

**GOVERNMENT OF THE VIRGIN ISLANDS
OF THE
UNITED STATES**

PUBLIC SERVICES COMMISSION

IN THE MATTER OF THE VIRGIN ISLANDS)	
WATER AND POWER AUTHORITY'S PETITION)	Docket No. 575
FOR RATE RELIEF FOR THE ELECTRIC SYSTEM)	
)	Order No. <u>42</u> /2008
)	

ORDER

WHEREAS, this Docket was commenced in 2007, in anticipation of the statutorily mandated periodic rate investigation of all utilities; and

WHEREAS, in 2007, the Virgin Islands Pubic Services Commission ("Commission") and the Virgin Islands Water and Power Authority ("WAPA") entered into a stipulation for the issuance of bond financing, and that stipulation provided that WAPA would file its rate case for both the Water and Electric Systems with the Commission no later than December 2007, and such filing was not made; and

WHEREAS, on May 7, 2008, WAPA filed a Petition For Rate Relief For The Electric System with the Commission, and supporting information, including:

- Testimony of Hugo Hodge, Jr.;
- Testimony of Nellon L. Bowry;
- A resolution of WAPA's Governing Board, authorizing such petition, dated April 17, 2008;

- Financial Statements and Supplemental Schedule for the years ended June 30, 2007 and 2006, including a "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*" and Supplemental Schedule; and
- Testimony of Thaddeus Szymankiewicz, including exhibits (with proposed tariff sheets RS, CS, NM, LP, POL, PSL, LEAC and surcharge to electric rate schedules); and

WHEREAS, the Commission has initiated the statutorily mandated rate investigation, and such investigation will address debt service coverage, current operations, expansion and improvement in the Water System; and

WHEREAS, the Commission needs to evaluate the submitted information and obtain additional information prior to determining whether an increase in rates is reasonable and prudent; and


WHEREAS, pursuant to Section 24 of Title 30, Virgin Islands Code, the Commission has the authority to suspend requested rates for a period not to exceed eight (8) months; and

NOW THEREFORE, the Commission hereby orders:

1. The requested tariffs contained in the Petition For Rate Relief For The Electric System are suspended for not more than eight (8) months. Nothing in this order is to be construed to affect previously existing and authorized rates and tariffs.

2. The Commission staff and consultants are directed to contact WAPA and seek such additional information as is necessary for the Commission to address this matter within the statutory period.

Dated: May 22, 2008



JOSEPH B. BOSCHULTE
Chair