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HUD Approves \$45 Million Grant to Complete Acquisition of Critical Propane Terminals

HUD approval finalizes funding for V.I. Water and Power Authority to repay line of credit used for securing propane terminals, boosting energy security and sustainability amid legislative controversy

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Epic Curacao, ship carrying first delivery of propane fuel to WAPA, arrived at the semi-autonomous entity's Christiansted dock on Wed. Oct. 21, 2015. By. WAPA

Governor Albert Bryan Jr. announced on Tuesday that the U.S. Department of Housing and Urban Development has approved the final \$45 million in Community Development Block Grant Mitigation (CDBG-MIT) funding. This approval is part of a grant agreement between the V.I. Water and Power Authority, the V.I. Housing Finance Authority, and HUD.

The funding will be used to repay a line of credit from the government of the Virgin Islands, which was utilized as a good faith payment to secure the acquisition agreement between WAPA and VITOL, Government House said. There was [considerable controversy](#) regarding the use of the funds, with lawmakers in the 35th Legislature finding that the Bryan administration had used them illegally. Even so, the agreement facilitated the purchase of two critical propane terminals located at the Randolph Harley and Estate Richmond power plants.

Governor Bryan emphasized the strategic importance of this move for the territory's energy security and sustainability. "This approval from HUD is not just a win for our administration's energy agenda but a monumental step toward securing a reliable and economically viable energy source for Virgin Islanders. Acquiring these propane terminals is crucial for our energy independence and resilience," he said.

The acquisition is expected to advance the territory's energy infrastructure by ensuring a more stable and cost-efficient energy future while also meeting environmental standards. Mr. Bryan highlighted the importance of this achievement in enhancing the overall infrastructure and economic stability of the Virgin Islands.

"We thank HUD for their continued support and confidence in our projects," Governor Bryan added. "This funding is pivotal, allowing us to finalize a key component of our plan to enhance the territory's infrastructure and economic stability."