



Government of the United States Virgin Islands Public Services Commission

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PSC Regular Meeting – Energy Matters

U.S. Virgin Islands – The Virgin Islands Public Services Commission (PSC or the Commission) held its monthly regular meeting yesterday, which extended for several hours as commissioners and stakeholders engaged in in-depth discussions on a broad range of regulatory, operational, and strategic matters—all concerning the Water and Power Authority (WAPA or the Authority).

In June 2025, the Commission ordered the Electric Levelized Energy Adjustment Clause (ELEAC) to be reduced from 22.22 cents/kWh to 17 cents/kWh. WAPA promptly filed a Petition for Reconsideration, which resulted in the rate being frozen at the prior 22.22-cent level. At the Commission’s July meeting, WAPA’s Petition for Reconsideration of the PSC’s decision to reduce the ELEAC rate was granted. In preparation for the reconsideration, WAPA submitted additional briefing and testimony; PSC staff also submitted a supplemental briefing.

At yesterday’s meeting, WAPA and the Commission agreed to a comprehensive settlement regarding the ELEAC. Under the agreement, the ELEAC will remain at 22.22 cents per kilowatt-hour until June 30, 2026. This provides WAPA an opportunity to recoup a portion of its asserted deferred fuel balance and address other financial obligations, such as its overdue accounts payable. The PSC and WAPA staff have 60 days to collaboratively define acceptable changes to the deferred fuel calculation, with the option to return unresolved matters to the Commission if an agreement cannot be reached.

In other energy-related matters, after a 10-month procurement process, WAPA has selected Empire Gas as its primary liquid propane gas (LPG) provider. This follows a failed Request for Proposal (RFP) process that initially involved 16 companies. The RFP yielded four responses, with the lowest pricing at 55.75 cents; however, the evaluation committee determined that none of the proposals met its objectives. As a result, WAPA transitioned to direct negotiations with potential providers, ultimately selecting Empire Gas. The proposed two-year contract—with an option for a one-year extension—aims to improve fuel transportation efficiency, potentially reducing delivery times from nine days to approximately 10 hours and providing more flexible logistics during critical periods, such as hurricane season.

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Lastly, the PSC's Complaint Department has taken a significant stride in addressing long-standing utility service challenges, demonstrating a robust commitment to consumer protection and technological advancement. The Commission approved critical billing adjustments that directly challenge historical practices of estimated billing and safeguard consumer financial interests. This intervention underscores the Commission's fundamental commitment to transparency, fairness, and accountability in utility service management.

Simultaneously, the Commission received a detailed briefing on the Advanced Metering Infrastructure (AMI) system—a technological transformation set to revolutionize utility services across the Virgin Islands. The ambitious project, beginning with a pilot program on St. John, represents a significant investment in modernizing infrastructure.

All Commissioners were present at the meeting, which included a scheduled executive session to discuss pending litigation, personnel matters, and receive legal advice. Ex officio members, Senator Hubert L. Frederick and Senator Carla J. Joseph, were also in attendance.

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