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Energy Office Needs \$1.5 Million in General Funds to Support \$6.4 Million in Federal Funding

Federal grants transformative, but local funding needed for comprehensive impact

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V.I. Energy Office Director Kyle Fleming By. V.I. LEGISLATURE

The V.I. Energy Office is requesting the support of the 35th Legislature in allocating the [\\$1,556,269 required from the general fund](#) to supplement its operations. Most of VIEO's FY2025 budget, some \$6,423,654, is from federal funding, chiefly earmarked for several energy-related projects.?

VIEO Director Kyle Fleming told members of the Committee on Budget, Appropriations, and Finance last week that the territory is “in the midst of a once-in-a-generation opportunity to put

federal dollars towards projects that will materially reduce the cost of electricity in the territory.” To this end, he called on lawmakers to assist the Office in “securing the required general fund appropriation needed to allow us to execute our mandate.”

For Mr. Fleming, “the agency cannot afford to rely solely on federal funds.” A lack of investment from the coffers of the Government of the Virgin Islands would make it “impossible for us to deliver the critical services we provide to the Virgin Islands community.”?

Most of the general fund request will be used for personnel, totaling \$873,489. Fifteen of the Energy Office’s 18 staff are remunerated with general fund dollars, while federal monies wholly fund 3 individuals, and 2 more are funded with money from both sources. Fringe benefits for employees are estimated at \$391,105. Meanwhile, the Energy Office has identified \$14,000 for utilities, \$25,300 for supplies and \$252,375 for their other services category. Their other services category includes a \$21,000 allocation for travel, \$55,000 for communication, and \$118,095 for building rental costs among other line items.

The Energy Office has been extremely successful in securing federal funding, with several grants totaling over \$6.4 million over the past fiscal year. According to Mr. Fleming, these grants are a “transformative pool of money that will empower the agency to drive programs and policies that will bring about Governor Bryan’s mission of a renewably powered territory.”

With major federal funding in hand, Mr. Fleming says the Energy Office has “already begun to make inroads in our mission to ‘Deliver Relief Today.’” He referenced the installation of a major commercial solar farm and battery backup system at the portion of the St. Croix Education Complex that doubles as an emergency center. Because of these upgrades, the Complex will be able to “function reliably during extended power outages and significantly reduce the school’s reliance on fossil fuel generators.” The project is also expected to create monthly utility savings of approximately \$10,000.?

The Energy Office will also continue to advocate for the public’s participation in the [Equitable E-Mobility Rebate Program](#). The initiative intends to “[help] destroy the price gap that has kept many people from being able to buy electric vehicles.” It offers “up to \$5,000 off the cost of purchasing an electric vehicle, or even \$500 off the price of an electric bike,” as explained by Mr. Fleming. The Energy Office was granted \$300,000 for the program which still has “ample funding available.”

To complement the E-Mobility Rebate Program, the Energy Office has also “secured significant funding commitments from the federal government” toward the procurement of EV charging stations to be installed at “a number of carefully considered sites across the territory.” The Office is also working with the private sector to “offer electric vehicle training courses.”?

The general fund allocation, said Mr. Fleming, is “critical to supporting everything” that his office achieves, including the development of energy policy, public outreach and education, and vetting private companies interested in tax incentives for energy investments.