

logo not found or type unknown

PSC Suspends Mandatory WAPA and VIWMA Rate Investigations as Unpaid Assessments Cripple Regulatory Work

The Public Services Commission says delinquent payments from WAPA and VIWMA have left it unable to pay hearing examiners and consultants, halting required reviews of electricity, water, solid waste and wastewater rates.

WAPA / **Published On June 10, 2026 06:47 AM /**

Janeka Simon **June 10, 2026**

Image not found or type unknown



An aerial view of the Randolph Harley power plant in St. Thomas, USVI. By. V.I. CONSORTIUM.

The Public Services Commission has indefinitely suspended mandatory rate investigations for the Water and Power Authority and the Waste Management Authority, saying both public utilities

have failed for several consecutive years to pay millions of dollars in outstanding assessments owed to the regulatory agency.

The decision, announced Tuesday, means formal reviews into what residents pay for electricity, water, solid waste and wastewater services have effectively been halted. PSC officials said the agency can no longer afford to pay the independent hearing examiners and technical consultants needed to audit the utilities' books.

"Due to our current financial situation, staff is informing the commission that we must suspend the rate investigations listed on today's agenda," said Assistant Executive Director Tisean Hendricks.

PSC Attorney Boyd Sprehn told commissioners that indefinitely suspending rate investigations may be the most "dramatic" action available to the regulatory body. He said the suspension "will have an effect on WAPA's ability to have any new rates or changes to its rate structure going forward."

Mr. Sprehn said it would be "very easy for the Commission to bring a lawsuit and get a judgment against WAPA for the amount of the assessments," but advised that such an effort would not be worthwhile because "we cannot execute those judgements against WAPA" given the utility's "serious financial issues that need to be addressed."

He told commissioners that "we have notified the governor, WAPA and legislators" about the matter.

"We are not looking for a general fund appropriation as a first preference in this," Mr. Sprehn continued. "We would rather have those utilities comply with the law and make the payments they are required to make."

Ms. Hendricks said WAPA has given a "verbal indication that they may be able to make good on payments by the end of June, early July, but until we actually receive payments in hand we're unfortunately unable to proceed with the rate investigations."

She cautioned, however, that WAPA's indication applies only to its 2026 annual assessments. "However we rely on docket-specific assessments to pay our consultants, and we have not gotten a commitment for that," she said.

The PSC has warned for some time that mounting debts from regulated utilities were threatening its ability to operate. In 2024, Executive Director Sandra Setorie told lawmakers on the Senate Committee on Budget, Finance and Appropriations that the PSC's ability to prudently manage its finances while WAPA and VIWMA owed millions of dollars would not last indefinitely.

The budget shortfalls caused by the utilities' failure to fund the Commission as required by law now appear to have fully impaired the PSC's ability to carry out its statutory mandates.

Comprehensive rate investigations by the PSC for regulated entities are legally required every five years to ensure financial transparency and protect consumers from arbitrary costs.