



**Government of the United States Virgin Islands
Public Services Commission**

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**Virgin Islands PSC Discusses Fuel Procurement, Interim Energy Contracts, and
Next Steps in Generation RFP**

U.S. Virgin Islands — The Virgin Islands Public Services Commission (PSC) convened on Tuesday, September 30, 2025, to address critical energy procurement matters affecting the Territory, including challenges in the ongoing Request for Proposals (RFP) process for liquid propane gas (LPG) supply and delivery, interim contractual agreements, and the forthcoming generation RFP overseen by the Office of Disaster Recovery (ODR).

Commissioners raised concerns about the Territory’s procurement process, noting that longstanding procedural issues have discouraged broader market participation from established fuel transport providers. While more than a dozen companies provide bulk LPG transport in the Caribbean, PSC officials highlighted that the current procurement process continues to yield only limited proposals.

“This type of process has contributed to the Virgin Islands’ difficulty in securing competitive, market-rate bids,” Commissioner Hughes noted. “The result is fewer vendors willing to participate, leaving the Territory reliant on a narrow set of suppliers.”

The Commission discussed the current six-month interim agreement with Empire Gas, which extends through March 15, 2026. The contract was necessary to ensure continuity of LPG supply while a new RFP is developed.

Commissioners reviewed alternative proposals, including one from an incumbent provider that offered a two-year contract for direct delivery to St. Thomas and a secondary arrangement to transport LPG from St. Thomas to St. Croix. That proposal, however, was not advanced by the utility, leaving the Territory dependent on the Empire contract despite higher costs.

According to testimony, proposals are due by October 24, 2025, with evaluations expected within 30 days. Following review, recommendations will be submitted for board approval and contract negotiations.

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While the PSC does not oversee this procurement directly, Commissioners emphasized the importance of timely updates and transparent processes to ensure accountability and to keep the public informed.

The Commission did not receive the requested update on the new generation RFP, which is being led by the Office of Disaster Recovery in collaboration with FEMA and Rebuild USVI. The procurement seeks to address both temporary and long-term generation needs for the Territory.

The PSC confirmed that it will continue to monitor both the LPG procurement and generation RFP processes to safeguard fairness, competition, and reliability in the Territory's energy supply.

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