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WAPA Signs Contract for 4 New Generators and Battery Storage System at Randolph Harley Power Plant

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The Virgin Islands Water and Power Authority said Tuesday that it has entered into a \$75 million contract with Wartsila for the engineering, procurement, and construction of four new generators, and a battery storage system at the Randolph Harley Power Plant.

The units, which will provide an additional 36 megawatts of capacity, and the nine-megawatt energy storage system are slated to be fully operational in early 2022, WAPA said.

“Utilizing 100 percent federal monies provided by HUD, the Authority booked the order for the new generators and battery system in June,” said Executive Director Lawrence J. Kupfer. The new units can burn both propane and light fuel oil. “Not only do these units build on the 21-megawatts

of propane-fired units now in use at the Harley power plant, this is the first engine / hybrid power plant undertaking by our partners at Wartsila, and the first installation of the company's LG engines which are capable of burning the two fuel types," he said.

Once these units are online, the power plant will operate more efficiently and reliably on 100 percent propane, a less costly fuel source. The battery storage system, slated to provide nine megawatts of electricity for up to two hours, will be used for plant stabilization when an interruption occurs, and avoids bringing an additional unit online to satisfy electrical demand. "We are confident that the seven Wartsila generators will contribute to improved system reliability while providing additional fuel and operational flexibility that increases efficiency and lowers overall operating costs. Lower operating costs and a more efficient operation will lead to rate reductions for our customers," Kupfer said.

The new units will also allow WAPA to end its generator lease and commence the decommissioning of older, less reliable units which only operate on more expensive oil sources. Once the Harley power plant becomes more efficient, with the Wartsila units dispatched and fully on LPG fuel, WAPA anticipates that electric rates can be lowered by four cents per kilowatt hour, representing a savings for our customers. Also, having more than 57 megawatts of efficient and reliable generation capacity bodes well for our customers and for the future growth of the St. Thomas – St. John district.

WAPA is grateful to HUD Secretary Ben Carson and V.I. Housing Finance Authority Executive Director Darryl Griffith who have worked closely with WAPA to ensure that this project, once approved by FEMA, was eligible for 100 percent HUD funding. HUD has also authorized WAPA to use its share of grant funding to satisfy local match requirements on other mitigation projects that are now in the works, Kupfer said.

In addition to securing additional generation capacity for both power plants, WAPA is tapping federal funds for approved projects that include undergrounding of transmission and distribution electrical feeders, installing more resilient composite poles, and providing standby generators on St. John.

Once completed, these projects will provide for a more timely and efficient restoration of the electrical system following windstorm events, Kupfer said.