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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 `

PUBLIC SERVICES COMMISSION MAINTAINS CURRENT WAPA LEAC RATE AND APPROVES TELECOMMUNICATIONS RECERTIFICATIONS

U.S. VIRGIN ISLANDS — The Virgin Islands Public Services Commission (PSC), during its Regular Meeting on Tuesday, September 8, 2026, voted to maintain the Virgin Islands Water and Power Authority's (WAPA) current Levelized Energy Adjustment Clause (LEAC) rate through the end of 2026 while directing additional technical review of WAPA's filing and deferred-fuel calculations. The Commission also approved annual Eligible Telecommunications Carrier (ETC) recertifications for multiple telecommunications providers operating throughout the Territory.

Under Docket No. 702, the Commission considered the upcoming expiration of WAPA's current LEAC rate and the need to establish a rate for the period beginning October 1, 2026.

WAPA's July filing reflected a calculated LEAC of approximately 24.0261 cents per kilowatt-hour. However, WAPA's Executive Director Andrew Knight advised the Commission that the Authority was not requesting implementation of that rate at this time and instead supported continuation of the existing LEAC while the filing undergoes further review.

Chairman David Hughes explained that although WAPA timely submitted its quarterly filing, the Commission had been constrained in immediately engaging consultants to independently evaluate the requested rate. Questions were also raised regarding whether the July 15 filing fully satisfied the Commission's Minimum Filing Requirements.

Julius Wright of J.A. Wright & Associates, LLC advised that additional information is needed to complete a full technical review, including WAPA's PLEXOS generation and fuel-planning assumptions, Ernst & Young LEAC models, fuel and renewable-energy invoices and payment records, and updated information regarding generator outages, repairs and LPG conversion plans.

The Commission also discussed WAPA's deferred-fuel balance. Knight reported that, following the 2025 settlement process, a new deferred-fuel balance began July 1, 2025. As of the end of May 2026, WAPA reported a running balance of approximately $14 million, with the June reconciliation expected to complete the 12-month review period.

Chairman Hughes emphasized that the Commission intends to conduct a complete review of both the LEAC calculation and deferred-fuel amounts before considering further rate changes.

Chairman Hughes moved to extend the current LEAC rate of $0.222 per kilowatt-hour, or 22.2 cents per kilowatt-hour, from October 1 through December 31, 2026. The motion further directed the Executive Director to consider engaging the Commission's consultants to fully study the accuracy of the filing and reconcile deferred-fuel calculations dating back to July 2025. The motion also waived the applicable 30-day notice requirement.

Commissioner Nichols-Samms and Chairman Hughes voted in favor of the motion, which carried by a majority of the Commissioners present.

The Commission also reviewed annual Eligible Telecommunications Carrier (ETC) recertifications for One Communications, including its affiliated entities operating under the One Communications name, as well as Broadband VI and Liberty Mobile.

Mike Neeley of Vantage Point Solutions presented staff's review of the carriers' use of federal Universal Service Fund support and compliance with FCC and USAC requirements. The review addressed federal support disbursements, network resiliency investments, broadband deployment milestones and required carrier certifications.

Vantage Point Solutions recommended recertification of all carriers reviewed. The Commission was advised that Broadband VI had exceeded its 60-percent Connect USVI Fund deployment milestone and continues working toward its next federal deployment requirement. Carriers also reported continued investments in network resiliency, backup power, broadband expansion and mobile infrastructure.

The Commission approved the ETC certifications for the telecommunications companies up for annual recertification. Chairman Hughes seconded the combined motion. Commissioner Nichols-Samms and Chairman Hughes voted in favor, and the motion carried by a majority of the Commissioners present. The recertifications were adopted and ordered ahead of the federal October 1 certification deadline.

The Commission also approved Fiscal Year 2027 annual regulatory assessments totaling $2,395,128.59. WAPA's assessment was set at $2,033,416.08, representing the largest portion of the total. Staff noted that WAPA's assessment was based on unaudited Fiscal Year 2025 financial information and did not include previously back-billed assessments.

The Virgin Islands Public Services Commission will continue reviewing WAPA's energy costs and deferred-fuel calculations while overseeing telecommunications providers' continued compliance with federal funding and service obligations.

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