

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

PUBLIC SERVICES COMMISSION

IN THE MATTER OF THE LEVELIZED)
ENERGY ADJUSTMENT CLAUSE OF THE)
VIRGIN ISLANDS WATER AND)
POWER AUTHORITY)

PSC DOCKET 289
ORDER NO. 62/2008

ORDER INCREASING LEVELIZED ENERGY ADJUSTMENT CHARGES

WHEREAS, the Virgin Islands Public Services Commission (“Commission” or “PSC”) has a long established mechanism, the Levelized Energy Adjustment Charge (“LEAC”), through which the Virgin Islands Water and Power Authority (“WAPA” or “Authority”) may recover the necessary and prudent costs of fuel consumed to generate electricity and desalinate water; and

WHEREAS, filed a petition in May 2008 seeking to increase the electric system LEAC be increased from the current rate of \$0.3333.03 per kWh to \$0.452253 per kWh and for its water customers an increase in the LEAC rate from the current level of \$10.25 per kGal to \$16.22 per kGal; and

WHEREAS, at the Special Meeting of the Commission on August 22, 2008, WAPA orally reduced its requested electric system LEAC increased to a new rate of \$0.413951 per kWh but raised its request for its water customers an increase in the LEAC rate to \$16.418.82 per kGal; and

WHEREAS, the Commission has considered all of the evidence presented at this and previous hearings:

NOW THEREFORE, IT IS ORDERED:

1. The Electric System LEAC rate is raised to \$0.413951 /kWh for all bills rendered on or after September 1, 2008; and

2. The Water System LEAC is raised to \$16.41 per kGal for all bills rendered on or after September 1, 2008.

DATED: ^{September} August 12, 2008

FOR THE COMMISSION



JOSEPH B. BOSCHULTE,
Chair