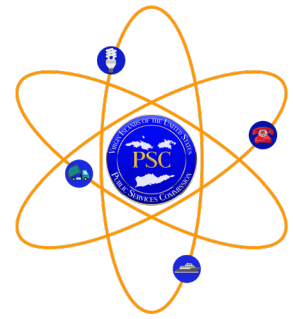




**Government of the United States Virgin Islands
Public Services Commission**

psc.vi.gov
psc.info@psc.vi.gov



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Media Contact:

Symra Hendrickson – Public Communication Coordinator

(340) 776-1291

symra.hendrickson@psc.vi.gov

**Virgin Islands Public Services Commission Reviews St. John Ferry Franchise
Rate Investigation**

Commission hears objections to Hearing Examiner's Final Report and defers final action pending further review

U.S. VIRGIN ISLANDS — The Virgin Islands Public Services Commission (PSC) continued its review of the St. John ferry franchise rate investigation during its Regular Meeting held on August 11, 2026. The Commission heard oral presentations regarding written objections submitted by the ferry operators in response to the Hearing Examiner's Final Report and determined that additional review is necessary before taking final action.

The Final Report, submitted to the Commission in June by Hearing Examiner Jed JohnHope, contains recommendations concerning the ferry companies' rate base, treatment of government-provided vessels, allowable return on verifiable expenses, subsidies, and the treatment of certain routes for rate-setting purposes. The Commission has not adopted the recommendations contained in the Final Report, and they remain recommendations for consideration as part of the ongoing regulatory proceeding.

During the meeting, counsel for the ferry operators, Maria Tankenson Hodge, addressed several objections previously submitted in writing. These included concerns regarding the Hearing Examiner's treatment of government-provided vessels in the rate base, consideration of expert testimony, calculation and treatment of federal and territorial subsidies, and the recommendation to separate certain ferry routes for rate-setting purposes. Counsel also raised concerns regarding alleged public social media statements by the Hearing Examiner and their potential impact on the impartiality of the proceeding. These matters were presented as objections by the ferry operators, and the Commission made no determination on those allegations during the meeting.

The Hearing Examiner also addressed elements of the Final Report and the basis for his recommendations. Among the recommendations discussed was a revised rate base of approximately \$5.7 million, compared with a historical figure of approximately \$7.3 million, as well as allowing the ferry operators up to a 10 percent return on verifiable expenses. Data

**P.O. Box 40 St. Thomas, VI 00804
1003 Estate Ross Suite 4, St.
Thomas, VI, 00802
(340) 776-1291**

**P.O. Box 7360 Christiansted, VI 00823
Estate Carlton Suite 1 & 2 Frederiksted,
St. Croix, VI, 00840
(340) 778-6010**

availability and information requested from the ferry operators during the investigation were also discussed.

The ferry operators' written objections were determined to have been timely filed and were accepted into the record. A supplemental filing submitted by the Hearing Examiner after the applicable deadline was not considered by the Commission during the August 11 Regular Meeting.

Following the presentations and discussion, the Commission deferred final action and directed PSC staff to prepare written responses to the ferry operators' objections prior to the Commission's September Regular Meeting. Commissioners will have an opportunity to review the objections, staff responses, Hearing Examiner's recommendations, and supporting record before the matter returns to the Commission for further consideration.

The PSC recognizes that ferry transportation between St. Thomas and St. John is an essential service for residents, workers, students, businesses, and visitors. As part of its regulatory responsibilities, the Commission must carefully consider the interests of ratepayers while evaluating the financial and operational requirements necessary to maintain safe, reliable, and sustainable ferry service.

No final rate determination was made during the August 11 Regular Meeting. Until formal action is taken by the Commission, the recommendations contained in the Hearing Examiner's Final Report should not be interpreted as a final decision or order of the Virgin Islands Public Services Commission.

The Commission remains committed to ensuring that the ferry rate investigation receives a thorough, fair, and transparent review consistent with applicable laws, regulatory requirements, and the evidentiary record.

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