

*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. 36/2006

ORDER

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

WHEREAS, the Self-Insurance and Hazard Mitigation Fund has been used in the past to fund a number of activities, without set priorities or allocations; and

WHEREAS, the Commission has reviewed the pending petitions, reviewed the joint stipulation of its technical consultants and the Authority, and heard testimony from the Water and Power Authority; and

WHEREAS, the Commission remains concerned about the rate burden imposed on ratepayers of the Authority; and


WHEREAS, the Commission is concerned that the uses and purposes of the Self-Insurance and Hazard Mitigation Funds and the level of funding are not adequately defined at the present time; and

NOW, THEREFORE, at the Commission's meeting on January 20, 2006, the Commission ORDERED:

1. The Self-Insurance and Hazard Mitigation Surcharge will be suspended when the fund reaches \$8,000,000; and

2. WAPA is directed to perform a risk assessment on its physical plant, transmission and distribution networks to permit a reasoned evaluation of the risk to the Authority; and
3. On completion of a risk assessment, WAPA is to develop a protocol for the use of funds within the surcharge funds; and
4. WAPA is to apply for funding for fuel advances for hurricane season.

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.