

Middle East Conflict Could Trigger Higher Fuel and Electricity Costs in USVI, Bryan Says

With global oil markets sensitive to geopolitical shocks, the governor said the territory is evaluating options to mitigate potential cost spikes while continuing investments in renewable energy.

World / **Published On March 04, 2026 04:01 PM /**

Staff Consortium **March 04, 2026**

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One of Saudi Arabia's major oil refinery facilities was struck amid the escalating U.S.-Israel war with Iran.

Governor Albert Bryan Jr. is warning that the escalating conflict in the Middle East could have far-reaching consequences for both U.S. service members deployed overseas and the economic stability of the Virgin Islands, particularly through rising global energy prices.

In a statement issued today, the governor said his administration is closely watching developments

abroad as tensions continue to intensify in the region. He expressed solidarity with American military personnel stationed in the Middle East, noting that many of those serving come from communities similar to those in the Virgin Islands.

“First and foremost, our thoughts are with the brave American soldiers serving overseas, many of whom come from communities like ours,” Governor Bryan said. “We pray for their safety and for a swift de escalation of hostilities in a region that has already endured too much conflict.”

Beyond the human toll of the crisis, Bryan cautioned that instability in the Middle East has historically carried economic consequences for regions like the Virgin Islands that depend heavily on imported fuel.

The territory’s electricity generation relies largely on imported petroleum, meaning shifts in global oil markets can quickly translate into higher costs for local consumers.

“Events in the Middle East have historically resulted in sharp increases in global oil prices,” Governor Bryan said. “For the Virgin Islands, that translates directly into higher fuel costs, which ultimately affect electricity rates for our residents and businesses.”

The governor acknowledged that while the territory has taken steps in recent years to stabilize its energy infrastructure, the government’s ability to cushion residents from price shocks is more limited than it once was.

“We must be candid with our community,” Governor Bryan said. “The government is not in the same fiscal position it was in years past to absorb large spikes in fuel prices. A sustained increase in oil costs could place significant pressure on the Virgin Islands Water and Power Authority and, ultimately, on the rates paid by consumers.”

Bryan said his administration is maintaining communication with local energy officials while monitoring international developments to determine how the situation may affect the territory.

“We are actively evaluating every available option to protect Virgin Islands families and businesses from the worst effects of global energy volatility,” Governor Bryan said.

He also framed the moment as a reminder of the territory’s long-term energy goals, emphasizing that reducing reliance on imported fuel remains critical for economic stability.

“At the same time, this moment underscores why our continued investment in renewable energy and energy independence is not simply an environmental priority. It is an economic necessity,” Bryan said.

The governor urged residents to stay informed as the conflict continues to unfold and reiterated his administration’s commitment to keeping the public updated on potential impacts.

“We will continue to keep the public informed and work with our partners at every level to ensure that the Virgin Islands is prepared for the potential economic ripple effects of this conflict.