

GOVERNMENT OF THE UNITED STATES VIRGIN ISLANDS

PUBLIC SERVICES COMMISSION

IN RE:

THE VIRGIN ISLANDS WATER AND
POWER AUTHORITY'S LEVELIZED
ENERGY ADJUSTMENT CLAUSE

PSC Docket No. 289

Order No. 38/2018

ORDER

WHEREAS, on May 10, 2018, the Virgin Islands Water and Power Authority's (hereinafter "WAPA" or "Authority"), Clinton Hedrington, Jr., Chief Operating Officer of Electric Systems, submitted a request with the Virgin Islands Public Services Commission (hereinafter "PSC" or "Commission") seeking permission to utilize approximately One Hundred Seventy Thousand Dollars (\$170,000.00) from the Electric Line Loss Fund; and

WHEREAS, line losses have been a significant and long-standing issue for both the electric and water departments for many years; and

WHEREAS, the Commission has funded through the LEAC a line loss program that was intended to reduce those losses to industry standards; and

WHEREAS, on the request of the Authority and with the recommendation of staff, the Commission previously approved the extension of the rates from the first half of 2016 through the remainder of 2016, as fuel prices were forecast to remain relatively flat for the rest of that year. The continuation of the existing rates allowed both the Authority and staff to focus on base rates, the Integrated Resource Planning process and development of long-term and transition planning; and

WHEREAS, on June 15, 2018, the Commission met in Regular Session at its office located at No. 1003 Estate Ross, Suite 4 Barbel Plaza on the island of St. Thomas, United Virgin Islands and via teleconference at the Port Authority's conference room located at the Henry E. Rohlsen Airport on the island of St. Croix, United Virgin Islands; and

WHEREAS, the Authority has acknowledged that it has approximately \$240,000 collected in the Line Loss Reduction Fund; and

WHEREAS, the Authority states that at the present time the Line Loss Reduction Program is complete, with the remaining projects mooted by the events of Hurricanes Irma and Maria; and

WHEREAS, the Authority made a presentation to the Commission regarding the on-going projects to “harden” and underground on-shore transmission systems, and to install additional submarine cables; and

WHEREAS, after review and deliberation the Commission voted to APPROVE WAPA’s request to utilize funding from the Electric Line Loss Fund; and

NOW THEREFORE, the Commission **ORDERS** that:

1. The request to utilize approximately One Hundred Seventy Thousand Dollars (\$170,000.00) from the Electric Line Loss Fund as stated in the Authority’s letter of May 10, 2018 is APPROVED.

So Ordered.

For the Commission

Date: 7/13/18, 2018


Raymond J. Williams, Chair