

**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
FOR RATE RELIEF FOR THE ELECTRIC SYSTEM

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Docket No. 575

Order No. 45/2009

ORDER

WHEREAS, on May 7, 2008, the Virgin Islands Water and Power Authority ("WAPA" or the "Authority") filed with the Public Services Commission ("Commission") a Petition For Rate Relief For The Electric System with the Commission with supporting information; and

WHEREAS, the Commission initiated the statutorily mandated rate investigation; and

WHEREAS, the Commission appointed Attorney Kathleen Mackay as Hearing Examiner in this matter; and

WHEREAS, in February 2009 DiamondRock Frenchman's Owner, Inc. d/b/a Frenchman's Reef & Morning Star Marriott Beach Resort (hereinafter "the Reef") sought and was subsequently granted intervenor status in this matter; and

WHEREAS, the Authority, the Commission's Staff and the Reef (collectively the "Parties") engaged in discovery, further exchanges of testimony, and met to resolve and narrow issues; and

WHEREAS, the Parties were able to resolve all issues and prepare a Global Settlement and joint recommendation to the Hearing Examiner; and

WHEREAS, the Hearing Examiner and the Parties held noticed public hearings on each of St. John, St. Thomas and St. Croix; and

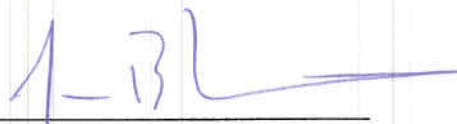
WHEREAS, on June 8, 2009, the Hearing Examiner submitted her report and recommendation with supporting documentation to the Commission; and

WHEREAS, on June 12, 2009, at a regularly noticed meeting, the Commission considered the Hearing Examiner's Report, the Global Settlement, the supporting documents and the record in this proceeding;

NOW THEREFORE, the Commission hereby orders:

1. The Hearing Examiner's Report and Recommendations are adopted in full, including the Global Settlement and all its terms and conditions, as well as the other attachments with the two noted corrections to the Primary Service Discount within Exhibit D (LP-4 and CLP-5).
2. The Parties shall file final corrected rate tariff sheets with the Commission prior to the effective date of the new rates, which shall be July 1, 2009.

Dated: June 25, 2009



JOSEPH B. BOSCHULTE
Chair