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Bill Allowing WAPA to Sell Electricity in Trade Zone Passes Amid Regulatory and Competition Worries

Despite concerns over lack of oversight, the Legislature approved a bill allowing WAPA to sell electricity in the South Shore Trade Zone. The utility will compete with trade zone providers offering competitive rates, sparking debate among lawmakers

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Wilfred 'Bomba' Allick Marine Terminal, locally known as the Container Port, is a 45-acre facility on St. Croix's south shore near Limetree Bay Terminals. By. V.I. PORT AUTHORITY

Despite some reservations, the 35th Legislature ultimately voted in favor of Bill 35-0426, an act authorizing the V.I. Water and Power Authority to sell electricity to any beneficiary in the Virgin

Islands South Shore trade zone. Those electricity sales have been exempted from regulation by the Public Services Commission of the Virgin Islands.

The bill, which would allow WAPA to compete with other trade zone entities providing competitive energy rates, was special ordered to the legislative floor by Senator Marise James during Wednesday's legislative session. A subsequent amendment by Ms. James added a requirement for WAPA to provide annual reports to the Legislature, governor, and Economic Development Authority "on the provision of electricity to the [South Shore Trade Zone](#), including the amount of electricity purchased from solar farms, [and] the rates at which electricity is resold to South Shore Trade Zone beneficiaries."

Senator Alma Francis Heyliger admitted that she was "kind of leery of our electrical company and when certain things are done without any regulation always gives me some sort of a pause," but promised to review the legislation further. However, she emphasized that she was not "sold on that one as yet." Ultimately, Senator Francis Heyliger abstained from the vote on the aforementioned amendment. Senator Dwayne DeGraff also had a "major problem" with the bill. "In the Virgin Islands, we say one thing and do [another]," he remarked.

"I'm not totally sold on 35-0426," shared Senator Carla Joseph, an ex-officio member of the PSC. "Government has a position and we shouldn't be competing against private industries," she reminded her colleagues. "To compete against other entities is — based on my knowledge — usually a no-no." Senator Marvin Blyden, too, expressed initial reservations. "I'm not too sure about that at this time," he admitted.

Senator Donna Frett-Gregory, however, was on the other side of the fence. She considered the bill as an opportunity for WAPA to "get skin in the game to sell electricity directly to those potential businesses." This, she said, "is very important for attracting new businesses to the territory" and sustaining them as well. For the departing Finance chair, the bill is "more of an opportunity for economic development... This helps to jumpstart the economy in earnest."

In a bid to galvanize his colleagues, Senate President Novelle Francis explained that the bill "is really about economic development and for WAPA to be able to thrive in that market." According to Senator Francis, "other than that, we will have to continue to subsidize WAPA."

Unlike Sen. Joseph, he was excited about the prospect of WAPA offering competitive rates. "We know that there are companies within the trade zone that have the ability to produce and offer energy at a very reasonable rate and all WAPA is asking to do is to be able to compete in that market as well," he said.

Ultimately, only Francis Heyliger voted against the measure, with Blyden abstaining. The remaining eleven lawmakers present during Wednesday's session voted in favor of Bill 35-0426 as amended.