

Government of the United States Virgin Islands Public Services Commission

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PSC Regular Meeting

The Virgin Islands Public Services Commission (PSC) held its Regular Meeting today, Tuesday, April 11, 2023. Viya dba VITELCO, the Virgin Islands Ferryboat Franchisees, the Virgin Islands Water and Power Authority (WAPA), and the Virgin Islands Waste Management Authority (VIWMA) came before the Commission to provide testimony and updates.

In telecommunication matters, Viya filed a Petition for Forbearance in December 2022. The Petition seeks to relieve the company from rate regulations and other requirements not applied to other telecommunication carriers in the territory. No decisions regarding the Petition were made. Commissioner Pedro Williams requested more information on the Petition before taking further action; the matter will be discussed in the PSC's next scheduled meeting on May 09, 2023.

In Energy Matters, two significant steps were taken to address the Territory's energy needs. First, WAPA confirmed that its Board has approved the wind Power Purchase Agreements (PPAs) with Advance Power for both St. Croix and St. Thomas (30 Megawatts and 16.5 MWs, respectively). Those projects are now pending the completion of leases and the permitting process. On completion of those permitting processes, the construction of the wind generators should be completed in less than two years.

Today the Commission also approved five separate PPAs for solar power projects totaling 58 MWs:

- St. Thomas West End 10 MW
- St. Thomas Bovoni 10 MW
- St. John Coral Bay 18 MW
- St. Croix Centerline 11 WM
- St. Croix East End 9 WM

All but one of these projects will require Coastal Zone permitting; construction should be completed on all five solar projects within two and a half years of permitting.

These projects will sell power to WAPA at about 11 cents per kilowatt/hour (kWh) – which is half of the current LEAC rate. In addition, both the wind and solar projects do not have any price increases in the PPAs – so the costs will not increase over time.

A key consideration of these projects is that they are entirely privately funded. These projects represent significant investments; WAPA's only obligation is to pay for the power delivered at the agreed cost of about 11 cents/kWh. Any cost overruns are at the developer's risk. The project's operation and maintenance will be the developer's responsibility, not WAPA's.

In Ferryboat matters, the PSC's technical consultant, Avery Williams, proposed a draft report for ferry franchise rate review for future discussion. No action was taken on the proposal, and the discussion will continue in the PSC's next meeting.

In Act No. 8471, the Commission was responsible for regulating the Waste Management Authority as a utility. Initially, an overall review of the revenue received from the fees and charges currently collected by VIWMA was presented to the Commission. Additional information was requested regarding the status of all orders and consent decrees applicable to VIWMA, its operations, and its five-year planning.

There was no executive session held in today's meeting.

All four Commission members (David Hughes, Pedro Williams, Andrew Rutnik, and Raymond Williams). Ex-officio members Senator Marise James and Senator Carla Joseph were excused from the meeting.

Learn more about the VIPSC matters and efforts by visiting the Facebook page and website – <u>www.psc.vi.gov</u>

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