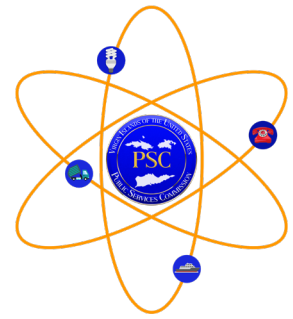




Government of the United States Virgin Islands Public Services Commission

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Thursday, July 10, 2024

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PSC Regular Meeting – July 10, 2024

U.S. VIRGIN ISLANDS – The Virgin Islands Public Services Commission (PSC or the Commission) convened its regular meeting, on Wednesday, July 10, 2024, to receive testimony on various matters pertaining its regulated utilities. The Commission went into executive session, where pending litigation matters were discussed. No motions or actions were taken in the session.

In the Commission’s last meeting, they had a brief discussion about its coordination with VITEMA and a review of the Hurricane/Disaster plans of the entities before the Commission. Since then, the PSC has received most of those Disaster plans and has created portfolios that were shared with VITEMA director, Daryl Jaschen.

On telecommunication issues, Liberty Mobile VI appeared before the Commission. Since Liberty’s migration process has been completed, the PSC Complaints Team has seen no decline in customer complaints ranging from number portability to quality-of-service issues. Liberty representatives were happy to report that they were getting a lot of those complaints resolved. Liberty also provided an update on their Broadband VI fiber optic build-out. Broadband VI won a “reverse auction” from the FCC to build a new fiber optic high-speed broadband network to serve all the VI. The “reverse auction” is effectively a competition to take the smallest subsidy to complete the project. The FCC awarded Broadband VI \$84.5 million over ten years but required completion of this project within five years. Liberty, which has subsequently acquired Broadband VI, has fallen drastically behind in the build-out, however, they continue to work with the Water and Power Authority (WAPA) and the Department of Public Works (DPW) to complete the project. The DPW is responsible for permitting the roadways, where much of the undergrounding is being accomplished. The work with WAPA is to gain access to existing poles and WAPA-owned underground conduits.

The STT/STJ Ferry Franchise was at the meeting to discuss the discontinuance of the Downtown Charlotte Amalie to Cruz Bay runs, as well as their failure to complete all their Red Hook to Cruz Bay runs. Delrise Varlack of Varlack Ventures (1/2 of the Franchise) said the Charlotte Amalie run is discontinued from June to November due to the slow season. She also explained that with Transportation Services being down for scheduled maintenance it is difficult to keep up with the scheduled Red Hook to Cruz Bay runs from 5:30 am to 11:30 pm due to limited staff. The Commission stressed how important it was for them to receive notice about changes being made to the scheduled ferry routes.

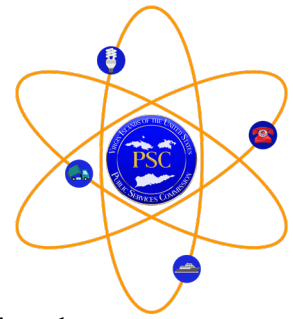
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On energy matters, the Commission received a status update from VI Electron regarding its solar generation projects for the territory. Christian Loranger, CEO said they are moving quickly on all the projects, working with WAPA's contractor on completing the interconnection studies, and are continuing to negotiate agreements for Battery Energy Storage Systems ("BESS") on St. Croix. VI Electron was previously approved to construct five solar projects in the US Virgin Islands:

- St. Croix – 10 MW (Petronella);
- St. Croix – 10 MW (Hogansberg);
- St. Thomas – 10 MW (West)
- St. Thomas – 10 MW;
- St. John – 16 MW.

VI Electron reported that the STX Petronella project should be completed in September, and the Hogansberg site before the end of the year. VI Electron is also proposing a third project near Frederiksberg.

In addition, Battery Energy Storage is needed to maximize the deployment and use of solar power. Those agreements are pending and will require approval to be included in future rates.

At the last meeting, the Virgin Islands Water and Power Authority did not have any representatives present so those matters were tabled for this meeting, representatives from WAPA came before the Commission to give testimony on a slew of issues. Discussed were:

- WAPA's Financial Crisis – The GVI has largely caught up with its overdue payments for the hospitals and Waste Management, which has gotten WAPA through the past two months. However, WAPA did not articulate a plan to address its ongoing operating deficit and cash flow issues.
- WAPA's Hurricane Preparedness and Emergency Planning – WAPA reported on its efforts to prepare for hurricane season but acknowledged that its financial crisis has left WAPA with minimal fuel stocks and cash, which left it short of the desired preparations.
- AMI Metering – The Automated Metering Information system has been steadily failing for several years. The result of that decline has been increased customer billing issues, estimated billings, and insufficient information on the system's operations. While WAPA has sought additional federal funding for this issue, no near-term solution was presented.
- Net Billing Program (NEB) - The primary goal of the NEB program is to provide access to the energy-saving benefits of Distributed Energy near-terms to grid-connected customers while ensuring WAPA maintains cost recovery for its fixed assets across the grid. Unfortunately, the application process has been backlogged and overwhelmed, with applicants waiting for more than two years. The current challenges WAPA faces include staffing resources, meter inventory, and some other safety concerns. WAPA plans to seek new hires and work closely with the Virgin Islands Energy Office to get outside contractors to assist with the process possibly. Commission staff was directed to develop an expedited process to assist customers with a 12 KW or smaller systems move through the process and reduce the backlog.
- GIS Mapping – A program being funded by FEMA to map out all the poles, transformers, and other distribution/transmission equipment in the territory. A geographic information system is a database

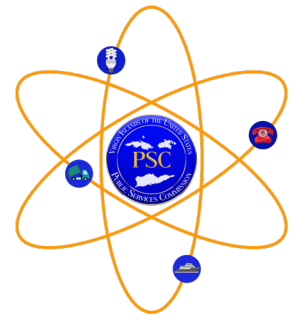
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containing geographic data, combined with software tools for managing, analyzing, and visualizing those data. Davey Resource Group has been conducting this mapping project, with support from FEMA. Staff reported that that item was intended to increase public awareness of the project as Davey Resource personnel visit residences and businesses. Commissioner Magras noted that there have been notices on television of this project and commended the public notice and outreach. The project is well underway and will be continuing.

All Commissioners except Commissioner Raymond Williams were in attendance for the meeting. Both Ex-officio members were absent from the meeting.

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