The Virgin Islands Consortium

WAPA Terminates 25-Year Agreement With Tibbar Energy

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ST. CROIX -- The Virgin Islands Water and Power Authority has terminated both a Power Purchase Agreement (PPA) and an Interconnection Agreement (IA) with Tibbar Energy after the company (Tibbar) was unable to secure financing, WAPA announced late Thursday. The project called for the biomass energy company to operate a power plant and agricultural program on St. Croix.

WAPA Executive Director / CEO Julio A. Rhymer, Sr. said Thursday that the terminations resulted from Tibbar's inability to fulfill the terms and conditions of its agreements with WAPA.

In correspondence dated October 5, counsel for WAPA served notice of the termination, citing the company's failure to provide evidence of its capacity to secure funding for the project. "Our legal counsel detailed the breaches of both agreements which made it necessary to move for termination," Mr. Rhymer said. The termination followed a thirty-day period provided to Tibbar, to cure the defaults which WAPA initially cited in August.

WAPA, with the approval of the Public Services Commission, entered into the 25-year agreements with Tibbar Energy, with an effective date of July 28, 2013. The commission's approval followed Tibbar's application to be designated as a Qualified Facility pursuant to the Cogeneration and Small Power Production Act. Under terms of the now-terminated agreements, Tibbar was to generate seven megawatts of power for the St. Croix grid from a facility on a 70-acre parcel east of the Anguilla Landfill. The facility was to run on bio-fuels.