

**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. 576
FOR EMERGENCY RATE RELIEF FOR THE)	
WATER SYSTEM)	Order No. 9/2011
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ORDER

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

WHEREAS, the Public Services Commission, in Order No. 46/2009, dated June 25, 2009 approved a settlement and stipulation of the rate investigation into The Water and Power Authority's Water System; and

WHEREAS, that Global Settlement included a three-step process for implementation of a total rate annual revenue increase of \$5.6 million in WAPA's allowable water system revenue requirements; and

WHEREAS, Steps 1 and 2 of the PSC's rate order have been fully implemented and Step 3 has been now requested by WAPA; and

WHEREAS, on May 25, 2010, the Governing Board of WAPA authorized the Executive Director to negotiate terms and conditions and execute an agreement with Seven Seas Water Corporation ("Seven Seas") for the supply of potable water using reverse osmosis water production technology; and

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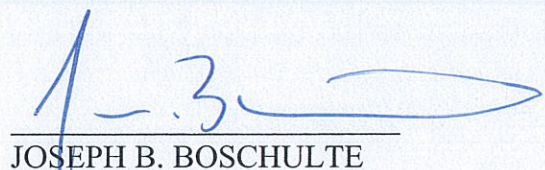
WHEREAS, the Global Settlement also specified that in the event no contract for an additional 3.0 MGD or potable water production was executed by July 01, 2010, WAPA was to file with the PSC a report on July 15, 2010, identifying its plans for the implementation of the proposed new potable water production. As of July 30, 2010 no plan for the implementation of the proposed new potable water production capacity has been provided to the PSC; and

WHEREAS, the Step 3 water rate increases are to be jointly developed and the parties to the Global Settlement were to jointly sponsor the tariff schedules to reflect the increased charges for approval by the PSC.

NOW THEREFORE, the Commission hereby orders:

1. The requested Step 3 increase is granted, and WAPA shall comply with the terms of the Global Settlement in the development of tariffs and submission of additional information.

Dated: 11 October 07, 2010


JOSEPH B. BOSCHULTE
Chair