

# Keynote speech for OCCUR 20<sup>th</sup> Anniversary Conference

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## Slide 1 Introduction

Good morning, colleagues, fellow regulators, policymakers, utility leaders, and partners from across the Caribbean and beyond.

It is both an honour and a privilege to stand before you today as Chair of the International Confederation of Energy Regulators (or ICER), and to join such a distinguished gathering of regulators and sector leaders.

Let me begin by recognizing the important role of the Organisation of Caribbean Utility Regulators — a valued member of ICER — in bringing this community together and strengthening regulatory capacity across the region. And a special thanks to Marsha who ably represents OCCUR on the ICER Steering Committee.

It is always encouraging to see this level of engagement — not just across jurisdictions, but across sectors — electricity, water, and telecommunications — all of which, as we know, are becoming increasingly interconnected.

Now, I think it is fair to say... this is not quite when and where we expected to meet. This conference was originally planned for last October. But Hurricane Melissa had other plans. And while conferences can be rescheduled... storms, unfortunately, cannot.

And in many ways, that is exactly why this conversation is so important.

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## SLIDE 2 – Hurricane Melissa

Hurricane Melissa was not just a weather event. It was a **system test** — and a demanding one.

- Electricity networks were damaged — in some cases significantly.
- Distribution systems, as is often the case, were particularly exposed.
- Transmission infrastructure was also affected.
- Substations were vulnerable to flooding and debris.

Telecommunications systems were strained — just when they were needed most.

Backup systems were relied upon — and in some cases, stretched. Water systems, which depend heavily on electricity, were also disrupted. And importantly, these impacts did not occur in isolation.

When power goes out:

- water systems are affected,
- telecommunications degrade,

- emergency coordination becomes more difficult,
- and critical services are placed under strain.

In other words, we are not dealing with separate systems. We are dealing with a system of systems.

There is another dimension to this “system of systems” idea that is becoming increasingly important in the Caribbean — and that is telecommunications.

Because alongside traditional mobile and fibre networks, we are now seeing the emergence of satellite-based providers offering broadband — and increasingly, potentially, direct connectivity to devices.

That is a significant development.

On the one hand, satellite technologies offer real advantages in this region.

They can:

- extend connectivity to remote or underserved areas,
- be deployed quickly following extreme events,
- and provide an additional layer of resilience when terrestrial infrastructure is damaged.

In a hurricane-prone region, that is not a theoretical benefit — it is a very practical one.

But at the same time, it raises important questions.

Because incumbent telecommunications providers have invested heavily — over many years — in:

- fibre networks,
- mobile infrastructure,
- subsea cables,
- and the skilled workforce required to build and maintain them.

Those investments underpin the reliability of the system as a whole.

## Slide 3 - New Technologies

And so the emergence of new technologies — particularly those that operate under different cost structures and regulatory frameworks — naturally raises questions about:

- how to maintain a level playing field,
- how to sustain long-term investment in infrastructure,
- and how to ensure that the overall system remains both competitive and resilient.

This is not a question of choosing one model over another.

It is a question of integration.

How do we:

- incorporate new technologies that enhance resilience and expand access,

- while maintaining the investment and operational capabilities of existing networks?

And this is where the regulatory challenge becomes very real.

Because it touches on:

- licensing frameworks,
- cost recovery,
- universal service obligations, and, more broadly, the long-term structure of the market.

And, as with so many of the issues we have been discussing, there is no single right answer

- only a need to balance:

- innovation and stability,
- competition and investment,
- and short-term gains with long-term system outcomes.

This has important implications. Because resilience is no longer about a single network. It is about how interconnected systems behave under stress — and how they recover together. This is the “system of systems”.

Here is another dimension to this concept that is worth reflecting on. Restoration is not just a technical exercise.

- It is operational.
- It is logistical.

- And often, it is constrained.

Crews must be mobilized — sometimes from other jurisdictions. Damage must be assessed — often under difficult conditions. Access roads may be blocked. Supply chains for equipment may be limited.

And all of this takes time.

At the same time, decisions must be made — sometimes very quickly:

- Which customers are restored first?
- Hospitals? Water treatment plants? Emergency services?
- Or the largest number of households?

These are operational decisions. But they are shaped by policy — and by the frameworks within which utilities operate.

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What followed Hurricane Melissa also tells a powerful story.

- Utilities mobilized quickly.  
Crews worked long hours.  
Mutual aid arrangements were activated.  
Regional coordination functioned effectively.

That kind of response is not accidental. It reflects:

- Years of preparation,

- Thoughtful planning,
- Transparent and shared standards,
- and a system of institutions capable of functioning under pressure.

But it also raises important questions.

- Were we as prepared as we thought we were?
- Where did systems perform as expected — and where did they fall short?
- What assumptions proved valid — and which did not?

Because resilience is not just demonstrated in response. It is revealed in the gap between what we planned for — and what actually occurred.

And perhaps most importantly: · What would we do differently next time?

We talk about resilience as a concept. But Hurricane Melissa reminds us what resilience actually looks like:

- how long the lights are out,
- how quickly they come back,
- and how well this “system of systems” performs under real stress – when it matters most.

On behalf of my colleagues at International Confederation of Energy Regulators, let me extend our best wishes for continued recovery across the region.

## SLIDE 3 – The role of the regulator

Now, I have spent a number of years working as a regulator — as a regulatory Commissioner and as Chair and CEO of the British Columbia Utilities Commission. And over time, you begin to notice certain patterns.

One is that regulators everywhere tend to share a common experience: we are rarely the most popular people in the room — but we are often the most necessary.

And the job has a familiar rhythm:

- if prices go up, people ask why;
- if investment is delayed, people ask why;
- and if everything works perfectly... nobody notices at all.

Which means that if no one is talking about you... you may actually be doing something right!

But there is a more serious point behind that. Because in moments like Hurricane Melissa, the role of the regulator becomes clearer. Not always visible in real time — but critical in shaping outcomes. And that is what I would like to turn to next.

When people think about crisis decisions, they imagine real-time action. But in our world — the regulatory world - the most important decisions are made before the storm... and after it passes.

Before the storm, regulators shape the framework:

- Are utilities investing – and investing enough - in resilience?
- Are standards aligned with actual risk?
- Are incentives structured to reward preparedness — or simply compliance?
- Are poles, lines, and substations designed for local conditions?
- Are vegetation management programs adequate?
- Are emergency procurement rules clear?
- Are utilities incentivized to prepare?

These decisions may not attract attention — but they do determine readiness. And they raise important questions.

Then after the storm, these questions become more visible:

- Were the costs reasonable?
- Who pays?
- Should recovery be accelerated?

But there is a deeper question as well: **What did this event reveal about the adequacy of our regulatory frameworks?**

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**Regulatory Decisions in Practice**

To make this more concrete, imagine a utility incurs significant storm-related costs. The regulator may face several options:

**1. Immediate cost recovery**

→ higher short-term rates

**2. Deferred recovery**

→ lower short-term impact, but future obligations

**3. Shared recovery (government support) – if that is even possible**

→ fiscal implications for taxpayers

**4. Partial disallowance**

→ impacts on utility finances

Each option has consequences. There is no “right” answer — only trade-offs. But over time, those choices accumulate — and they define the resilience of the system we oversee.

Similarly, consider resilience investment:

- Should undergrounding be required? Especially in storm-risk environments
- Where is it cost-effective?
- How much redundancy is enough?
- How do you balance cost vs risk?

These are judgment calls. And they must be made under uncertainty. However, the next judgement calls are based on the best available information. To balance cost against risk,

we must have estimates of costs – costs of hardening infrastructure – vs the cost of picking up the pieces if it breaks in a storm.

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## SLIDE 4 – Regulatory independence

### **Regulatory Independence — The Practical Reality**

This is where regulatory independence matters. But it must be understood in practical terms.

Across the Caribbean — and across ICER — there is no single model of regulatory independence. Indeed, there isn't even a definition. As the saying goes about art – I don't know anything about art but I know good art when I see it – so it is with independence for many people.

Some regulators have strong formal independence. Others operate within closer government frameworks. So independence is not binary. But it is about how decisions are made.

What matters is whether regulators can:

- rely on evidence,
- apply consistent reasoning,
- operate transparently,

- and explain decisions clearly.

In many cases, we can flex enough regulatory muscle to accomplish many of these goals.

And that creates credibility. And credibility creates confidence. And confidence affects:

- investment decisions
- cost of capital
- system resilience

Even incremental improvements — in transparency, consistency, and analytical rigor — can have meaningful impact.

But independence is not only about structure — it is about how decisions hold up under pressure. Particularly when:

- · the evidence is inconclusive,
- · the public interest is affected,
- · and the consequences are significant.

That is where independence moves from concept... to practice.

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## **Caribbean Context**

Across the Caribbean, these issues are particularly acute. For one thing, utilities operate at relatively small scale. That means:

- higher per-customer costs

- limited redundancy
- and fewer options for diversification

In The Bahamas, geography adds complexity multiple islands, dispersed systems, logistical challenges. Different resource dynamics apply in different regions— but infrastructure and investment decisions remain critical.

So while contexts differ, the underlying regulatory challenges are shared.

## Slide 5 – Opportunities

Let me step back now and place all of this in a broader context. Because the Caribbean energy and utility landscape is undergoing significant change — and at a pace that is, in many respects, accelerating.

Historically, many systems across the region relied heavily on imported fossil fuels. That created exposure to:

- global price volatility,
- supply disruptions,
- and external economic shocks.

At the same time, many systems developed in relative isolation.

- There were limited interconnections.
- Limited redundancy.

- And, in some cases, limited ability to diversify supply sources.

That model worked — for a time. But today, it is under increasing pressure. Now you have:

- climate-related risks that are becoming more frequent and more severe,
- technological change that is accelerating,
- and a global transition toward lower-carbon energy systems.

Energy security is no longer a background issue. It is central — to economic stability, to social well-being, and to long-term development.

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At the same time, there is a very real opportunity. Across the Caribbean, we are seeing:

- increased deployment of renewable energy,
- growth in hybrid systems that combine multiple generation sources,
- expanding interest in distributed energy resources,
- and growing use of digital tools to manage systems more effectively.

In some jurisdictions, solar penetration is increasing rapidly. In others, there is interest in wind, storage, and microgrids.

In island systems, the idea of resilience is increasingly tied to **local capability** — the ability to maintain essential services even when broader systems are disrupted.

These are important developments. But they also introduce complexity.

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Because integrating new technologies is not straightforward: Renewable energy introduces variability; Distributed generation changes load profiles.

Storage helps — but adds cost and operational considerations. Digital systems improve visibility — but introduce cybersecurity considerations.

So again, the regulator is at the centre of these changes. And the challenge is not simply to enable innovation. It is to enable innovation **while maintaining reliability, affordability, and system stability.**

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## Slide 6 – Balancing objectives

This brings us back to a familiar theme. Because in many ways, the regulatory role is about balancing competing objectives. And those objectives are not always aligned.

For example:

- Customers want lower costs — understandably.
- Utilities need to invest — to maintain and improve systems.
- Governments want affordability — and economic stability.
- And long-term resilience requires investment — often years ahead of need.

So the regulator is constantly balancing:

- short-term affordability and long-term resilience,
- innovation and stability,
- flexibility and predictability.

And those are not easy balances. There is no formula- only judgment.

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## Slide 7 – Collaboration

Now, let me turn to something that is, in my view, one of the Caribbean's greatest strengths. And that is **collaboration**. We saw it clearly during Hurricane Melissa.

- Utilities supported one another.
- Resources were shared.
- Knowledge was exchanged.

But collaboration in this region goes beyond emergency response. Through organizations such as Organisation of Caribbean Utility Regulators, regulators are:

- sharing experience,
- building capacity,
- and strengthening institutional frameworks.

And through global networks such as International Confederation of Energy Regulators, those experiences are connected to a broader international community.

That matters. Because many of the challenges we face are shared. And no single jurisdiction has all the answers.

For smaller systems in particular, collaboration is not just helpful — it is essential. It allows:

- access to expertise,
- sharing of best practices,
- and development of common approaches where appropriate.

And ultimately, it strengthens the effectiveness of regulation.

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## Slide 8 – Leadership

Let me say a brief word about leadership. Because in times of transition — and in times of stress — leadership becomes particularly important. And leadership, in this context, is not about having all the answers. It is about:

- making decisions when decisions are needed,
- being prepared to act under uncertainty,
- learning from experience,
- and communicating clearly and honestly.

Not every decision will be perfect. That is simply the reality. But waiting for perfect information can be more costly than acting on sound judgment. The perfect can indeed be the enemy of the good!

And over time, credibility is built not on perfection — but on consistency, transparency, and willingness to learn.

Looking ahead, resilience must remain central. But resilience is not just about infrastructure. It is about systems. It is about institutions. And it is about people. It means:

- planning ahead,
- investing wisely,
- and ensuring that the benefits of reliable service are shared broadly.

Because resilience, ultimately, is not just technical. It is social.

## Slide 9 – Closing

### **Closing**

Let me close with this.

Hurricane Melissa reminded us of both vulnerability — and strength.

It showed what worked. But it also showed where systems can be tested — and where they can be improved.

The task now is not simply to recover — but to learn.

To ask:

- what would we change,
- what should we strengthen,
- and how do we ensure that the next event finds us better prepared?

Because resilience is not a fixed outcome. It is something we build — decision by decision, framework by framework.

And as regulators, we are not outside that system. We are part of it. So let us move forward — together:

- with clarity,
- with collaboration,
- and with a willingness not just to recognize performance — but to improve it.

Because in this region, the winds that challenge are the same winds that power progress.

Thank you.