

The Virgin Islands Consortium

PSC To Hold Public Hearings Territory-Wide Before Decision On WAPA Base Rate Increase Request

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The Public Services Commission will host hearings on St. Thomas, St. Croix and St. John this month where members of the public will get a chance to share their input on the matter of the requested base rate increase by the Water and Power Authority, according to a release the PSC issued.

Information gathered at the hearings will be presented to Hearing Examiner Kye Walker, who will then submit her report and recommendation on the information gleaned at the public hearings to the PSC. Ms. Walker's recommendation will be considered as part of the PSC's decision on whether to grant WAPA the rate increase it has been asking for.

The public hearings will be held on the following dates:

- Oct. 21 on St. Croix at 5:30 p.m. (location to be determined)
- Oct. 22 on St. John at 5:30 p.m. (location to be determined)
- Oct. 23 on St. Thomas at the PSC office at 5:30 p.m.

Evidentiary hearings will run from Oct. 22-25 at the PSC office on St. Thomas, beginning at 9:30 a.m.

The public hearings come ahead of a pivotal November deadline the PSC has set for itself to take action on WAPA's base rate increase request. The authority is seeking an increase that it says will serve as a basis for restructuring the debt from propane supplier Vitrol, which the authority owes tens of millions of dollars.

But the authority's mismanagement of funds, [as gleaned during an Oct. 1 hearing](#), coupled with WAPA's history of diverging base rate increase funds for purposes not laid out in the original request, has complicated matters. During an October 4 meeting, PSC Commissioner Kent Bernier made it clear early that he needed to see wholesale changes at WAPA before supporting higher utility bills. "In order for this community to sustain itself, we need to put into place the policies to correct the ills of WAPA going forward," Mr. Bernier said.

Commissioner Andrew Runick told WAPA Executive Director Lawrence Kupfer that the utility has little credibility in PSC chambers. "You have a bad track record when it comes to managing things. ... You went to the Legislature the other day and you got brutalized because of power outages and your rates being so high," Mr. Runick said.

In a statement issued after the meeting, PSC Executive Director Donald Cole said Virgin Islands Code calls for a base rate case every five years. However, a base rate case does not mean that WAPA will get an automatic approval of its request. It simply means that Virgin Islands law calls for an examination of the base rate every five years, "and we are at that point," Mr. Cole said.