following sections outline how these efforts will come to life:

Section 2: URCA's regulatory strategies for fulfilling the objectives of the Comms Act, EA, and NGA, with a focus on critical initiatives for 2026, that will continue to inform the broader priorities for the two following years.

Section 3: Broad priorities for 2026 and 2027, outlining the medium-term direction for URCA's activities and contributions to sector development, as well as the planned projects for 2026, including updates on ongoing initiatives from 2025.

Section 4: Key performance indicators (KPIs) for measuring progress in 2026, ensuring accountability.

Section 5: Our proposed 2026 budget to support the fruition of URCA's objectives.

1.2 Strategic Outlook for 2026

Since its establishment in 2009, URCA's mandate has grown significantly – from regulating the Electronic Communications Sector, then the Electricity Sector, and most recently the Natural Gas Sector.

With each expansion, URCA has not only kept pace but has helped redefine what effective, future-focused utility regulation can look like.

Having introduced sweeping reforms to the electricity framework, overseen unprecedented advancements in the natural gas sector, and helped steer the development of a modern National Energy Policy in 2025, URCA embarks on 2026 with a renewed sense of purpose. We intend to be a driving force in the transformation of every sector we regulate. Our work to build a technologically advanced national communications coverage plan has already begun, and in the coming year we will accelerate this critical effort.

At the same time, URCA will deepen its role on the international stage, strengthening engagement with global partners to ensure The Bahamas remains aligned with emerging best practices and positioned to benefit from the next generation of utility technologies.

Throughout this period of rapid evolution, URCA remains anchored by its vision of becoming “a globally respected regulator, championing the interests of people in The Bahamas and of the sectors we regulate,” and by its mission of “Improving Lives Through Effective Utility Regulation.” These guiding principles shape our commitment to leveraging the synergies across energy, communications, and natural gas to deliver smarter interventions, better regulatory outcomes, and a higher quality of life for all Bahamians.

2.1 Building Resource Capacity and Transitioning Leadership

With sector director posts filled, URCA entered 2025 with a deliberate focus on strengthening its internal capacity by onboarding both seasoned experts and highly qualified emerging professionals across all regulated sectors. This investment in talent is central to building the modern, future-ready regulator envisioned in our strategic direction. We intend to be a regulator equipped to anticipate technological shifts, respond to national priorities, and lead transformative change.

A critical part of this renewal is restoring stakeholder confidence in URCA’s ability to drive national development. Achieving this requires not only sound strategies, but also the people capable of executing them. After a period of leadership instability that challenged this confidence, URCA has prioritised stability, capability, and continuity in its organisational structure.

In the final quarter of 2025, URCA advanced this effort by launching the search for a new Chief Executive Officer, as our current CEO prepares to conclude his tenure. We expect to welcome the successful candidate in 2026, following the approval process. This leadership transition marks an important milestone in URCA’s ongoing evolution and reinforces our commitment to strong, credible, and accountable governance.

Having rebuilt the foundation of its leadership team in 2023 and 2024, URCA will continue strengthening its human resources throughout 2025 and into 2026. The organisation remains committed to cultivating an agile, technically strong, and forward-thinking team capable of navigating the complex intersections of energy, natural gas, electronic communications, and evolving national policy objectives. This team will help steer URCA toward its vision and ensure that the regulator remains aligned with the needs of a rapidly advancing and digitally inclusive Bahamian society.

2.2 Crafting a New Strategic Vision

As we look toward 2026, our strategic focus will include developing a transformative multi-year strategic plan. This plan will be one that strengthens URCA as an institution while modernizing the sectors we oversee. This includes continued leadership development, deeper employee capability-building, closing persistent connectivity and service gaps, expanding our regional profile, and advancing meaningful international collaboration.

2.3 Strengthening Capability for a Modern, Island-Focused Regulator

URCA remains committed to cultivating a high-performance culture built on technical excellence and continuous improvement. In 2026, the organisation will deepen its investment in staff training, professional certification, and targeted upskilling to meet the rapid advancements across the electronic communications, broadcasting, electricity and natural gas sectors. Through expanded internal and external training, mentoring, and coaching initiatives, URCA will reinforce its recruitment, retention, and succession planning strategies. Emphasis will be placed on developing specialised expertise tailored to the unique regulatory needs of The Bahamas' archipelagic geography, including service delivery in the Family Islands, infrastructure resilience, and cross-sectoral regulatory proficiency.

2.5 Supporting Major International Initiatives

URCA continues to serve as the national focal point for The Bahamas at the International Telecommunication Union (ITU), representing the country's interests in global telecommunications and ICT development. In 2025, the Government of The Bahamas committed to hosting the ITU World Telecommunication/ICT Policy Forum 2026, a major international gathering that will bring global policymakers, regulators, and industry stakeholders to our shores to help shape the future of ICT policy. The Bahamas also announced its intention to nominate a candidate for Deputy Secretary-General of the ITU at the plenipotentiary conference in Doha, Qatar. This is a historic first for a small island developing state and for the Caribbean. In keeping with its mandate, URCA will support the government in these and other initiatives of international significance.

2.6 Final Thoughts

URCA's priorities for 2026 reflect its determination to regulate and revolutionize the nation's utility sectors, ensuring they become engines of national progress, economic resilience, and social advancement for every community in The Bahamas.

3. Priorities for 2026

As the sectors we regulate expand and shift to accommodate a more interconnected world focused on the sustainable development of industries built around technology and the common good, URCA too must remain adroit. Our 2026 Annual Plan is our commitment to utilising our resources for the most impact while providing service and value for money for all stakeholders.

3.1 Operations Priorities for 2026

In 2026, Operations will drive URCA's shift toward a more efficient, digitally integrated, secure, and sustainability-minded organisation. The Facilities, Information Technology, and Administration functions will work together to streamline internal processes, strengthen governance, and support cost-effective operations that reinforce URCA's regulatory mandate.

Facilities will move from refurbishment to optimisation of the upper floors at Frederick House, completing outstanding works such as HVAC balancing, fire suppression certification, and elevator upgrades to achieve full operational readiness in 2026. The team will evaluate a digital Building Management and Maintenance System to improve preventive maintenance, asset tracking, and energy use while introducing solar-assisted and other energy-efficient solutions. Compliance, contractor oversight, and safety performance will be strengthened through structured reviews and alignment with environmental and health standards.

Information Technology will advance the digital foundations needed for an integrated operating environment. The deployment of the Sage ERP solution, DocuWare for records and data governance, and a new HR information system will modernise workflows, improve compliance, and provide more reliable organisational data. Cybersecurity will remain a priority through stronger access controls, system hardening, and continuous staff awareness. IT will also support the launch of e-licensing and regulatory submission portals, upgrade telephony services, and begin shaping a data architecture that will allow these systems to evolve into a cohesive digital ecosystem.

Administration will continue modernising support services with a clear focus on value for money and transparency. The revised Procurement Policy will be embedded through digital tools that automate requisitions, evaluations, and contract management. Vendor oversight will be strengthened through a standardised scorecard, while the expanded use of the cloud-based inventory platform will improve real-time asset tracking, reduce waste, and support more accurate budgeting. Cost-management measures across utilities, fleet, and insurance will reinforce financial discipline across Operations. These efforts will deliver greater efficiency, reduced operating costs, improved digital capability, stronger governance, and a more resilient internal environment.

3.2 Human Resource and Learning Priorities for 2026

URCA's goal for 2026 is to build a workforce that is sharp, confident, globally competitive, and ready to adapt to the fast-changing world of regulation and workplace standards. To get there, the Human Resource and Learning Department will continue improving how we train, develop, and support our people so that URCA can operate as a more seamless, efficient organisation where objectives and expectations are easier to follow and track.

We want stronger leaders, a healthier workplace culture, and staff who are fully equipped with the technical skills needed for a growing and evolving regulator. This means continuing leadership training, expanding opportunities for professional development, and creating clearer pathways for advancement so employees can grow with the organisation. It also means strengthening communication, recognising good performance, and making sure people feel supported and engaged in their work.

As URCA continues its digital transformation, staff will be trained to use new systems and tools that help improve efficiency and service delivery. The rollout of an updated Human Resource Information

System and other modern HR tools will make processes smoother and allow employees to focus more on meaningful work instead of administrative barriers.

As URCA matures as an institution, we know that some of our long-serving team members will eventually transition out, taking with them valuable experience. To safeguard that legacy, we will place strong emphasis on knowledge transfer, structured handover processes, and learning opportunities that keep our people well-trained, forward-looking, and positioned to support the continued evolution of regulation in The Bahamas.

3.3 Corporate and Consumer Relations Priorities for 2026

The Corporate and Consumer Relations Department remains focused on strengthening URCA's national and international presence throughout 2026. CCR will support The Bahamas' campaign for the ITU Deputy Secretary-General position and will coordinate national communication and stakeholder engagement for the World Telecommunication and ICT Policy Forum taking place in The Bahamas. Building on the momentum of 2025, CCR will continue expanding the Youth in ICT programme following the successful selection of Bahamian participants as ITU Global Connect Youth Ambassadors. This expansion will ensure more young Bahamians are exposed to local and global ICT opportunities.

A general election will be held in The Bahamas in 2026. URCA has a mandate, and the regulatory guardrails in place, to make sure that the democratic processes of elections are enriched and not compromised by licenced broadcast content. URCA will focus on increased public education in the lead up to the election, and monitoring and compliance throughout the election, to live up to its remit under the Comms Act and the Code of Practice for Broadcast Content.

A major focus for 2026 is the continued redevelopment of URCA's website. This has been an ongoing project aimed at creating a more modern, service-oriented platform that supports the needs of consumers and licensees across every sector. The upgraded site will include integrated licensing and payment functions, improved consumer care features and, for the first time, dedicated outage reporting portals for all licensees. These portals will allow for more efficient submission, tracking and management of service interruptions and other sector reports. To ensure the platform is fully fit for purpose, several components will require thoughtful digital re-architecture and refinement as we move toward completion. URCA is committed to delivering the fully realised system in 2026.

CCR will also continue leading core organisational initiatives such as the annual Stakeholder Forum, the publication of the Annual Report, and broader nationwide engagement in the Family Islands. Consumer education, empowerment and protection will remain a key focus through sustained digital efforts, a National Cybersecurity Forum and expanded outreach in schools and communities.

3.4 Data Governance and Information Management Priorities

In 2026, the Data Governance and Information Management Unit will continue its emphasis on building a strong data management foundation that supports sound decision making and protects the information that underpins essential national services. The Unit will continue implementing URCA's Enterprise Records Management System. Strengthened metadata controls, updated retention schedules, and improved data quality practices will help ensure that information is reliable, traceable, and available when needed.

A key priority is reducing organisational risk by improving how data is collected, shared, secured, and preserved across the entire lifecycle. This work is increasingly important as cybersecurity threats grow more sophisticated and as regulators worldwide are expected to demonstrate they are able to properly handle the information entrusted to them. The Unit will support this by enhancing privacy and security compliance and expanding workflow automation.

The Unit will also continue building internal capability through targeted training and through the activation of the Data Steward Network so that staff across departments understand their role in

safeguarding URCA's information assets. As artificial intelligence expands into more regulatory and administrative functions, the Unit will help ensure that URCA maintains proper oversight and control of the data feeding these tools, preventing unintended bias and protecting the integrity of regulatory processes.

These efforts will support URCA's digital transformation, improve operational efficiency, and strengthen public trust.

3.5 Legal, Risk and Compliance Priorities

In 2026, URCA's legal risk and compliance priorities will centre on strengthening institutional resilience, advancing a strong regulatory compliance posture, and embedding a culture of proactive compliance across the organization. Building on URCA's evolving governance and risk maturity, URCA will further advance its pursuits to safeguard URCA's statutory mandate, decision-making integrity, and credibility.

A key priority for 2026 is the formal implementation of enterprise-wide risk and compliance framework. Legal and compliance accountability will be embedded across all sectors to ensure that statutory obligations, regulatory duties, and governance requirements are clearly owned, monitored, and reported.

URCA will conduct regular legal compliance audits and release resource tools to support reader assimilation. Collectively, these measures are intended to reduce the likelihood of legal and regulatory challenges and reinforce confidence in URCA's regulatory processes.

Enhancing enforcement and litigation readiness and managing litigation risk and associated costs is also a key priority. URCA will advance strategies to standardize case management while adopting alternative dispute resolution mechanisms to support timely, cost-effective resolution of disputes.

URCA will also adopt a forward-looking approach to emerging legal and regulatory matters. URCA will proactively monitor legislative developments, policy reforms, and sectoral trends and expand industry engagements on legal and policy development issues.

3.6 International Relations Priorities for 2026

Aligned with its mandate to strengthen regulatory frameworks and position The Bahamas as an active contributor to global development across all regulated sectors, URCA will continue expanding its international engagement in 2026. As a small island developing state, The Bahamas must operate within global digital, energy, and natural gas policy environments that often do not fully reflect the realities of archipelagic nations with dispersed populations, climate exposure, limited economies of scale, and high infrastructure costs. For this reason, URCA will advocate for positions that respond to the needs of The Bahamas and the wider Caribbean while supporting national development priorities.

In the digital sector, URCA will continue preparations for the World Telecommunication and ICT Policy Forum 2026 by working closely with the International Telecommunication Union to support the national coordination process, technical engagement, and diplomatic activity associated with this major global gathering. Hosting the forum offers a significant opportunity for The Bahamas to contribute to international dialogue while benefiting from the expertise, exposure, and partnerships that accompany events of this scale. As part of this effort, URCA will continue its engagement with allies and partners through CITEL, the CTU, CARICOM bodies, and other regional forums to ensure that Caribbean perspectives remain unified and influential. These relationships will be particularly important as The Bahamas prepares for the ITU Plenipotentiary Conference in November 2026 and positions itself to make contributions that reflect national priorities and lessons learned from recent years of domestic and international work.

URCA will also broaden its representation in energy and natural gas regulatory spaces. With the passage of the Electricity Act 2024 and the Natural Gas Act 2024, The Bahamas has entered a new era that demands stronger linkages with international best practices, regional partners, and global institutions. URCA intends to deepen its engagement with the International Renewable Energy Agency and strengthen its participation in the Energy Regulators Regional Association, which The Bahamas joined in 2025. These partnerships will allow URCA to remain informed on developments in renewable energy integration, regulatory oversight for natural gas markets, resilience planning, network reliability, grid modernization, safety regimes, and the evolving global shift toward cleaner energy systems. Through sustained involvement, URCA will help ensure that The Bahamas stays aligned with forward-leaning regulatory standards while bringing home insights that directly support local sector planning and implementation.

Active participation in global and regional forums provides a two-way benefit. URCA contributes the national perspective of a small island developing state, and in return gains access to training, knowledge exchanges, and technical experience that can be applied to domestic regulation across the digital, electricity, and natural gas sectors. This engagement supports the development of a more sophisticated regulatory environment, encourages innovation, and helps ensure that The Bahamas remains equipped to address emerging technologies, consumer protection expectations, sector disruptions, and new regulatory models across all industries under URCA's remit.

To strengthen long-term national capacity, URCA will continue promoting pathways for Bahamian delegates to participate in international working groups and study groups, expand training opportunities for staff, and encourage exposure to global best practices. These initiatives will support the development of a skilled cohort of Bahamian professionals who can contribute meaningfully to regional and international governance in telecommunications, energy, and natural gas. Through these efforts, URCA seeks to advance national interests, build expertise within the local sectors, and ensure that The Bahamas remains well positioned to benefit from global developments while guiding its own course with confidence.

3.7 URCA General Priorities for 2026

General priorities focus on projects that improve operational efficiency, streamline internal processes, and encourage greater collaboration within the organisation. In 2026, they will include initiatives launched in 2025 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.

3.7.1 Project Descriptions and Progress Updates

The general priorities for 2026 will centre on advancing URCA's ongoing digital transformation, with a particular focus on expanding the Integrated Electronic Document Management initiative and deepening the digitalisation of core operational processes. As this work now spans multiple departments and forms part of a wider organisational shift, the document management project will be incorporated into the broader operational digitisation programme rather than treated as a separate workstream. This integrated approach reflects the scale and maturity of the transformation underway, ensuring that systems, workflows, and information management practices evolve cohesively across URCA. In addition, preparation of the 2026 Annual Plan will continue to guide strategic alignment across all units. Collectively, these initiatives support URCA's wider commitment to building a regulator that is more efficient, transparent, and innovative in its internal operations and external oversight. Further details on these initiatives are outlined below:

- ***Continued Digitalisation of URCA's Operational Processes.***

URCA's digital transformation is an ongoing, multi-phase initiative that continues to evolve alongside technological advances and the organisation's growing operational needs. Following

the successful rollout of Phase 2 in 2025, which focused on digitalising key operational processes and streamlining internal workflows, URCA is now entering its third phase. This next stage will look beyond individual systems and begin shaping how digital transformation can be fully embedded across the entire organisation. As Phase 3 progresses, URCA will work closely with each department to identify best practices, align processes with modern standards, and determine where further digital integration will deliver the greatest value. Through this sustained, organisation-wide approach, URCA will continue to enhance efficiency, strengthen service delivery, and ensure it remains an agile and modern regulator.

- **URCA 2026 Annual Plan.**

Section 41 of the URCA Act instructs URCA to publish an Annual Plan. The publication of the Draft Annual Plan before the end of the year fulfils that requirement.

Table 3.1 below outlines the key general projects for 2026, their timelines, and publication milestones where applicable.

Table 3.1: General Project Schedule

Project	Start Period	End Period	Consultation Publication Date	Final Decision Publication Date
Digitalisation of Operational Processes	T1-2026	T3-2026	N/A	N/A
Draft Annual Plan	T3-2025	T1-2026	T3-2025	T1-2026

3.8 Electronic Communications Sector Priorities

In 2026, the Electronic Communications Sector (ECS) regulatory team will continue advancing the objectives of the ECS Policy by building on the progress made over the past year and delivering on projects carried forward from 2025. URCA’s priorities will focus on strengthening spectrum planning, supporting technological innovation, improving service reliability across the archipelago, addressing evolving cybersecurity risks, and progressing key universal access initiatives. The regulatory agenda will also reflect the rapid global evolution of electronic communications technologies, including satellite connectivity, 5G, licence-exempt services, and emerging resilience standards.

To promote investment and innovation, URCA will continue its work on modernising the country’s regulatory framework, expanding oversight of mission-critical infrastructure and ensuring that regulatory obligations keep pace with technological change. This includes advancing frameworks that encourage efficient spectrum use, foster competition, support inclusive connectivity, and ensure the continuity and resilience of networks essential to The Bahamas.

3.8.1 Project Descriptions and Progress Updates

The 2026 workplan consists of major new initiatives alongside carryover projects that progressed in 2025 and require completion in the coming year. These projects address market developments, evolving stakeholder needs, and lessons learned from consultations conducted throughout 2024–2025. The descriptions of the projects and progress updates can be found below:

- **Development of a National Electronic Communications Band Plan.** URCA will develop a comprehensive National Band Plan that aligns with national spectrum priorities and policy objectives, supports regional harmonisation, and meets international obligations. The Band Plan will reflect developments in 5G, direct-to-device communications, IoT/M2M technologies, and other emerging services, and will serve as a core tool for objective, transparent and fair licensing decisions that balances commercial demand, public safety, innovation, spectrum efficiency, international coordination requirements, and The Bahamas’ positions in regional and global fora.
- **Establishment of the URCA Regulatory Sandbox – Innovation Reef.** URCA will establish “Innovation Reef,” a regulatory sandbox designed to allow controlled, time-bound testing of

innovative electronic communications technologies and services. In the same manner that a reef supports the safe growth of new life, the objective of Innovation Reef is to provide an environment where new and emerging electronic communications technologies, services, networks and solutions can be safely tested, refined, and developed before wider deployment. This framework will enable existing and prospective licensees to trial new solutions under a temporary licensing structure while mitigating risks to consumers and other operators. Innovation Reef will enhance regulatory certainty and promote a more vibrant, innovation-driven ECS environment.

- **Regulatory Framework for Commercial Operations in Licence-Exempt Spectrum.** URCA will develop a framework to govern commercial deployment in licence-exempt spectrum bands such as Wi-Fi and emerging 5GHz/6GHz technologies. The framework will clarify permissible uses, technical requirements, obligations, interference-mitigation practices and spectrum-pricing considerations so that these bands are utilised efficiently and transparently. The framework will define permissible uses, technical parameters, and licence conditions and obligations. It will also take into consideration national policy objectives, appropriate spectrum-pricing approaches, and the need to promote the efficient use of spectrum and effective interference-mitigation practices.
- **Regulatory Framework for Submarine Communications Cable Systems.** Given The Bahamas' heavy reliance on submarine cable infrastructure, URCA will develop a modern framework governing the deployment, operation, maintenance, resilience and protection of these systems. It will also address licensing considerations for submarine cable landing and operations, including requirements related to permitting coordination, environmental considerations, resilience standards, and incident reporting mechanisms. The goal is to strengthen national communication resilience and long-term infrastructure sustainability.
- **Review of the Disaster Management Regulations for ECS.** URCA will review and update the Disaster Management Regulations to reflect lessons from recent hurricane seasons, advances in terrestrial and satellite resilience, and emerging early-warning technologies. This update will clarify redundancy requirements, incident reporting, business continuity expectations and inter-agency coordination, particularly regarding the National Alert Warning System (NAWS). The updated framework will explicate existing licence conditions and support a more resilient electronic communications sector, with the aim of ensuring that electronic communications networks and services remain robust and responsive before, during, and after disasters.
- **Development of an Electromagnetic Field (EMF) Exposure Regulations.** URCA will introduce a regulatory framework aligned with international EMF exposure standards, addressing obligations, site-assessment criteria, and public information requirements. This initiative will ensure the safe deployment of networks such as 5G and small-cell systems consistent with global best practice while clarifying licensee responsibilities for monitoring, and reporting, and demonstrating ongoing compliance. The resulting regulations will promote the safe deployment of electronic communications networks and services in The Bahamas, consistent with national policy objectives and international best practice.

Carryover Projects

- **Guidelines for Cybersecurity of Public Electronic Communications Networks and Service.** URCA recognises the importance of establishing clear guidelines to safeguard the confidentiality, integrity, and availability of public electronic communications networks and services. This project was temporarily paused in 2025 to ensure that the Guidelines are fully aligned with the emerging National Cybersecurity Framework and related national initiatives, including the National Cybersecurity Strategy. The work will resume in 2026 and will promote licensees' adoption of robust cybersecurity practices consistent with international best practice, strengthening resilience against cyberattacks and incidents, and mitigating risks associated with cyber vulnerabilities. The Guidelines will outline baseline cybersecurity obligations for licensees,

including incident-reporting requirements and coordination mechanisms with CIRT-BS and other national entities.

- **Review of the Network Quality of Service (QoS) Regulations.** Work will continue on a comprehensive update to the QoS Regulations. The revised framework will incorporate modern performance metrics, measurement methodologies and strengthened compliance mechanisms for mobile, fixed, fibre and satellite services. This review responds directly to persistent concerns about reliability throughout the Family Islands. The updated framework will incorporate modern performance metrics, refined measurement methodologies, and strengthened compliance mechanisms while employing a technology-neutral approach.
- **Review of Infrastructure Sharing Regulations.** Deferred to 2026 to align with the outcomes of the 5G regulatory framework, this review will examine shared use of towers, ducts, fibre and other infrastructure. URCA will evaluate neutral-host models, mitigate anti-competitive risks, and ensure equitable access to essential infrastructure to support more efficient nationwide deployment of networks, including 5G. The review will also consider competition-related concerns, including ensuring fair access to essential infrastructure, preventing anti-competitive conduct in the provision of shared facilities, and maintaining a level playing field for all licensees.
- **ICTs for Persons with Disabilities.** URCA continued work on this project in 2025. However, progress was delayed due to parallel regulatory workstreams. In 2026, URCA will advance regulatory measures to improve accessibility of ICT services for persons with disabilities, supported by further stakeholder engagement.
- **Universal Service Obligation (USO) and Universal Services Fund (USF).** URCA has revised the completion timeline for the USO and USF projects to 2026. Throughout 2025, the scope and technical requirements of these initiatives expanded as related sector developments advanced, making it clear that the original schedule would not allow for the level of quality and long-term sustainability required. Significant progress was made during the year, including infrastructure assessments, site evaluations, stakeholder consultations, and the drafting of regulatory frameworks. These foundational efforts now position URCA to complete the work responsibly and effectively in 2026. When finalised, this workstream is expected to expand broadband access to underserved communities and reinforce URCA’s commitment to ensuring that all Bahamians, regardless of geography or income, have access to safe, reliable, and affordable communications services.

Table 3.2 below provides a clear and structured overview of the key projects planned for the Electronic Communications Sector in 2026 and 2027, 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 Projects¹				
Guidelines for Cybersecurity of Public Electronic Communications Networks and Service²	T1-2026	T3-2026	N/A	N/A
Review of the Network Quality of Service (QoS) Regulations	T1-2026	T2-2026	T2-2026	T3-2026
Review of Infrastructure Sharing Regulations	T2-2026	T3-2026	T2-2026	T3-2026
ICTs for Persons with Disabilities	T1-2026	T3-2026	T2-2026	T3-2026
Universal Service Obligation (USO) and Universal Services Fund (USF)	T2-2026	T2-2027	T2-2026	T2-2027

¹ Planned Carryover Projects: These projects were identified in the 2025 Annual Plan or were Ad Hoc Projects originally scheduled for completion in 2025 or later.

² A specific timeline for this project is unavailable due to the dependency on a legislative framework being passed by the government. URCA expects this work to commence in 2026 but will shift accordingly.

New Projects				
Development of a National Electronic Communications Band Plan	T1-2026	T3-2026	T2-2026	T3-2026
Establishment of the URCA Regulatory Sandbox – Innovation Reef	T1-2026	T3-2026	T2-2026	T3-2026
Regulatory Framework for Commercial Operations in Licence-Exempt Spectrum	T1-2026	T3-2026	T2-2026	T3-2026
Regulatory Framework for Submarine Communications Cable Systems	T1-2026	T3-2026	T2-2026	T3-2026
Review of the Disaster Management Regulations for ECS	T1-2026	T2-2026	T1- 2026	T2-2026
Development of an Electromagnetic Field (EMF) Exposure Regulations	T3-2026	T1-2027	T3-2026	T1-2027

3.9 Utilities and Energy Department Strategic Overview

The Utilities and Energy Department (UED) will enter 2026 amidst a moment of extraordinary change for The Bahamas’ energy landscape. With the passage of the Electricity Act 2024, the Natural Gas Act 2024, and the implementation of the National Energy Policy 2025-2030, URCA has taken on a broader and far more complex mandate for energy regulation than at any point in its history. In less than two years, the department’s work has expanded from regulating six licensees to overseeing 23 by November 2025. URCA has also undertaken to bring private cruise destinations that generate, transmit, and distribute electricity and operate electronic communications systems outside traditional regulatory frameworks into compliance. As far as the overall framework, new licences have more recently been created for a suite of activities, including generation, system operation, natural gas importation, terminal development, and transportation infrastructure. A licence to build a liquefied natural gas (LNG) terminal on New Providence was also issued in 2025. This transformation is reshaping the national energy matrix.

In 2026, new power plants will begin construction and come online in New Providence and across the Family Islands, renewable energy systems will continue their rapid growth, and the construction of natural gas infrastructure will begin in earnest. These developments place significant demands on URCA’s resources. The department must now regulate a growing cohort of licensees, oversee complex cross-agency compliance obligations, and ensure that all operators – both legacy and newly licensed – transition fully into the new regulatory regime. With licences that will remain in effect for decades, URCA must be prepared to oversee long-term obligations, monitor competition, arbitrate agreements, and protect consumers in a rapidly evolving sector.

To meet this moment, the Utilities and Energy Department must strengthen its internal capacity and strategically deploy external expertise. The technical, legal, environmental, and economic considerations involved in electricity and natural gas regulation require deeper specialization than the current structure can sustain. As such, 2026 will focus heavily on training, recruitment, advisory support, and institution-building to ensure the regulator remains credible, consistent, and capable of supervising an energy system undergoing profound transformation.

Electricity and natural gas are separate regulatory workstreams, each governed by separate legislation and licensing frameworks, but they operate under the shared umbrella of the Utilities and Energy Department. Both sectors involve energy production, distribution, and consumption across The Bahamas, and both require an agile regulatory approach anchored in safety, competition, reliability, and long-term sustainability.

3.10 Electricity Sector Priorities

The Electricity Sector (ES) strategy seeks to create value for consumers, licensees, and the wider economy. This aligns with the national policy objectives reflected in the Electricity Act 2024, which emphasize competition, safe and reliable service, affordability, environmental responsibility, and strong

consumer protection. In 2026, the department will continue advancing these objectives while aligning sector oversight with the broader URCA strategic plan being developed for the year ahead.

As the number of licensed operators continues to expand, URCA's regulatory focus will prioritize enhancing reporting and compliance mechanisms. This will be greatly facilitated by developing a portal on URCA's website. We will also focus on improving the quality and accessibility of energy data, strengthening tariff oversight, and ensuring that emerging generation and distribution facilities operate safely and efficiently. The rapid growth of renewable energy installations, including large-scale solar facilities on New Providence and the Family Islands and expected increased uptake of off-grid systems will also require clearer guidance, updated rules, and improved coordination with other government entities. In addition to its ongoing regulatory work, URCA still has critical projects planned for 2026. Many of the projects will be carried over from 2025, and some will be discontinued, for the reasons explained.

3.10.1 ES Project Descriptions and Progress Updates

- ***APESL and BPL Consumer Protection Projects.*** URCA will defer the consumer protection work relating to the preparation of Consumer Protection Plans for Authorised Public Electricity Suppliers and the review of BPL's consumer protection plan and customer contract documentation. Initial scoping carried out in 2024 and continuing through 2025 indicated that several licensees require substantial guidance to meet their statutory obligations, and that consumer-facing policies across the sector remain uneven in quality and readiness. As the electricity and natural gas sectors develop priority will be given to establishing stable and effective oversight of the sectors. In view of these demands, the consumer protection projects will not carry forward as part of the 2026 work plan. URCA intends to revisit these initiatives in a future annual plan once the regulatory capacity and resources can support the development of these projects.
- ***Revision (Consolidation and Updating) Renewable Energy Frameworks.*** URCA initially intended to undertake a comprehensive revision and consolidation of renewable energy frameworks because international grant funding was offered to support the project. However, the offer for the funding was ultimately withdrawn due to factors beyond URCA's control. As URCA does not want the sector to bear the cost of funding this project at this time, this work will not be carried over into the 2026 Annual Plan. URCA remains legally obligated under the Electricity Act 2024 and the National Energy Policy to promote the expansion of renewable energy throughout The Bahamas. In 2026, URCA will continue working within the existing framework to broaden the uptake of photovoltaic systems in particular, support the expanded parameters outlined in the Act and the NEP, and strengthen public education efforts to encourage wider participation in renewable energy opportunities.
- ***BPL Fuel Tariff Review/Audit.*** The review of Bahamas Power and Light's fuel cost recovery mechanism, initiated in response to the company's 2022 announcement of a revised fuel charge, has progressed substantially throughout 2025. The objective of this project is to assess whether the fuel tariff complies with the law and applicable regulatory frameworks, and to ensure that fuel costs passed on to consumers reflect efficient procurement and operational practices consistent with URCA's consumer protection mandate. Following an initial round of bids in 2024 that exceeded the project budget, the scope was refined and the consultancy was rebid, allowing work to advance steadily in 2025. URCA expects the findings of the audit to be finalized and released during the first trimester of 2026.
- ***Energy Efficiency and Demand Side Management. Energy Efficiency and Demand-Side Management.*** This project was integrated into the broader revision of the National Energy Policy,

completed in 2025, which places significant emphasis on advancing efficiency measures across the sector. With the foundational work now largely complete, URCA expects to publish a public consultation on energy efficiency and demand-side management during the first trimester of 2026. This consultation will outline proposed approaches, regulatory expectations, and implementation pathways as URCA moves toward formalising a comprehensive framework in line with National Energy Policy objectives.

- **Review And Revision of The Licensee Reporting Requirements.** Work on improving the licensing process advanced through 2025. For 2026, timelines have been adjusted to align with the development of a dedicated digital portal on URCA’s website that will host licensee reporting tools. Once completed, the new portal will streamline applications, enhance transparency and support a more efficient and accessible licensing framework.
- **Review of BPL Tariff.** The Electricity Act 2024 requires Bahamas Power and Light to submit a tariff review application to URCA no later than 2027. In anticipation of this statutory obligation, URCA has made provisions in the 2026 Annual Plan and budget to assess the application. This ensures that URCA is fully prepared to undertake the necessary review in accordance with the Act and to evaluate any proposed tariff adjustments in a timely and comprehensive manner.
- **Review of BPL Integrated Resource Plan (IRP).** URCA has continued to closely monitor BPL’s obligations under its licence to develop an Integrated Resource Plan that outlines how the utility will meet the country’s growing electricity demand efficiently and sustainably. This project has been ongoing, and URCA has maintained active preparation for the plan’s submission. In the 2026 Annual Plan, provisions have been included to support a full assessment of the IRP should it be filed during the year, ensuring URCA is ready to evaluate the plan’s assumptions, projections and alignment with national energy objectives.

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

Project	Start Period	End Period	Consultation Publication Date	Final Decision Publication Date
Discontinued Projects				
APESL and BPL Consumer Protection Plans	N/A	N/A	N/A	N/A
Revision (Consolidation and Updating) Renewable Energy Frameworks	N/A	N/A	N/A	N/A
Carryover Projects				
Energy Efficiency and Demand Side Management	T1-2025	T1-2026	T3-2025	T1-2026
Review and Revision of the Licensee Reporting Requirements	T1-2025	T3-2026	T2-2026	T3-2026
BPL Fuel Tariff Review/Audit	T1-2025	T1-2026	T1-2026	T1-2026
Gas Service Worker Licence Regulation				
Gas Service Worker Licensing Platform				
New Projects				
Review of BPL Tariff	T2-2026	T3-2026	N/A	N/A
Review of BPL Integrated Resource Plan (IRP)	T3-2026	T3-2026	N/A	N/A

Note: Discontinued Projects are those that were included in the 2025 but were not completed and will not be carried over into 2026.

3.11 Natural Gas Sector Priorities

The Natural Gas Sector strategy supports the introduction of a safer, cleaner, more diversified fuel source that complements the electricity sector and reduces dependence on legacy energy systems. With the Natural Gas Act 2024 now in effect, 2026 will be another foundational year as URCA operationalizes the licensing framework, reviews the first licences issued late in 2025, and develops the

regulatory instruments needed to guide the construction and operation of terminals, pipelines, and distribution networks. Natural gas infrastructure will soon underpin major commercial and industrial energy needs. As such, URCA’s oversight must be robust, technically grounded, and supported by both internal and external expertise. This includes setting standards for market conduct, safety, tariffs, construction practices, and long-term operational compliance.

3.11.1 Project Descriptions and Progress Updates

In 2026, the work in the NGS will include the following projects:

- **Natural Gas Sector Public Education.** With natural gas facilities moving from development into construction and eventual operation, URCA will continue the public education efforts begun in 2025. In 2026, this work will focus on providing clear, accessible information about natural gas safety, regulatory oversight, consumer impacts and the role of gas in the evolving energy mix. As new infrastructure comes on stream, URCA will expand outreach and update educational materials to ensure consumers and communities are well informed and prepared for the sector’s growth.
- **Guidelines for the Regulation of NGS Tariffs.** URCA will develop guidelines to identify market inefficiencies, assess tariff breaches, and establish remedies in accordance with the Natural Gas Act. These guidelines will help ensure that consumers benefit from the introduction of natural gas while enabling sustainable investment in infrastructure development.
- **Gas Service Worker Licence.** To uphold safety and ensure professional standards, URCA will develop a Gas Service Worker Licence establishing minimum qualifications for individuals performing natural gas-related work. This will be executed in collaboration with external training and accreditation bodies to ensure high competency across the sector.
- **Review of Licence Applications.** The first natural gas licences were issued in the latter part of 2025. In 2026, URCA will commission an external review to ensure the licensing process is fit for purpose, aligned with best practices, and capable of supporting the long-term development of the sector.
- **Pipeline and Terminal Construction Regulations.** As construction commences on natural gas terminals and associated pipelines, URCA will develop detailed regulations governing engineering standards, safety requirements, environmental considerations, and compliance obligations. This project fills a gap left in the existing regulatory suite and is essential for safeguarding public and environmental interests during large-scale construction activities.
- 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

Project	Start Period	End Period	Consultation Publication Date	Final Decision Publication Date
Carryover Projects				
Public Education	T1-2026	T3-2026	N/A	N/A
Review of License Applications	T1-2026	T3-2026	T2-2026	T3-2026
Guidelines for Regulation of NG Tariffs	T1-2026	T3-2026	T2-2026	T3-2026
Gas Service Worker Licence Regulations	T1-2025	T3-2026	T2-2026	T3-2026
Gas Service Worker Licensing Platform	T1-2026	T3-2026	N/A	N/A
New Projects				
Develop Pipeline and Terminal Construction Regulations	T1-2026	T3-2026	T2-2026	T3-2026

4. Key Performance Indicators for 2026

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 2026.

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

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 2026, URCA will track its performance using the URCA Operational Performance Indicators (OPIs) and include them in the 2026 Annual Report, which will be published by the end of April 2027.

5. Budget for Fiscal Year 2026

This section sets out URCA's budget based on its target activities for the fiscal year 2026. It includes the level of remuneration to be received by the staff and non-executive and executive members of the Board in 2026.

5.1 Overview

URCA will ensure that it maintains the financial resources necessary to fulfil its regulatory mandate across the Electronic Communications Sector, the Electricity Sector and the emerging Natural Gas Sector. In keeping with Section 41(1)(a) of the URCA Act, the organisation will continue to fully account for its activities and demonstrate transparency, efficiency and value in the delivery of regulatory services to all stakeholders.

For the 2026 planning period, URCA's budget has been prepared as distinct budgets for the ECS, ES and NGS, consistent with Section 39 of the URCA Act and in accordance with Section 92 of the Communications Act 2009, Section 54 of the Electricity Act 2024 and Section 16 of the Natural Gas Act 2024.

The consolidated budget for 2026 is presented in Table 5.1 below alongside the budgeted expenditures for the two preceding years.

Table 5.1 URCA Budget	BY-2024	BY-2025	BY-2026
Staff Costs	3,614,937	4,088,166	4,691,310
Non-Executive Compensation	349,000	202,000	202,700
Executive Compensation	532,363	590,734	596,906
Professional Services	1,251,600	2,023,401	1,063,000
Conferences, Training, and Travel	487,323	711,500	2,461,899
Regulatory Fieldwork	85,200	29,900	97,100
Premises Costs and Utilities	563,200	598,301	526,001
Consumer Education and Public Relations	147,500	319,500	246,800
Office Services	219,000	373,900	332,000
Information Technology	330,700	374,200	274,500
General and Administrative Expenses	1,639,900	1,210,501	1,325,700
Total Operations Expenditure (OPEX)	9,220,723	10,522,103	11,817,916
Depreciation	296,350	510,100	491,700
Total Operating Budget Recovered through URCA fees	9,517,073	11,032,203	12,309,616
Capital Expenditure	3,085,935	1,851,837	934,600

Overall, URCA proposes an increase of approximately 12% in its 2026 operating budget (excluding depreciation) compared to 2025. The key drivers of this change are outlined below:

- **Staff Costs:** Four (4) new positions are proposed to support URCA's expanding regulatory remit, particularly within the Natural Gas sector, while also strengthening operational expertise across the Authority. Increases in base salaries, along with corresponding growth in employee benefits (health insurance, pension, and gratuity), result in a 15% increase in staff costs. Compensation for Executive Directors and Non-Executive Directors remains largely flat, increasing by only 1% and 0.3%, respectively, year over year.
- **Professional Services:** Budgeted expenditure for Professional Services (including Legal, Risk, and Compliance) is projected to decrease by 48% in 2026. This reduction is primarily due to regulatory projects being completed in-house or deferred. Where unutilized 2025 allocations can be applied

to viable 2026 projects, these have been carried forward, generating cost efficiencies for the sector. Additionally, lower funding is required for Supreme Court matters in 2026.

- **Conferences, Training, and Travel:** Spending in this category is expected to increase by 246%, largely attributable to URCA hosting an International Regulatory Forum (the World Telecommunications Policy Forum) in mid-2026, as well as a Local Forum (the National Cyber Security Forum) later in the year. Despite these increases, the overall training budget shows a slight year-over-year decline, while still supporting ongoing staff development and succession planning initiatives.
- **Regulatory Fieldwork:** Expenditure on regulatory fieldwork is projected to increase by 225%, reflecting enhanced monitoring and oversight of regulated sectors, including the Natural Gas sector.
- **Premises and Utilities:** Budgeted costs for premises and utilities are expected to decrease by 12% year over year following the “near completion” of major repair works at Frederick House.
- **Consumer Education and Public Relations:** This budget category will decrease by 23% due to a temporary pause in certain activities driven by competing priorities. Funding remains available, however, to support the deferred 2025 brand audit and continued community outreach initiatives.
- **Office Services:** Office services costs are projected to decline by 11%, reflecting cost savings realized from the completion of Frederick House repairs and the cessation of certain previously outsourced services.
- **Information Technology:** The IT budget is expected to decrease by 27%, driven by a change in the outsourced LAN maintenance service provider and the review and replacement of productivity software licences with more cost-effective alternatives.
- **General and Administrative Expenses:** These expenses are projected to increase by 10%, primarily to support The Bahamas’ representation in an ITU campaign for a senior ITU position.
- **Capital Expenditure:** URCA’s capital expenditure budget is expected to decrease year over year following the conclusion of the Frederick House Infrastructure Improvement project. However, several major deferred projects – including the replacement of the elevator and generator – are scheduled for execution in 2026.

5.2 Electronic Communications Sector Budget 2026

Table 5.2 summarises URCA’s 2026 budget for its regulatory activities in the ECS compared to its budget for the preceding two years.

Table 5.2 ECS Budget	BY-2024	BY-2025	BY-2026
Staff Costs	2,211,981	2,651,531	3,001,544
Non-Executive Compensation	204,723	118,149	92,056
Executive Compensation	283,435	310,418	271,084
Professional Services	547,545	794,368	937,120
Conferences, Training, and Travel	366,469	526,191	2,383,368
Regulatory Fieldwork	73,200	18,600	53,000
Premises Costs and Utilities	336,941	369,412	333,362
Consumer Education and Public Relations	87,800	188,308	201,233
Office Services	137,358	242,830	221,877
Information Technology	199,054	239,599	173,969
General and Administrative Expenses	691,917	528,943	919,910
Total Operations Expenditure (OPEX)	5,140,423	5,988,349	8,588,523
Depreciation	174,589	356,894	330,256
Total Operating Budget Recovered through URCA fees	5,315,013	6,345,243	8,918,779
Capital Expenditure	2,863,225	1,454,632	678,126

Further explanation of the expenses in the ECS budget is set out below:

- **Total Operating Expenditure (OPEX):** Total OPEX, excluding depreciation, is projected to increase by 43% in 2026 compared to the prior year. This increase reflects continued initiatives to advance the policy objectives of the Electronic Communications Sector (ECS).
- **Staff Costs:** Staff costs allocated to the ECS are projected to increase by 13%, driven by annual salary adjustments, associated employee benefits, and the onboarding of additional staff both within the ECS and across the Authority. In contrast, Executive and Non-Executive Director compensation allocated to the ECS is expected to decrease by 35%, reflecting a reallocation of Directors' costs across the sectors regulated by URCA.
- **Professional Services:** Expenditure on Professional Services is expected to increase by 18% year over year. This increase is primarily attributable to the continuation of regulatory projects carried over into 2026, including planned reviews, and ECS-related litigation.
- **Conferences, Training, and Travel:** Costs in this category are projected to increase by 353%, largely due to URCA's hosting of an International Regulatory Forum in The Bahamas in 2026, as well as continued in-person participation in international conferences and staff training activities.
- **Regulatory Fieldwork:** Spending on regulatory fieldwork is expected to increase significantly, reflecting enhanced monitoring of spectrum licensees and continued oversight of the efficient utilization of mobile and fixed tower infrastructure.
- **General and Administrative Expenses:** General and administrative expenses, which include largely stable costs for international regulatory memberships and related activities, are projected to increase primarily due to URCA underwriting campaign-related costs in support of The Bahamas' candidate for the ITU Deputy Secretary-General position.

5.3 Electricity Sector Budget 2026

Table 5.3 summarises URCA's 2026 budget for its regulatory activities in the ES compared with its budget for the preceding two years.

Table 5.3 - ES Budget	BY-2024	BY-2025	BY-2026
Staff Costs	1,265,617	952,791	706,707
Non-Executive Compensation	138,513	58,095	59,050
Executive Compensation	182,037	157,468	173,888
Professional Services	393,755	684,687	(119,163)
Conferences, Training, and Travel	59,604	94,848	42,841
Regulatory Fieldwork	9,000	8,105	29,100
Premises Costs and Utilities	221,837	122,771	89,705
Consumer Education and Public Relations	58,200	70,800	18,135
Office Services	77,440	84,202	50,859
Information Technology	124,870	83,076	46,814
General and Administrative Expenses	938,858	663,462	379,174
Total Operations Expenditure (OPEX)	3,469,730	2,980,304	1,477,110
Depreciation	115,494	90,440	75,553
Total Operating Budget Recovered through URCA fees	3,585,224	3,070,744	1,552,663
Capital Expenditure	221,110	395,605	117,837

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

- **Total Operating Expenditure (OPEX):** Total OPEX, excluding depreciation, is projected to decrease by 50% in 2026 compared to the prior year. This reduction reflects operational efficiencies achieved through the shared utilization of existing resources within the Electricity Sector (ES) and the Natural Gas Sector (NGS).
- **Staff Costs:** Staff costs are expected to decrease by 26%, primarily due to the sharing of human resources between the ES and the NGS.
- **Professional Services:** Expenditure on professional services is expected to decline significantly, reflecting the deferral of certain regulatory projects and the completion of others without the need

for external consultants. Where projects have been deferred, the associated budget allocations have been retained for future commencement, and where projects have been completed, the savings are being applied to support 2026 regulatory initiatives.

- **Conferences, Training, and Travel:** Costs in this category are budgeted to decrease significantly, notwithstanding continued investment in staff training and development in prior years to support long-term sector strategies.
- **Consumer Education and Public Relations:** Expenditure on consumer education and public relations is projected to decrease following the completion in 2025 of major stakeholder engagement initiatives related to the National Energy Policy and various tariff reviews.
- **General and Administrative Expenses:** General and administrative expenses are budgeted to decrease because of adjustments made to correct the overestimation of bad debt provisions included in the prior year’s budget.

5.4 Natural Gas Sector Budget 2026

The Natural Gas Budget 2026 represents the next full year of this sector, compared to the full year budget for 2025. It should be noted that the budget for the Natural Gas Sector for 2024 represents only the last 3 months of the 2024 budget year, as reflected in the Addendum to the 2024 Annual Plan. The 2026 budget supports URCA's mandate to ensure that the natural gas sector operates in accordance with the National Energy Policies and international best practices.

Table 5.4 summarises URCA’s 2026 budget for its regulatory activities in the NGS.

Table 5.4 – NGS Budget	BY-2024	BY-2025	BY-2026
Staff Costs	137,339	483,844	983,060
Non-Executive Compensation	5,764	25,756	51,594
Executive Compensation	66,891	122,849	151,934
Professional Services	310,300	544,346	245,043
Conferences, Training, and Travel	61,250	90,461	35,689
Regulatory Fieldwork	3,000	3,195	15,000
Premises Costs and Utilities	4,423	106,118	102,934
Consumer Education and Public Relations	1,500	60,392	27,432
Office Services	4,202	46,868	59,264
Information Technology	6,775	51,525	53,717
General and Administrative Expenses	9,126	18,096	26,616
Total Operations Expenditure (OPEX)	610,570	1,553,450	1,752,283
Depreciation	6,267	62,767	85,891
Total Operating Budget Recovered through URCA fees	616,837	1,616,216	1,838,174
Capital Expenditure	1,600	220,468	138,637

Explanations of budget allocation for the NGS for BY-2026 for major expense categories are as follows:

- **Staff costs and non-executive compensation:** Significantly increased by 100% due to the inclusion of an allocation for new hires as well as the proportional costs of other sectors and support staff.
- **Professional services:** This category decreased by 55% due to regulatory projects being deferred to 2026 and other projects that were anticipated to require external consultancy being completed using in house resources. In these cases, the budgeted allocation will be used to defray the cost of new regulatory projects that are planned for 2026.
- **Conferences, training, and travel:** This budget allocation decreased by 61% as in the previous year there was an emphasis made to have staff assigned to the sector to participate in training opportunities and engage with international organisations through attendance at conferences, seminars, and workshops.

- **Consumer Education and Public Relations:** This budget allocation decreased 55% notwithstanding the continued need to pursue initiatives educating the public on URCA's role as the regulator of the Natural Gas Sector.
- **General and Administrative:** Allocated costs increased significantly by 47% to include the membership costs of professional membership in international regulatory bodies and the proportional allocated portion of other general and administrative costs.

6. Summary of the 2026 Annual Plan and Next Steps

This Annual Plan for 2026 sets out a focused and forward-looking framework for URCA's work across the electronic communications, electricity and natural gas sectors. It brings together the strategic priorities, regulatory objectives and financial provisions required to guide the continued evolution of three vital pillars of national development. It builds on the progress of recent years while preparing the organisation, and ultimately The Bahamas – for the emerging realities of an increasingly digital, interconnected and energy-diverse future.

6.1 Strategic Outlook

URCA enters 2026 with a clear mandate to modernise regulation across the electronic communications, electricity and natural gas sectors, while strengthening The Bahamas' voice in regional and global arenas. The plan prioritises closing service and connectivity gaps across the archipelago, deepening international engagement with the ITU, particularly regarding WTPF-26, and other allied bodies, and embedding best practice in resilience, safety, consumer protection and innovation. A refreshed multi-year strategy and stable leadership will guide a regulator that is agile, island-focused, and capable of anticipating technological shifts and sector disruptions.

6.2 Organisational Priorities

Internally, URCA will press ahead with its digital transformation, expanding organisation-wide process digitisation, enterprise records management, and data governance to improve speed, transparency and control. Operations will optimise facilities and core systems; HR & Learning will build a sharper, globally competitive workforce through upskilling, leadership development and structured knowledge transfer; CCR will complete the website redevelopment with integrated licensing, payments, consumer care and sector reporting portals, and lead national outreach, elections-period content oversight and cybersecurity education. International Relations will convert participation in global forums into training, standards alignment and practical tools for local regulation.

6.3 Sector Priorities

In the Electronic Communications Sector, URCA will complete carryover projects and launch new ones, including a national band plan, an innovation sandbox, frameworks for licence-exempt spectrum and submarine cables, refreshed disaster regulations, EMF exposure rules, QoS updates, cybersecurity guidelines, accessibility measures, and completion of USO/USF work. In the Electricity Sector, priorities include publishing the BPL fuel tariff review findings, consulting on energy efficiency and demand-side management, aligning licence reporting with a new digital portal, and preparing for BPL's tariff review and IRP assessments, while deferring lower-return projects to focus on core oversight. In the Natural Gas Sector, 2026 is designed as a further build-out year: sustained public education, tariff guidelines, gas service worker licensing, external review of early licences, and detailed pipeline and terminal construction regulations to ensure safe, reliable market development.

6.3 Budgetary Considerations

In the 2026 Budget Year, overall expenditure is projected to increase by approximately 12 percent, driven primarily by the addition of new staff positions to support growing responsibilities, expanded

regulatory fieldwork, and The Bahamas' hosting of a major international forum. While staff costs rise to accommodate needed expertise, significant reductions are achieved in professional services, IT, office services, and consumer education due to greater in-house capacity, the completion of certain initiatives, and efficiencies gained from recent infrastructure upgrades. The budget also reflects a transition into full regulatory operations for the Natural Gas Sector and continued investment in energy sector oversight, while maintaining URCA's commitment to value for money, prudent financial management, and responsible planning as its regulatory reach deepens across three critical national utility sectors.

6.4 Stakeholder Consultation and Next Steps

This Annual Plan reaffirms URCA's regulatory commitments and is designed to spur innovation, strengthen resilience, and support broad-based economic growth across The Bahamas.

Additionally, a stakeholder forum was held in March 2026 to discuss the proposed initiatives and refine the plan based on the feedback received. An Oral Hearing to detail the Annual Report and Annual Plan will be held after their publication.

URCA 2025 AUDITED FINANCIALS

Audited Financial Statements

**UTILITIES REGULATION AND
COMPETITION AUTHORITY**

31 December 2025

UTILITIES REGULATION AND COMPETITION AUTHORITY

Audited Financial Statements

31 December 2025

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INDEPENDENT AUDITORS' REPORT

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UTILITIES REGULATION AND COMPETITION AUTHORITY

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Opinion

We have audited the financial statements of Utilities Regulation and Competition Authority ("the Authority" or "URCA"), which comprise the statement of financial position as at 31 December 2025, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at 31 December 2025, and 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") Accounting standards, as issued by the International Accounting Standards Board ("IASB").

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 International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The Authority's financial statements for the year ended 31 December 2025 were audited by another firm of auditors, whose report dated 28 March 2025, expressed an unmodified opinion.

Other Information

Management is responsible for other information. Other information obtained at the date of this auditors' report is information included in the Authority's Annual Report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover other information and we do not express any form of assurance or conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 controls as management determines are 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 ISA, we exercise professional judgment 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 omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls 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 controls.
- 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, we are required to draw attention in our auditors' report to the related disclosures 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 the date of our auditors' report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- 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.

To the Board of Directors of
UTILITIES REGULATION AND COMPETITION AUTHORITY



We communicate 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 controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

25 March 2026

Nassau, The Bahamas


CHARTERED ACCOUNTANTS

UTILITIES REGULATION AND COMPETITION AUTHORITY

Statement of Financial Position
(Expressed in Bahamian dollars)


31 December 2025

	Notes	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash	5, 18	5,443,624	2,581,751
Receivables, net	6, 18	1,111,442	1,251,915
Prepaid expenses and other assets	7	705,828	364,920
Investments, at amortized cost	8, 18	-	100,000
		7,260,894	4,298,586
NON-CURRENT ASSETS			
Property and equipment, net	9	5,974,569	5,255,308
Investments, at amortized cost	8, 18	443,200	343,200
		6,417,769	5,598,508
TOTAL ASSETS		13,678,663	9,897,094
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Loan payable, current	10, 18	166,402	120,851
Accounts payable, accrued expenses and other liabilities	11, 18	1,057,836	749,818
		1,224,238	870,669
NON-CURRENT LIABILITIES			
Loan payable, non-current	10, 18	1,736,995	486,888
Post-employment benefits liability	12	554,073	571,243
		2,291,068	1,058,131
TOTAL LIABILITIES		3,515,306	1,928,800
EQUITY			
Contributed capital	13	1,537,891	1,537,891
URCA fund			
Immediately required	13	4,991,540	2,970,810
Not immediately required	13	3,633,926	3,459,593
		10,163,357	7,968,294
TOTAL LIABILITIES AND EQUITY		13,678,663	9,897,094

COMMITMENTS AND CONTINGENCIES

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These financial statements were approved on behalf of the Board of Directors on 25 March 2026 by the following:


Director


Director

See accompanying notes. Independent Auditors' Report pages 1 through 3.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Statement of Comprehensive Income
(Expressed in Bahamian dollars)

Year ended 31 December 2025

	Notes	2025 \$	2024 \$
(Restated)			
INCOME			
Electronic communications operating license fees	13, 18	6,137,738	5,136,494
Energy sector license fees	13, 18	2,647,170	3,577,146
Natural gas licence fees	13	1,521,750	-
Telecommunications, radio communications, energy, and other fees	13, 18, 20	159,660	96,869
Fines	13, 18	-	209,488
		10,466,318	9,019,997
OPERATING EXPENSES			
General and administrative expenses	6, 9, 13, 14, 18, 19	6,562,566	5,964,787
Professional fees	13, 15, 20	943,041	1,509,380
Conferences, training, and travel	13, 16, 18, 19	727,929	548,434
		8,233,536	8,022,601
OPERATING INCOME		2,232,782	997,396
OTHER INCOME (EXPENSES)			
Interest income	8, 13, 18, 19	19,416	8,235
Loss on disposal of assets	9, 13	(41,200)	-
Finance costs	10, 13, 17, 18, 19	(64,523)	(64,138)
		(86,307)	(55,903)
INCOME OVER EXPENDITURE		2,146,475	941,493
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that will not be reclassified subsequently to income over expenditure:			
Remeasurement of net defined benefit obligation	12, 13	48,588	(4,530)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,195,063	936,963

See accompanying notes. Independent Auditors' Report pages 1 through 3.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Statement of Changes in Equity
(Expressed in Bahamian dollars)

Year ended 31 December 2025

	Notes	Contributed Capital \$	URCA Fund		Total \$
			Not Immediately Required \$	Immediately Required \$	
Balance at 31 December 2023		1,537,891	3,356,639	2,136,800	7,031,330
Excess of income over expenditure - ECS	13	-	86,580	-	86,580
Excess of income over expenditure - ES	13	-	1,126,968	-	1,126,968
Excess of expenditure over income - NG	13	-	(272,054)	-	(272,054)
Funds allocated during the year	13	-	(834,010)	834,010	-
Items that will not be reclassified subsequently to income over expenditure:					
Remeasurement of net defined benefit obligation	12, 13	-	(4,530)	-	(4,530)
Balance at 31 December 2024		1,537,891	3,459,593	2,970,810	7,968,294
Excess of income over expenditure - ECS	13	-	1,045,282	-	1,045,282
Excess of income over expenditure - ES	13	-	339,713	-	339,713
Excess of expenditure over income - NG	13	-	761,480	-	761,480
Funds allocated during the year	13	-	(2,020,730)	2,020,730	-
Items that will not be reclassified subsequently to income over expenditure:					
Remeasurement of net defined benefit obligation	12, 13	-	48,588	-	48,588
Balance at 31 December 2025		1,537,891	3,633,926	4,991,540	10,163,357

See accompanying notes. Independent Auditors' Report pages 1 through 3.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Statement of Cash Flows
(Expressed in Bahamian dollars)

Year ended 31 December 2025

	Notes	2025 \$	2024 \$
(Restated)			
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Total comprehensive income for the year		2,195,063	936,963
Adjustments for non-cash items:			
Interest income	8	(19,416)	(8,235)
Depreciation	9, 14	421,407	391,535
Provision for doubtful accounts	6, 14	15,238	60,682
Write-off of receivables	6	(15,752)	(13,123)
Finance costs	10, 13, 17, 18, 19	64,523	64,138
Loss on disposal of assets	9	41,200	-
Net interest on the defined benefit pension plan obligation	12	31,418	29,545
Remeasurement of net defined benefit obligation	12	(48,588)	4,530
Changes in operating assets and liabilities:			
Decrease (increase) in receivables		141,206	(297,676)
(Increase) decrease in prepaid expenses and other assets		(340,908)	178,257
Increase in accounts payable, accrued expenses and other liabilities		66,224	170,838
Net cash provided by operating activities		2,551,615	1,517,454
INVESTING ACTIVITIES			
Purchases of property and equipment	9	(944,566)	(1,052,901)
Proceeds received from disposal of assets	9	4,492	-
Purchases of investments	8	(100,000)	(443,200)
Proceeds from matured investment	8	100,000	-
Interest received	8	19,197	1,629
Net cash used in investing activities		(920,877)	(1,494,472)
FINANCING ACTIVITIES			
Loan drawdown proceeds	10	1,389,060	607,739
Loan repayments	10	(93,402)	-
Finance costs	10, 17	(64,523)	(64,138)
Net cash provided by financing activities		1,231,135	543,601
NET INCREASE IN CASH		2,861,873	566,583
Cash, beginning of the year		2,581,751	2,015,168
CASH, END OF THE YEAR	5	5,443,624	2,581,751

See accompanying notes. Independent Auditors' Report pages 1 through 3.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

1. GENERAL INFORMATION AND NATURE OF OPERATIONS

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 registered office of the Authority is located at Frederick House, Frederick Street, Nassau, The 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 organizations 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.

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

2. STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS FOR SMALL AND MEDIUM-SIZED ENTITIES AND GOING CONCERN ASSUMPTION

The Authority’s financial statements are 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 (“\$”), the Authority’s functional currency.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

2. STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS FOR SMALL AND MEDIUM-SIZED ENTITIES AND GOING CONCERN ASSUMPTION (continued)

The Authority has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements for the year ended 31 December 2025 (including comparatives) were approved and authorized for issue by the Board of Directors effective 25 March 2026.

3. NEW OR REVISED STANDARDS OR INTERPRETATIONS

New and revised standards that are effective for annual periods beginning on or after 1 January 2025

The Authority has adopted the following new interpretations, revisions, and amendments to IFRS issued by the IASB, which are relevant to and effective for the Authority's financial statements for the annual period beginning 1 January 2025:

- International Tax Reform - Pillar Two Model Rules - Amendments to the IFRS for SMEs Standard

These amendments do not have a significant impact on these financial statements, and therefore, the disclosures have not been made.

Standards, amendments, and interpretations to existing standards that are not yet effective and have not been adopted early by the Authority

On 27 February 2025, the IASB issued the third edition of the IFRS for SMEs Accounting Standard. The updates to the Standard were made to reflect amendments made to the full IFRS Accounting Standards, whilst retaining the original objective of simplicity. The key concepts introduced in this update are:

- updating the requirements for the statement of cash flows, consolidated financial statements, financial instruments, and business combinations;
- bringing together the requirements for fair value measurement into a single section; and
- a revised model for revenue recognition.

The third edition of the Standard is effective for annual periods beginning on or after 1 January 2027. The Authority will analyze the impact of this new Standard in accordance with Section 10 - *Accounting Policies, Estimates and Errors*, where applicable. However, the Authority expects that it will apply some transition reliefs from retrospective application.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Overall considerations

The financial statements have been prepared using the material accounting policies and measurement bases summarized below.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Presentation of financial statements

The financial statements are presented in accordance with IAS 1, *Presentation of Financial Statements* (Revised 2007). The Authority has elected to present the "Statement of Comprehensive Income" in one statement.

Management's use of judgments and estimates

The Authority uses accounting estimates and assumptions in the preparation of the financial statements. Although these estimates are based on management's best knowledge of current events and transactions, actual results may ultimately differ from those estimates. The effect of any changes in estimates will be recorded in the Authority's financial statements when determinable. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following presents a summary of these significant judgments and estimates:

Judgments

Principal versus agent considerations

Under Communications Act, 2009, the Authority has the functions to act on behalf of the Government in the billing and collection of certain fees from licensees. 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 and acting as an agent of the Government. These transactions are disclosed in Note 18 to the financial statements.

Estimates

Estimation of allowance for doubtful accounts of accounts receivable

A provision for doubtful accounts is made for accounts that are especially identified as doubtful of collection. The level of this provision is evaluated by management on the basis of factors that affect the collectability of the accounts, such as the length of the relationship with the debtor, the credit status of the debtor based on third-party reports, and historical experience. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about several factors, and actual results may differ, leading to future changes to the provision. In addition to specific provisions against individually significant receivables, the Authority also makes a collective impairment provision against exposures that, although not specifically identified as requiring a specific provision, have a greater risk of default than when originally granted. This collective provision is based on any deterioration of the quality of the receivable since it was granted or acquired.

Receivables are written off when they are deemed uncollectible, after all reasonable collection efforts have been exhausted. The write-off of uncollectible receivables is deducted from allowance for doubtful accounts, if previously recognized as a provision for doubtful accounts, otherwise, write-off will be recorded as bad debt expense and deducted from accounts receivable.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates (continued)

Estimation of allowance for doubtful accounts of accounts receivable (continued)

As at 31 December 2025, the carrying value of the Authority's accounts receivable, net of allowance for doubtful accounts, amounted to \$1,111,442 (2024: \$1,251,915). The total amount of provision for doubtful accounts during the year amounted to \$15,238 (2024: \$60,682), and the total write-off of receivables during the year amounted to \$15,752 (2024: \$13,123) as disclosed in Notes 6 and 14.

Estimation of useful lives of property and equipment

The Authority estimates the useful lives of its property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of the property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the assets. In addition, estimation of the useful lives of the property and equipment is based on a collective assessment of industry practice, internal technical evaluation, and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

As at 31 December 2025, the Authority's net carrying values of property and equipment amounted to \$5,974,569 (2024: \$5,255,308).

Cash

Cash includes cash on hand and demand deposits.

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 to initially recognize 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 Authority's financial assets include cash, accounts receivable, and investments as they are held with the objective of collecting contractual cash flows. They are included in current assets, except for maturities greater than 12 months after the reporting date.

Accounts receivable and investments are recognized initially at the fair value, including transaction costs that are directly attributable to the acquisition. They are subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables and debt investments is 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.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets: (continued)

The carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognized 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 recognized, the previously recognized 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 amortized cost net of directly attributable transaction costs.

The Authority's financial liabilities include loan payable, accounts payable, accrued expenses and other liabilities, and post-employment benefits liability.

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

Property and equipment, net

Property and equipment, net 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 recognized 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

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment, net (continued)

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 recognized 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 are recognized 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.

Income and expenses

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 recognized over the period of the applicable licence and is assessed based on licensee revenue recognition criteria, which include 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 recognized 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 recognises 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 recognized 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").

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expenses

Expenses are recognized in the statement of comprehensive income upon utilization of the service or at the date they are incurred.

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.

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 31 March 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 recognized 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 recognized contributions have been paid.

Defined benefit obligation

Effective 31 December 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 recognized 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.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Provisions

Provisions for restructuring costs and legal claims are recognized 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 recognized 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 the passage of time is recognized as interest expense.

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 or business licence. Input VAT from the purchase of goods or services is recorded as part of the expense.

Related party transactions

Transactions between related parties are based on terms similar to those offered to non-related parties. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. The Central Bank and certain of its directors and officers are considered to be related parties of the Authority.

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 reviews the financial results.

Borrowing costs

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

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Post reporting date events

The Authority identifies subsequent events as events that occurred after the reporting period but before the date when the financial statements were authorized for issue. Any subsequent events that provide additional information about the Authority's position at the reporting period, adjusting events, are reflected in the financial statements, while subsequent events that do not require adjustments, non-adjusting events, are disclosed in the notes to financial statements when material.

5. CASH

Cash as at 31 December 2025 consists of the following:

	2025	2024
	\$	\$
Cash at banks	5,441,624	2,579,751
Cash on hand	2,000	2,000
	5,443,624	2,581,751

The Authority does not earn any interest from cash at banks.

On 23 February 2024, 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 with an annual interest rate of 0.5% over the Nassau prime rate (currently at 4.25%), or a total of 4.75%. This facility is secured by Frederick House. The operating overdraft facility was not utilized during the years ended 31 December 2024 and 2025, respectively.

6. RECEIVABLES, net

Receivables as at 31 December 2025 consist of the following:

	2025	2024
	\$	\$
Accounts receivable, net	1,071,634	1,241,196
Interest receivable	6,825	6,606
Other receivable	32,983	4,113
	1,111,442	1,251,915

The breakdown of accounts receivable, net as at 31 December 2025 is as follows:

	2025	2024
	\$	\$
Accounts receivable		
Electronic communications	1,785,037	1,958,676
Energy	611,504	610,241
Natural gas	2,300	-
	2,398,841	2,568,917
Less: Allowance for doubtful accounts		
Electronic communications	(1,173,009)	(1,157,771)
Energy	(154,198)	(169,950)
	(1,327,207)	(1,327,721)
Accounts receivable, net	1,071,634	1,241,196

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

6. RECEIVABLES, net (continued)

Movements in allowance for doubtful accounts during the year are as follows:

	Notes	2025 \$	2024 \$
As at January 1		1,327,721	1,280,162
Provision for doubtful accounts during the year	6, 14	15,238	60,682
Write-offs		(15,752)	(13,123)
As at December 31		1,327,207	1,327,721

7. PREPAID EXPENSES AND OTHER ASSETS

Prepaid expenses and other assets as at 31 December 2025 are comprised of the following:

	2025 \$	2024 \$
Prepaid expenses		
Membership & subscriptions	269,072	94,186
Other prepayments	187,310	152,595
Event deposits	129,305	-
Prepaid insurance	111,141	109,139
Total prepaid expenses	696,828	355,920
Other asset	9,000	9,000
	705,828	364,920

Event deposits comprised of advanced payments made during the year in respect of the hosting of an International Regulatory Forum scheduled for 2026.

8. INVESTMENTS, at amortized cost

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 term fixed income securities issued by The Bahamas Government.

As at 31 December 2025, the investment comprised of Bahamas Government Registered Stock ("BGRS") that pays interest semi-annually, with annual interest rates ranging between 3.67% and 5.54% (2024: 3.25%-5.54%), and maturity dates ranging between 2027 and 2034. Interest earned during the year amounted to \$19,416 (2023: \$8,235), of which \$6,825 remained receivable as at 31 December 2025 (2024: \$6,606), and was included in receivables in the statement of financial position.

The classification of investments as at 31 December 2025 is as follows:

	2025 \$	2024 \$
Current	-	100,000
Non-current	443,200	343,200
	443,200	443,200

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

8. INVESTMENTS, at amortized cost (continued)

Movements in investments, at amortized cost during the year are as follows:

	2025 \$	2024 \$
Balance, beginning of the year	443,200	-
Additions during the year	100,000	443,200
Maturities during the year	(100,000)	-
Balance, end of the year	443,200	443,200

9. PROPERTY AND EQUIPMENT, net

Property and equipment, net, as at 31 December 2025 are comprised of the following:

	Land	Building	Information Systems \$	Vehicles	Furniture & Office Equipment	Capital work in progress	Total
Cost:							
Balance as at 1 January 2024	1,313,500	4,903,314	2,300,772	187,080	707,769	-	9,412,435
Additions	-	-	181,725	-	6,094	865,082	1,052,901
Disposals	-	-	(3,093)	-	-	-	(3,093)
Balance as at 31 December 2024	1,313,500	4,903,314	2,479,404	187,080	713,863	865,082	10,462,243
Additions	-	-	35,861	49,168	36,305	1,065,026	1,186,360
Disposals	-	-	(107,817)	-	(14,998)	(1,092)	(123,907)
Balance as at 31 December 2025	1,313,500	4,903,314	2,407,448	236,248	735,170	1,929,016	11,524,696
Accumulated depreciation:							
Balance as at 1 January 2024	-	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 31 December 2024	-	2,174,643	2,201,685	187,080	643,527	-	5,206,935
Depreciation	-	281,787	102,149	4,917	32,554	-	421,407
Disposals	-	-	(63,217)	-	(14,998)	-	(78,215)
Balance as at 31 December 2025	-	2,456,430	2,240,617	191,997	661,083	-	5,550,127
Net book values:							
Balance as at 31 December 2025	1,313,500	2,446,884	166,831	44,251	74,087	1,929,016	5,974,569
Balance as at 31 December 2024	1,313,500	2,728,671	277,719	-	70,336	865,082	5,255,308

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

9. PROPERTY AND EQUIPMENT, net (continued)

During the year, the Authority purchased property and equipment amounting to \$1,186,360, of which \$241,794 remained payable as at 31 December 2025 (2024: Nil), and was included in the accounts payable, accrued expenses and other liabilities in the statement of financial position. Also, the Authority disposed of assets with a total cost of \$123,907 (2024: \$3,093) and total accumulated depreciation of \$78,215 (2024: \$3,093). Total proceeds recorded by the Authority from trade in assets and auctions amounted to \$4,492 (2024: Nil), which resulted in a loss on disposal of assets amounting to \$41,200 (2024: Nil), and was presented in other income (expenses) in the statement of comprehensive income.

10. LOAN PAYABLE

On 23 February 2024, the Authority entered into a demand term loan agreement with Bank of The Bahamas Limited ("BOB") for \$2,000,000, to facilitate the renovation and improvement of Frederick House. The term of the loan is ten (10) years at an annual interest rate of .25% over the Nassau prime rate (currently 4.25%). Interests will be paid during the nine (9 month) renovation period from July 2025 to March 2025. In April 2025, BOB agreed to extend the interest only period to 31 May 2025. This facility is secured by Frederick House, assignment of rents for commercial units, and general assignment of accounts receivable.

During the year, the Authority drew down on the demand term loan facility amounted to \$1,389,060 (2024: \$607,739). The interest only payments are expected to end on 31 May 2025, and payments of principal and interest are expected to commence in the following month.

Movements in loan payable during the year are as follows:

	2025	2024
	\$	\$
As at January 1	607,739	-
Loan drawdown	1,389,060	607,739
Repayments	(93,402)	-
As at December 31	1,903,397	607,739

The classification of loan payable as at 31 December 2025 is as follows:

	2025	2024
	\$	\$
Current	166,402	120,851
Non-current	1,736,995	486,888
	1,903,397	607,739

As at 31 December 2025, the Authority incurred and paid interest expense from the loan amounting to \$64,523 (2024: \$11,426), which was included in finance costs in the statement of comprehensive income.

UTILITIES REGULATION AND COMPETITION AUTHORITY

Notes to Financial Statements

31 December 2025

11. ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHER LIABILITIES

Accounts payable, accrued expenses and other liabilities as at 31 December 2025 are comprised of the following:

	2025	2024
	\$	\$
Accounts payable and accrued expenses	601,928	331,629
Accrued staff costs	418,637	376,833
Other payables and liabilities	37,271	41,356
	1,057,836	749,818

12. 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. During the year, the Authority's contributions totaled \$141,490 (2024: \$132,199), and there were 23 participants in the Plan at 31 December 2025 (2024: 24).

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 defined benefit plan is unfunded. However, the Authority has earmarked its investments in BGRS as the source of funds to fund this liability in the future. The latest actuarial valuation obtained was as at 31 December 2025 was issued on 20 February 2026, and the actuarial valuation method used was the projected unit credit method.

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

	2025	2024
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 summarize the components of net post-employment benefit expense and the funded status and amounts recognized in the statement of financial position for the Plan, as determined as of the date of the last actuarial review.

	2025	2024
	\$	\$
Administrative costs	-	-
Net interest expense	31,418	29,545
Expense recognized in the statement of comprehensive income	31,418	29,545

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12. POST-EMPLOYMENT BENEFITS (continued)

Defined benefit plans (continued)

The expense recognized during the year is presented as part of salaries and benefits in the statement of comprehensive income.

The post-employment benefit plan liability is analyzed as follows:

	2025	2024
	\$	\$
Present value of post-employment benefit obligations	(554,073)	(571,243)
Liability in the statement of financial position	(554,073)	(571,243)

Movements in the post-employment benefit liability in the statement of financial position are as follows:

	2025	2024
	\$	\$
Liability, beginning of the year	(571,243)	(537,168)
Expense recognized in the statement of comprehensive income	(31,418)	(29,545)
Amount recognized in other comprehensive loss	48,588	(4,530)
Liability, end of the year	(554,073)	(571,243)

Movements in the present value of the post-employment benefit obligations are as follows:

	2025	2024
	\$	\$
Present value of post-employment benefit obligations, beginning of the year	571,243	537,168
Interest cost	31,418	29,545
Actuarial (gain) loss due to remeasurement of benefit obligations	(48,588)	4,530
Present value of post-employment benefit obligations, end of the year	554,073	571,243

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

	31 December 2025		31 December 2024	
	1% p.a. Increase	1% p.a. Decrease	1% p.a. Increase	1% p.a. Decrease
Discount rate	(59,851)	70,354	(63,670)	75,557
Future salary increases	N/A	N/A	N/A	N/A

- If deferred member lived one year longer, the benefit liability would be \$569,529 (2024: \$586,316).
- The duration of the benefit liability is 11.1 (2024: 11.3) years.

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12. POST-EMPLOYMENT BENEFITS (continued)

Sensitivity analysis (continued)

The Authority has the right to claim reimbursement from the 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 been made.

13. 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 Public Utility Commission ("PUC"), are allocated to contributed capital.

As at 31 December 2025, the Authority's contributed capital amounted to \$1,537,891 (2024: \$1,537,891).

Utilities Regulations and Competition Authority ("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. On 1 July 2013, the Amendment Act (2013) repealed and replaced section 37 of the principal Act with the following conditions relative to the payment of surplus funds into 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 1 October 2024. The operating segments derive their revenue primarily from licence fees issued to sector participants.

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13. OPERATING SEGMENTS - FUND BALANCES (continued)

Utilities Regulations and Competition Authority ("URCA") Fund (continued)

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

31 December 2025	Electronic Communications \$	Energy (Electricity) \$	Natural Gas \$	Total \$
Income				
Licence fees	6,137,738	2,647,170	1,521,750	10,306,658
Telecommunications, radio communications, energy, and other fees	76,782	37,478	45,400	159,660
Interest income	19,416	-	-	19,416
	6,233,936	2,684,648	1,567,150	10,485,734
Expenses				
Salaries and benefits	2,754,537	1,517,476	503,106	4,775,119
Professional fees	685,412	215,969	41,660	943,041
Conferences, training, and travel	591,629	90,716	45,584	727,929
Other general and administrative services	301,820	150,911	50,304	503,035
Depreciation	266,374	107,782	47,251	421,407
Information technology	188,769	89,734	39,700	318,203
Premises occupancy costs	175,249	77,065	47,087	299,401
Office services	88,581	39,842	18,740	147,163
Advertising and public relations	41,131	36,083	5,786	83,000
Finance costs	38,714	19,357	6,452	64,523
Loss on disposal of assets	41,200	-	-	41,200
Provision for doubtful accounts	15,238	-	-	15,238
	5,188,654	2,344,935	805,670	8,339,259
Excess of income over expenditure	1,045,282	339,713	761,480	2,146,475
Other comprehensive income	48,588	-	-	48,588
Opening fund balance	5,441,968	1,260,488	(272,054)	6,430,402
Closing fund balance	6,535,838	1,600,201	489,426	8,625,465

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13. OPERATING SEGMENTS - FUND BALANCES (continued)

Utilities Regulations and Competition Authority ("URCA") Fund (continued)

31 December 2024	Electronic Communications \$	Energy (Electricity) \$	Natural Gas \$	Total \$
	(Restated)			(Restated)
Income				
Licence fees	5,136,494	3,577,146	-	8,713,640
Telecommunications, radio communications, energy, and other fees	73,969	22,900	-	96,869
Fines	209,488	-	-	209,488
Interest income	8,235	-	-	8,235
	5,428,186	3,600,046	-	9,028,232
Expenses				
Salaries and benefits	2,882,639	1,473,363	57,907	4,413,909
Professional fees	911,366	427,526	170,488	1,509,380
Conferences, training, and travel	399,680	121,625	27,129	548,434
Depreciation	285,600	102,142	3,794	391,536
Information technology	210,020	91,529	2,865	304,414
Premises occupancy costs	202,948	93,260	4,856	301,064
Other general and administrative services	188,892	62,544	2,168	253,604
Office services	89,495	49,043	2,206	140,744
Advertising and public relations	62,822	36,012	-	98,834
Finance costs	47,462	16,035	641	64,138
Provision for doubtful accounts	60,682	-	-	60,682
	5,341,606	2,473,079	272,054	8,086,739
Excess of income over expenditure	86,580	1,126,967	(272,054)	941,493
Other comprehensive loss	(4,530)	-	-	(4,530)
Opening fund balance	5,359,918	133,521	-	5,493,439
Closing fund balance	5,441,968	1,260,488	(272,054)	6,430,402

Prior to 1 January 2017, the URCA Fund consisted of surplus funds that had been accumulated since the commencement of operations of the Authority. These surplus funds at 31 December 2016, totaled \$3,175,638 and were assigned to the Electronic Communications Sector, and until 1 January 2017, were 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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13. OPERATING SEGMENTS - FUND BALANCES (continued)

Utilities Regulations and Competition Authority ("URCA") Fund (continued)

As at 31 December 2025, \$4,991,540 (2024: \$2,970,810) has been designated as funds immediately required, with funds allocated during the year amounting to \$2,020,730 (2024: \$834,010). The surplus funds that are considered not immediately required as at 31 December 2025 amounted to \$3,663,926 (2024: \$3,459,593). 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 31 December 2025, there were no fines assessed and ordered against licensees in accordance with the provisions of the said Act (2024: \$209,488).

14. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses during the year are comprised of the following:

	Notes	2025 \$	2024 \$
			(Restated)
Salaries and benefits	18	4,775,119	4,413,909
Depreciation	9	421,407	391,536
Premise repairs and maintenance		324,465	111,526
Information technology		318,203	304,414
Premises occupancy costs	18	299,401	301,064
Office services		147,163	140,744
Communications	18	93,252	95,065
Advertising and public relations		83,000	98,834
Donations	18	54,459	29,950
Automotive maintenance		30,859	17,063
Provision for doubtful accounts	6	15,238	60,682
		6,562,566	5,964,787

15. PROFESSIONAL FEES

Professional fees during the year consist of the following:

	2025 \$	2024 \$
Legal, professional, and consultancy fees	739,729	1,309,108
Professional membership	203,312	200,272
	943,041	1,509,380

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16. CONFERENCES, TRAINING, AND TRAVEL EXPENSES

Conferences, training, and travel expenses during the year are comprised of the following:

	Note	2025 \$	2024 \$
Travel		306,490	232,150
Training	18	259,179	285,364
Special projects		162,260	-
Regulatory conference hosting		-	30,920
		727,929	548,434

17. FINANCE COSTS

Finance costs during the year consist of the following:

	Note	2025 \$	2024 \$
Interest expense	18	64,523	11,426
Bank charges	18	-	52,712
		64,523	64,138

18. 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 comprised of the following:

	2025 \$	2024 \$
Balances:		
Assets		
Cash at banks	2,787,077	1,605,650
Accounts receivable, net	828,763	777,048
Investments, at amortized cost	443,200	443,200
Liabilities		
Loan payable	1,903,397	607,739
Accounts payable, accrued expenses and other liabilities	16,395	624,746
Transactions:		
Income		
Electronic communications operating licence fees	2,599,345	2,195,912
Energy sector licence fees	2,496,550	3,427,408
Telecommunications, radio communications, energy and other fees	2,700	224,688
Fines	-	209,488
Expenses		
Salaries and benefits	107,632	96,758
Communications	31,763	30,614
Premises occupancy costs	94,760	86,974
Donations	-	500
Interest income	19,416	8,235
Interest expense	64,523	11,426
Bank charges	-	27,500
Training	685	-

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18. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Fiduciary activities

Under the Communications Act, 2009, the Authority is responsible for granting and registering individual and class spectrum and operating licences, enforcing licence conditions, and billing and collecting related fees. In accordance with the Act, all communication and spectrum licence fees collected are remitted to the Consolidated Fund through the Ministry of Finance, and the Authority acts solely as an agent in collecting these amounts. Funds held in bank accounts arising from the billing and collection of Government fees do not represent income of the Authority and are held on behalf of the Government. Such funds amounted to \$30,250 at 31 December 2025 (2024: \$56,059).

The Authority and the Bahamas Maritime Authority (BMA) signed a memorandum of agreement effective 30 August 2010, in which there was a delegation of authority from the Authority to BMA to issue spectrum licences to maritime vessels registered under the Bahamian flag on behalf of the Authority. Under the terms of the memorandum, BMA will bill, collect, and remit spectrum fees on behalf of the Authority for the Government.

Additionally, under the terms of this memorandum, neither party will be compensated for the services performed regarding the billing, collection, and remittance of spectrum fees on behalf of the Government.

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 4 (2024: 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 \$1,397,260 (2024: \$1,204,859).

19. RECLASSIFICATION OF PRIOR YEAR PERIOD PRESENTATION

Certain prior period amounts were reclassified for consistency with the current period presentation (See statement of comprehensive income). These reclassifications had no effect on the reported results of operations of the Authority. Conferences, training, and travel that were presented in general and administrative expenses in the prior year were reclassified to conferences, training, and travel. Additionally, the interest income that was presented in the finance cost in the prior year was reclassified to interest income.

	2024 (Before reclassification)	Net effect	2024 (After reclassification)
	\$	\$	\$
General and administrative expenses	6,513,221	(548,434)	5,964,787
Conferences, training, and travel	-	548,434	548,434
Finance costs	55,903	8,235	64,138
Interest income	-	8,235	8,235

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20. COMMITMENTS AND 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.

On 10 December 2025, the Authority entered into a settlement and release agreement with a licensee in relation to the licensee's violation of the Communications Act, 2009. The matters are referenced as regulatory matters ECS 05/2023. In lieu of payment of the regulatory fine(s) and actions imposed by URCA, the licensee undertakes the following, to submit to URCA a completed licence application form pursuant to Section 16 (1) of the Communications Act, 2009, and to pay URCA the fees, including legal fees, accepted by URCA as an amnesty payment with respect to the Final Determination Order dated 14 April 2023. On 17 December 2025, the Authority received the settlement amounting to \$91,555, which included reimbursement of professional fees (legal and litigation fees) incurred and the residual amount was recorded as a part of telecommunications, radio communications, energy, and other fees income in the statement of comprehensive income.

21. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Authority manages its capital to ensure that it will be able to continue as a going concern while maintaining a capital base sufficient to support the expected expansion of its regulatory powers and associated operations. The capital of the Authority is represented by its contributed capital and the URCA fund. The Authority is not subject to externally imposed capital requirements, and there were no changes in the management of capital during the year.

22. EVENTS AFTER THE REPORTING DATE

The Authority evaluated the report of all post-reporting date events through 25 March 2026, which is the date the financial statements are available to be issued.

On 27 February 2026, the Government of The Bahamas announced that an arbitral tribunal had issued a Partial Final Award in its long-running dispute with the Grand Bahama Port Authority ("GBPA") concerning the Hawksbill Creek Agreement. A full copy of the ruling is publicly available. URCA reviewed the ruling in its entirety, and the Authority notes that the tribunal's award is a partial award. Amidst the tribunal's ruling, the Authority noted that the Tribunal rejected the claim that GBPA has exclusive authority over Freeport.

The Authority continues to monitor the progress of the matter to a final conclusion. URCA confirms that litigation claims between URCA and Grand Bahama Port Authority and URCA and Grand Bahama Power Company remain active. URCA continues to maintain and assert its statutory power by virtue of the URCA Act 2009, and the Electricity Act 2024, Statute Laws of the Commonwealth of The Bahamas.

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