

GOVERNMENT OF THE UNITED STATES VIRGIN ISLANDS

PUBLIC SERVICES COMMISSION

In Re:

The Virgin Islands Water and Power
Authority's Levelized Energy Adjustment
Clause

And

The Virgin Islands Water and Power
Authority's Petition for Reconsideration of
PSC Denial of Carrying Cost of Fuel

PSC Docket No. 289

Order No. 45/2014

ORDER

WHEREAS, on April 23, 2014, the Virgin Islands Public Services Commission (hereinafter "PSC" or the "Commission") received from the Virgin Islands Water and Power Authority's (hereinafter "WAPA" or "Authority") a Petition for Reconsideration on the issue of the collection of interest expenses related to the deferred fuel balance, and heard from counsel to WAPA and the Commission; and

WHEREAS, on May 19, 2014, the Authority filed a Petition with the Commission for a decrease in the Electric and Water Levelized Energy Adjustment Clause (hereinafter "LEAC") factors for the period of July 1, 2014 to September 30, 2014; and

WHEREAS, on June 17, 2014, the Commission received the Report and Recommendations from its technical consultants, Georgetown Consulting Group, LLC; and

WHEREAS, on June 23, 2014, the Commission met in regular session in the Commission's offices on both St. Thomas and St. Croix and heard from witnesses for the Authority; and

WHEREAS, the Authority requested the opportunity to further respond to the statements made before the Commission in writing;

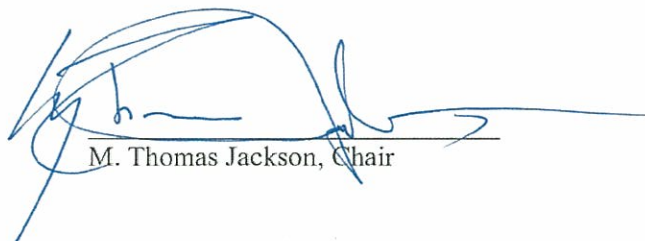
NOW THEREFORE, the Commission Finds and Orders:

1. A LEAC rate of \$0.400476 per kWh should be set for the Electric Department based on the recommendations and computations made in this report.
2. The current WLEAC rate of \$9.12 per KGal should continue as requested by WAPA for the Water Department.
3. The Authority's Petition for reconsideration is **GRANTED**.
4. The Authority is granted ten business days from the date of the Commission's meeting on Tuesday June 23, 2014, to file its further response regarding carrying costs for deferred fuel.

So Ordered.

For the Commission

Dated: July 31, 2014



M. Thomas Jackson, Chair