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## **PFA Renegotiates Financing to Pay Vendors, Advances \$333.7 Million Territory-Wide Power Plant Replacement**

**The Public Finance Authority reworked its FirstBank credit line to free up cash for outstanding vendor payments, approved contracts and reimbursements across subsidiaries, and advanced a \$333.7 million plan to replace both of the territory's power plants.**

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**WAPA's powerplant in Richmond, Christiansted St. Croix. By. ODR.**

The V.I. Public Finance Authority and its subsidiary agencies used their final board meetings of 2025 to address a range of financial and infrastructure matters, including a renegotiated FirstBank credit arrangement aimed at freeing cash for outstanding vendor payments, approval of a \$333.7

million project to replace both of the territory's power plants, and the completion of other year-end business across multiple entities.

The Matching Fund Special Purpose Securitization Corporation, whose bonds are backed by the territory's rum cover-over revenues, reimbursed the PFA \$18,683 in expenses incurred by the parent agency on behalf of its subsidiary.

Next on the list was the V.I. Transportation Infrastructure Corporation, the entity behind the issuance of the GARVEE bonds that fund land and marine transportation projects. VITIC will transfer \$221,058.15 back to the PFA in expenses.

The Public Finance Authority itself convened its board members together next, whisking through several agenda items. They approved the “redoing” of an existing line of credit with First Bank, as PFA chair Governor Albert Bryan Jr. put it. “We already have a line of credit for \$150 million, but it was unjustly secured by cash deposit....So what we wanted to do is we wanted to lower the amount of our cash guarantees...in order to free up some cash that we have as a government.” Having negotiated a better deal with First Bank, Governor Bryan indicated that some of newly unencumbered cash would go towards outstanding vendor payments.

The PFA board also approved several contracts, including a \$53,000 increase to Cutting Edge Construction for work on a St. John residence under the EnVIsion program. The adjustment brings the total contract value to \$427,000, a figure Governor Bryan emphasized during the meeting.

RG Engineering, Inc. was awarded the bid to provide design and construction services for the [prudent replacement of both power plants in the territory](#), and the PFA board approved the expenditure of up to \$313,699,826 for the first two phases of the project. As with other contracts under the Rebuild USVI umbrella, the first phase will be pre-construction work, which is expected to cost \$13,699,826. The second phase, according to Office of Disaster Recovery Director Adrienne Williams-Octalien, will run alongside the first, and will involve the installation of temporary power infrastructure before the permanent power plants are built out.

“It's going to be green, it's going to be new, it's going to be reliable and cheap,” said Governor Bryan, excitement obvious in his voice. “Is it going to be maintained,” countered board member Dorothy Isaacs, referencing the main issue facing the Water and Power Authority that has led to the chronic instability of the territory's electric grid. “It will,” assured the governor, pointing out that longstanding government arrears to WAPA have been cleared. He also alluded to additional plans to tackle another large chunk of WAPA's burdensome debt. “We'll be showing [that plan] later this year,” Governor Bryan said, without specifying whether he meant the calendar year with fewer than two weeks remaining, or the territory's fiscal year which ends in September 2026.

Finally, the board of the newly formed [Hotel Development Finance Corporation](#) ratified the entity's organization, bylaws, and directors. They also authorized the corporation's raison d'etre, the issuance of bonds that will finance hotel and hospitality projects in the territory, and eventually result in the [transfer of ownership of the Frenchman's Reef resort](#) complex to the Government of the Virgin Islands. The terms and conditions of the bond purchase and placement agreements, alongside the necessary accompanying documents, were also ratified by the board before the business of the PFA and its subsidiaries was concluded for the year.