

*Government of the Virgin Islands
of the United States*

Public Services Commission

In re)	
Self-Insurance and Hazard Mitigation)	Docket 563
Fund for the Virgin Islands)	
Water and Power Authority)	Order No. 35/2006

ORDER

WHEREAS, the Public Services Commission has established a Self-Insurance and Hazard Mitigation Fund for Virgin Islands Water and Power Authority; and

WHEREAS, the Authority reports that hurricanes can cause greater damage to fuel storage tanks when they contain less fuel; and

WHEREAS, the Authority has requested that it be permitted to purchase additional fuel to ensure adequate supplies in the event of a disruption caused by tropical storms and hurricanes; and

WHEREAS, in 2004 the Commission authorized the Authority to borrow up to \$2,500,000 from the Self Insurance and Hazard Mitigation Fund for these purposes, with the requirement that the Fund be repaid by April 1, 2005; and

WHEREAS, the prior borrowing has now been fully repaid; and

WHEREAS, oil prices have increased significantly in the past year; and

WHEREAS, the Authority requested that it be permitted to borrow in an amount not to exceed \$3,500,000 from the Self-Insurance and Hazard Mitigation Fund to establish a fuel oil reserve in advance of the hurricane season; and

NOW, THEREFORE, at the Commission's meeting on July 15, 2005, the Commission
ORDERED:

- WAPA is hereby permitted to use \$3,500,000 from the Self-Insurance Fund to purchase additional fuel reserves for the 2005 hurricane season.
- No later than April 1, 2006 WAPA shall redeposit into the self-insurance reserve the full amount utilized to purchase 2005 hurricane season fuel reserves.

So Ordered:

Dated: July 18, 2006

ALECIA M. WELLS
Chairman



cc: Keithley Joseph, Executive Director
Alberto Bruno Vega, Executive Director, WAPA
Nellon Bowry, CFO, WAPA
Boyd L. Sprehn, Esq.