

The Virgin Islands Consortium

Receipt of HUD Funds Will Force WAPA To Become More Reliable, Says VIHFA

VIHFA to Oversee WAPA's Use of HUD Funds for Enhanced Power Reliability

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Last week, lawmakers on the Senate Committee on Disaster Recovery pressed representatives from the V.I. Housing Finance Authority on ensuring the Water and Power Authority improves the reliability of its operations.

Dayna Clendinen, VIHFA interim executive director, told legislators that as the agency [which will receive funds from Housing and Urban Development on behalf of WAPA,](#)

VIHFA has a responsibility to ensure that the utility was using “its most reliable, modern generators to facilitate increased power reliability.”

Senator Kenneth Gittens asked Ms. Clendinen why – if that is the case – has the territory been suffering from a rash of unplanned outages over the past few weeks. Ms. Clendinen explained that VIHFA’s oversight role will not begin until the requisite agreement between the two agencies has been entered into later this month.

She disclosed that VIHFA’s first substantial amendment to its Mitigation Action Plan, to include the funding for WAPA’s acquisition of the propane infrastructure from energy supplier VITOL, was approved by HUD on the first attempt. In addition to ensuring the use of modern generation equipment, VIHFA will also have to monitor the utility’s publication of reliability metrics, and confirm WAPA’s “financial ability to maintain and operate the propane infrastructure throughout its useful life,” Ms. Clendinen said.

In effectuate these requirements, VIHFA has deployed policies and procedures to ensure the above have already been submitted to HUD for review and approval, and in the meantime, VIHFA and WAPA will move forward with an environmental review.

Odari Thomas, VIHFA’s director of energy solutions, disclosed that WAPA would have to undergo a capacity assessment in order to gain access to HUD’s mitigation funding. When asked by Committee Chair Senator Milton Potter whether VIHFA will be able to ensure that WAPA is in full compliance with all the requirements presented by HUD, Mr. Thomas was confident.

“I”m not Superman, but I can ensure that we will work with WAPA to make sure that all of those requirements are satisfied.” He disclosed that he previously spent eight years working for the utility and was involved in several projects including the purchase of WAPA’s Wartsila generators as well as the [ill-fated Vitol project](#). Mr. Thomas expressed confidence that VIHFA would be able to work cooperatively with WAPA to ensure they met the federal requirements, “and those requirements will be memorialized into the subrecipient agreement.”

During the November 6 meeting, lawmakers praised the VIHFA for the work that went into ensuring that WAPA’s \$145 million funding proposal was accepted by HUD on the first submission.