

THE REGULATORY REPORT

Who BeneFITs? BERMUDA'S ROOFTOP SOLAR EXPLAINED

Bermuda's electricity system includes a growing number of homes and businesses that generate electricity through solar panels. For these customers, solar generation can reduce the amount of electricity they need to purchase from the grid and, when their systems produce more electricity than they are using, create an opportunity to earn a credit through Bermuda's Feed-in Tariff, or FIT.

So, who benefits from the FIT, and how does it actually work?

The FIT is the rate paid for electricity generated by a distributed generator, such as a home or business with solar panels, when that electricity is exported to the electricity grid. Solar generation is generally used by the property first to power lights, appliances, and other equipment. When the system produces more electricity than the property requires at that moment, the surplus can be exported to BELCO's grid. A smart meter records the electricity sent to the grid, and the customer receives a credit on their electricity bill based on the applicable FIT rate.

The process also works in reverse. Solar panels do not generate electricity continuously. Production varies with sunlight, weather conditions, and time of day, and solar systems do not generate electricity at night. When a solar customer's system is not producing enough electricity to meet the property's needs, the customer draws electricity from the grid just like other electricity customers. The grid, therefore, remains an essential part of the system, providing electricity when on-site generation is unavailable or insufficient and allowing surplus generation to be exported when it is available.

This means that having solar does not mean a property operates independently of the electricity grid. Solar generation and grid electricity work together. The customer may purchase less electricity from the grid because some of their needs are met through their own generation, while continuing to rely on the wider electricity system for supply when their solar system cannot meet demand.

The FIT applies specifically to the electricity exported to the grid. It is separate from the retail rate that customers pay when purchasing electricity from the grid. The FIT is based primarily on the costs BELCO avoids by receiving electricity from distributed generators rather than generating that electricity itself. These avoided costs include fuel and oil costs.

The Regulatory Authority reviews and updates the FIT quarterly using its approved methodology. Because the calculation is based on underlying generation costs and forecasts, the rate can change from one quarter to the next. The quarterly process also allows previous forecasts to be reconciled against actual costs. **>> Article continued on page 3**

CONSUMER CORNER



BERMUDA'S HURRICANE SEASON & THE IMPACT ON REGULATED SECTORS

The 2026 Atlantic hurricane season has been unusually quiet so far, with Bermuda experiencing little to no direct storm activity. El Niño conditions have contributed to a less favourable environment for Atlantic hurricane development. However, a quieter season does not mean the community should become complacent. Hurricane season continues until 30 November, and a single storm passing near the island can still affect essential services and sectors regulated by the Regulatory Authority of Bermuda, such as energy.

For Bermuda, hurricane preparedness is about more than protecting buildings and property. Severe weather can affect electricity, electronic communications, fuel supplies and the infrastructure that connects the island to the wider world. These sectors support nearly every household, business and public service, making their resilience important to Bermuda's safety and economic stability.

Electricity infrastructure is often among the most visibly affected during a hurricane. High winds can damage utility poles, overhead lines and other equipment, while falling trees and airborne debris may cause additional disruption. Salt spray and flooding can also affect electrical equipment. When damage occurs, power may need to be temporarily disconnected in some areas so repairs can be completed safely.

Extended electricity outages can affect more than just lighting and household appliances. They may interrupt refrigeration, water pumps, business operations, payment systems and the charging of mobile devices. Electricity is also needed to support parts of Bermuda's communications infrastructure, which means that disruption in one sector can quickly affect services in another.

Electronic communications services, including mobile phones, internet connections, fixed-line telephones and television, are important before, during and after a hurricane. They allow the public to receive weather alerts, contact family members, access emergency information and communicate with essential services.

Although communications networks are designed with resilience in mind, severe weather can damage antennas, towers, cables and other network equipment. Some facilities may continue operating through backup generators or batteries, but these systems have limited operating times and may depend on access to fuel. Heavy demand following a storm can also place additional pressure on mobile networks, particularly when many people attempt to make calls or access the internet at the same time.

The RA encourages all stakeholders to be proactive and to develop a plan in advance of a storm for electricity, phone and internet outages. Consumers are encouraged to contact their service provider ahead of time to learn about protocols in the event of a hurricane.

Bermuda's submarine communications cables are another important part of the island's infrastructure. These cables carry vast amounts of data to other countries around the world. Most of the cable network is located beneath the ocean, but landing stations and connections on land may still be exposed to flooding, coastal erosion or damage to supporting infrastructure. Protecting these systems and promoting resilient connections helps keep subsea cables connected internationally.

Hurricanes can also affect the fuels sector. Bermuda depends on fuel imports, which may be delayed if ports close, shipping routes are disrupted or weather conditions prevent vessels from safely reaching the island. Fuel is necessary for transportation, electricity generation and the backup generators used by communications providers, businesses and essential facilities. Maintaining a secure and reliable fuel supply therefore supports the resilience of several other sectors.

The Regulatory Authority of Bermuda does not operate these services or lead the physical restoration of

INTERN SPOTLIGHT

INVESTING IN BERMUDA'S FUTURE

This summer, the Regulatory Authority of Bermuda provided training opportunities for two Bermudian students, supporting their professional development through practical workplace experience.

Rajee Knight-Rowling, a soon-to-be Year 12 student at Saltus Grammar School, joined the finance team. Working alongside senior colleagues, Rajee gained valuable experience ahead of his final year of secondary school. After graduation, he hopes to pursue a career in accounting or finance within the reinsurance industry.

"I really enjoyed my time and experience working with the Regulatory Authority of Bermuda. I learned countless valuable skills about the financial sector of the company, along with many other crucial elements that hold the company together," he said. "It was really eye-opening for me to see how all of these different people with different objectives work together to keep such an important business running. In all, I am very grateful for the opportunity that was presented to me and hope to be back in the future."

Liana Franco, a third-year student at Dalhousie University, also returned for her second summer placement with the RA's Legal team. Reflecting on her experience, Liana shared:

"I am very grateful to have been welcomed back by the RA for a second summer. As an undergraduate student who still aims to attend law school, I have found the RA to be an incredibly supportive work environment.

"My time here has provided meaningful experience and helped me strengthen my skills as both a student and an aspiring legal professional. What truly distinguishes the RA is its incredible team. My favourite part of being an intern is the opportunity to connect with and learn from supportive professionals."

As a predominantly Bermudian organisation, the RA recognises the importance of helping prepare the next generation for careers relevant to its work. Throughout the year, the RA also engages with Bermuda's young people through school presentations and other educational initiatives. *Pictured below, Liana Franco (left), Rajee Knight-Rowling (right).*





BERMUDA'S HURRICANE SEASON, CONT'D.

damaged infrastructure. Its role is to independently regulate sectoral providers, monitor compliance with applicable requirements and support the reliability, quality and resilience of essential services. Following a major disruption, the RA may review information from providers, monitor service restoration and consider whether further regulatory action is required.

The quiet conditions experienced so far this season provide an opportunity to prepare without the immediate pressure of an approaching storm. Consumers should remain familiar with official emergency guidance, keep mobile devices and power banks charged when severe weather threatens, protect electronics with surge protectors and follow service providers for restoration updates. Any service-related concerns should be reported directly to the relevant provider so that the issue can be recorded and addressed.

Bermuda's experience with hurricanes has shown that preparation, resilient infrastructure and clear communication all matter. Even in a quieter El Niño year, readiness remains essential. It takes only one storm near the island to disrupt the services the community depends on.

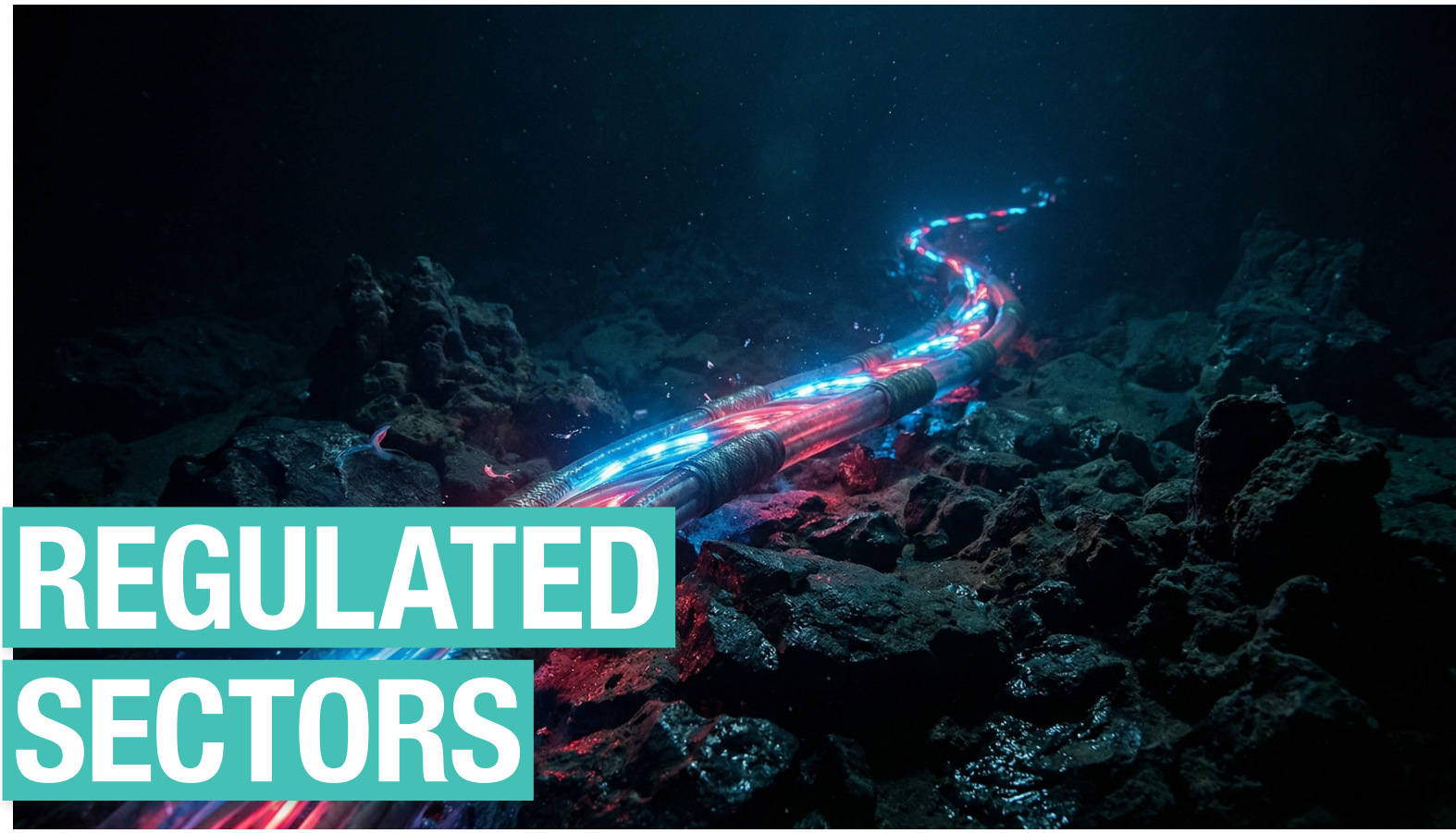
BERMUDA'S FEED-IN TARIFF, CONT'D.

The distinction between electricity generated, electricity consumed and electricity exported is important. A solar customer may generate electricity for their own use, draw electricity from the grid when additional supply is required, and export surplus electricity at other times. Each of these activities forms part of the wider electricity system, with the grid continuing to provide the infrastructure that connects customers and maintains a reliable supply.

The FIT therefore provides a specific mechanism for compensating distributed generators for the electricity they contribute to the grid. At the same time, understanding how the FIT works provides a clearer picture of the relationship between solar generation, grid use and the costs associated with maintaining the electricity system that serves all customers.

As solar generation continues to form part of Bermuda's electricity landscape, understanding who receives the FIT, what it covers and how solar customers continue to interact with the grid is important for understanding how the wider electricity system operates.

RA



REGULATED SECTORS

BERMUDA'S NEW DIGITAL GATEWAY: THE INFRASTRUCTURE BENEATH OUR FEET

When most people think about Bermuda's communications infrastructure, they probably think about mobile phones, internet connections and the networks that run through homes and businesses. Much of the technology that keeps Bermuda connected, however, sits far beyond what we can see. Beneath the ocean floor are submarine communications cables carrying enormous amounts of data between Bermuda and the rest of the world.

In 2026, Bermuda's position within this global network received significant attention with the landing of Google's NUVEM and SOL submarine cable systems. NUVEM connects South Carolina in the United States with Portugal, while SOL connects Florida with Spain, with both systems landing in Bermuda. Google has also announced Canoa, a new system connecting Bermuda with the Dominican Republic and creating another pathway between the Caribbean, Europe and North America.

These cables are essentially high-capacity fibre-optic networks under the sea. They transmit information using pulses of light through very thin strands of glass, allowing enormous amounts of data to travel across countries and continents in fractions of a second. The technology supports the services people use every day, from internet browsing and video calls to cloud computing, financial services and other digital applications.

For a small island such as Bermuda, having multiple international connections can also be important from a resilience perspective. A communications network with multiple pathways can offer more routing options if one connection experiences an interruption. As Bermuda's digital economy develops, reliable international connectivity is increasingly part of the infrastructure that supports businesses, residents and global commerce.

The development of these systems also brings the RA's role into focus. Bermuda's submarine communications cable sector is regulated under the Submarine Communications Cables Act 2020. The RA is responsible for regulating Submarine Communications Operating Licences, which govern the connection of submarine cables to Bermuda's communications networks and the provision of international connectivity services.

The RA has also launched a statutory Sectoral Review of Bermuda's submarine communications cable sector. The review provides an opportunity to examine how the sector has developed since the legislation came into force and whether the existing regulatory framework remains appropriate as Bermuda's international connectivity expands. The consultation is currently open for public comment.

For Bermuda, the story beneath the water is becoming just as important as the technology we use above it. As more international cable systems connect to the island, Bermuda's role in the global digital network continues to evolve, bringing new infrastructure, new opportunities and new considerations for the regulatory framework that supports it.

GLOBAL NEWS



WHY ARE FUEL PRICES SO VOLATILE?

Fuel prices can change quickly, sometimes within days or even hours. While changes at the pump are often associated with the price of crude oil, the global fuel market is influenced by a much wider network of factors, including production, refining capacity, shipping routes, inventories and geopolitical events.

In 2026, global energy markets have experienced significant volatility as disruptions in the Middle East affected the movement of crude oil and refined fuels. The Strait of Hormuz, one of the world's most important energy shipping routes, has faced repeated disruption. Although oil flows through the region have recovered substantially at times, higher shipping, insurance and security costs have continued to affect the market.

Another factor is the availability of refined fuels. Crude oil must be processed at refineries to produce products such as petrol, diesel and jet fuel. Refinery disruptions or limited capacity can therefore affect fuel prices even when crude oil supplies themselves are available. Recent market conditions have been particularly tight for diesel and other refined products.

Supply is only one side of the equation. Global demand also affects prices. Changes in economic activity, transportation, manufacturing and seasonal demand can influence how much fuel is needed at any given time. At the same time, countries may adjust their exports or build domestic reserves in response to changing market conditions, adding another layer of uncertainty.

Oil-producing countries also play an important role. OPEC+, a group of major oil-producing nations and their partners, regularly reviews production levels in response to market conditions. On 4 October, OPEC+ agreed to maintain its current production targets for November, while global markets continue to assess supply and demand conditions.

Governments can also respond when markets become particularly tight. On 2 October, G7 countries agreed to coordinate the release of 100 million barrels of oil and fuel through the International Energy Agency, including an accelerated release of diesel, in an effort to ease pressure on global markets. While in Bermuda the government has granted temporary duty relief on the import of fuels to ease the burden on residents.

The result is a global fuel market in which several factors can move prices at the same time. A disruption to production, a change in shipping conditions, a refinery outage or a shift in demand can all affect the cost of getting fuel from producers to consumers.

Understanding these dynamics helps put fuel price movements into perspective. Prices are not determined by crude oil alone, but by a complex global system in which energy production, transportation, refining and international events are closely connected.

BEWARE OF BUSINESS MESSAGING SCAMS

Electronic communications have made it easier than ever for businesses to reach customers. A text message can confirm a delivery, an email can provide an account update, and a phone call can help resolve an issue in minutes. However, the same channels that make communication convenient can also be used by scammers attempting to impersonate legitimate businesses and service providers.

Fraudulent messages may appear convincing and can use familiar business names, logos, email addresses or telephone numbers. They may contain links to imitation websites or ask recipients to make a payment, provide personal information or share passwords and verification codes. A request for immediate action, particularly when combined with an unusual payment method, should be treated with caution.

One of the simplest ways to reduce the risk of falling victim to a scam is to pause before responding. Avoid clicking unexpected links or providing sensitive information through a message. Instead, contact the business using a telephone number, website or other contact information that you have independently verified. If a message appears suspicious, it can also be blocked and reported through the relevant platform or service.

The Regulatory Authority (RA) regulates Bermuda's electronic communications sector, including the networks and services that allow residents and businesses to communicate by telephone and internet. While cybersecurity and financial crime are outside the RA's current regulatory mandate, safe and responsible use of electronic communications is an important part of maintaining confidence in the services that connect Bermuda.

Anyone who believes they have received a fraudulent communication should notify the business being impersonated and, where appropriate, their financial institution. Sharing information about a scam can help the affected organisation alert other customers and take steps to address the issue.

Suspected scams or fraud should also be reported to the Bermuda Police Service. The Bermuda Police Service Financial Crime Unit investigates fraud and scam-related offences and can be contacted through the main police line at +1 (441) 295-0011.

As electronic communications continue to play an increasingly important role in everyday life, taking a moment to verify a message before responding can help protect personal information, finances and access to online accounts.

EMPLOYEE SPOTLIGHT



Deborah "Deb" Trott brings a warm presence and a welcoming spirit to her role as Executive Assistant to the Chief Executive and Board of Commissioners. Since joining the Regulatory Authority in February 2023, Deb has become an important part of the organisation, overseeing many of the details that help keep the RA moving.

Known for her dependability and approachable nature, Deb is someone colleagues can turn to with questions, requests and the challenges that need a solution. Her open-door approach makes her a familiar and valued presence across the organisation.

Among her responsibilities is maintaining the historical record of the RA's work and decisions. While much of her work happens behind the scenes, it is vital to preserving the organisation's integrity and helping ensure the RA stays aligned with its mandates.

"Working at the RA has shown me how vital our expertise is in providing the community with factual, data-driven information as a regulatory authority," she says of her experience with the organisation. We are pleased to recognise Deb for the warmth and reliability she brings to the RA each day.

HIS EXCELLENCY THE GOVERNOR VISITS THE RA

The Regulatory Authority welcomed His Excellency Andrew Murdoch CMG, CVO, and Deputy Governor Dave Morgan on Thursday, 24 September 2026. The visit provided an opportunity for the Board of Commissioners and the RA team to discuss the RA's recent regulatory work, policy developments and global factors influencing Bermuda's regulated sectors.

The discussion also provided an opportunity to consider how developments within electricity, electronic communications and submarine communications may affect Bermuda's broader economic and social landscape. As an independent regulator, the RA's work is guided by legislation and informed by evidence, analysis and the interests of Bermuda's long-term development.

Engagement with senior public officials is an important part of understanding the wider environment in which regulation operates. While the RA maintains its independent regulatory responsibilities, constructive dialogue helps ensure that its work remains informed by developments affecting Bermuda and that the regulatory framework continues to support reliable services, investment, innovation and economic vitality.

The visit formed part of the RA's ongoing engagement with stakeholders and reflected the importance of informed dialogue as Bermuda navigates an increasingly complex regulatory and global environment. The RA remains focused on carrying out its statutory mandate and making considered regulatory decisions that contribute to Bermuda's long-term resilience and development.

MESSAGE FROM THE CHIEF EXECUTIVE



Entering the final quarter of the calendar year, the work of the Regulatory Authority of Bermuda continues to be shaped by an important responsibility: ensuring that the sectors we regulate operate in a manner that serves Bermuda's long-term interests.

The RA's work is not carried out in isolation. Our responsibilities are established through legislation, including the Regulatory Authority Act 2011 and the sector-specific laws governing electricity, electronic communications, fuels and submarine communications cables. Within these frameworks, our role is to make informed regulatory decisions that balance consumer interests, reliability, investment, innovation and the continued development of Bermuda's essential infrastructure.

The year has brought significant activity across each of our regulated sectors, from electricity planning and tariff reform to developments in electronic communications and Bermuda's growing role in international digital connectivity. Each represents a different regulatory challenge, but the underlying objective remains consistent: ensuring that Bermuda has reliable, sustainable and well-functioning services that can support the community today while preparing for what comes next.

As we move towards the close of the year, we continue to monitor wider policy developments that may have implications for Bermuda's regulatory landscape, including the Government's proposals relating to competition law and consumer affairs. As these discussions evolve, the RA will continue to assess their potential implications and the expertise and resources that may be required to respond to future developments. This forward-looking approach, supported by the commitment of our Board of Commissioners and team, remains central to advancing our mandate and contributing to Bermuda's resilience, economic vitality and long-term development.

Richard Ambrosio

Chief Executive
The Regulatory Authority of Bermuda

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ABOUT THE RA

The Regulatory Authority of Bermuda is an independent body that regulates electricity, electronic communications, fuel, and sub-marine cable markets. Established in 2013 by the Regulatory Act 2011, the RA is the national regulatory authority for implementing and enforcing regulation.

As an organization that does not operate directly under government, the RA takes a holistic, analytical approach through its functions. Furthermore, a predominantly Bermudian-led team of experts ensures Bermuda's social and economic well-being is factored into every decision made.

Our Mission: The RA serves stakeholders by providing a proactive, innovative, responsive framework.

The RA is dedicated to upholding mandates that promote the development of the economy and investment, encourage innovation, protect consumers, and champion fair competition.

CHAMPIONING FAIR COMPETITION

The RA fosters a competitive community by promoting market diversity. For instance, the RA has approved licenses to encourage multiple phone, internet, and television service providers. This ultimately benefits the island's consumers by providing choice and quality services.

PROTECTING CONSUMER RIGHTS

While the RA does not oversee Bermuda's cost of living, we ensure service providers deliver on their promises and contractual agreements within specified timelines. Our thorough consumer inquiry process, accessible through multiple channels, protects vulnerable individuals from exploitation.

PROMOTING ECONOMIC DEVELOPMENT AND INVESTMENT

As a leading regulator, the RA attracts new businesses to the island. Our professional approach ensures that organisations within regulated sectors operate effectively, contributing to Bermuda's thriving economy.

ENCOURAGING INNOVATION

The RA supports the integration of modern technologies, vital for maintaining Bermuda's status as a developed, tech-savvy island. Approving advancements such as 5G, the RA has fostered innovation that is aligned with our commitment to sustainability and the interests of existing stakeholders.