

# The Virgin Islands Consortium

## Bryan to V.I. Public Officials: Baseless Criticism of WAPA Harms the Territory's Image as Seen by Investors

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Gov. Albert Bryan Jr. cautioned Virgin Islands legislators ahead of today's Senate Session during which WAPA and V.I. Public Services Commission officials can expect a rough ride down the Water and Power Authority's dismal service record.

"Ask the tough questions," the governor advised during a weekly Government House press briefing Monday. "Ask the questions that need to be asked – but please don't make disparaging comments that are baseless about corruption and mismanagement unless you have proof."

Senators last month subpoenaed WAPA Executive Director Lawrence Kupfer, WAPA governing board members and PSC officials to testify today about the root causes and solutions to the deepening financial and services-related issues plaguing the utility.

The Senate Committee of the Whole session begins at 10 a.m. in the chambers of the Legislative Building on St. Thomas.

In the run-up to the Senate Committee of the Whole hearing, the public outcry over routine, island-wide power failures reached a critical mass.

- The VI Delegate to Congress, Stacey Plaskett, wrote to Gov. Bryan and Sen. President Novelle Francis urging an energy State of Emergency in the territory be declared. An emergency declaration would open the doors to additional federal financial and subject-matter expertise.
- The Alliance for Consumer Justice group on St. Thomas is circulating a petition calling on lawmakers to impose stricter oversight. The group has also backed Ms. Plaskett's call for an emergency declaration.

Mr. Bryan – virtually alone as an influential, public advocate of WAPA – said negative comments from local elected officials about WAPA erodes the confidence of investors already skeptical about the Virgin Islands infrastructure and overall financial stability.

"We have had several investors come to the table. And every single time someone opens their mouth to make a disparaging comment about WAPA, we start over again," Mr. Bryan said. "And that's making it more difficult" to put potential investors in the territory at ease.

Appealing to Mr. Bryan and the legislature to invoke a State of Emergency over WAPA, Ms. Plaskett said "radical, extraordinary steps" are in order to ensure affordable, reliable water and electric services in the territory.

"Indeed, WAPA may need to seek federal court intervention as the authority's operations are under duress by several of its vendor/creditors, creating an unfair advantage and negotiation toward other creditors and the people of the Virgin Islands," Ms. Plaskett wrote.

The remarks ignited a sharp reaction from WAPA's Mr. Kupfer. He suggested in a written statement that, among other things, the delegate's opinions are being shaped by private interests who would cash-in on wholesale changes to the organization.

For his part, the governor responded to Ms. Plaskett in a letter he said made clear his position that a State of Emergency for energy accomplishes nothing WAPA cannot do on its own.

"Unequivocally, I can say that we are able to keep WAPA solvent without any outside interests, without any type of restructuring in terms of bankruptcy or insolvency," Mr. Bryan said.

## **Why the Optimism**

“I bought into their plan,” Mr. Bryan said. “When chastising WAPA, people seem to forget, WAPA went through two category five storms, too. WAPA kept the current on for over a year and didn’t have its bills go up, didn’t lay off a single person. All of those things contribute to the situation we have now.”

### **Scheduled Witnesses**

The Senate subpoenaed or invited to testify the following individuals:

Water and Power Authority Staff: Mr. Kupfer, the utility’s chief executive, lead attorney Lorelei Farrington and Chief Operating Officer Clinton Hedrington Jr.

WAPA Governing Board: Chairwoman Elizabeth Armstrong, Vice Chair Hubert Turnbull, Juanita P. Young, Cheryl Boynes-Jackson, Gerald T. Groner, Noel Loftus, Kyle Fleming, Joel Lee and Anthony Thomas.

Public Services Commission Staff: Executive Director Donald Cole and legal consultant Boyd Sprehn.

Public Services Commission Board: Chairman Raymond J. Williams, Kent Bernier, Johann Clendinen, David Hughes, Andrew Rutnick.

Mr. Bryan said lawmakers should bring forward legislation and policy changes that help improve WAPA’s financial standing and performance. “Just inviting them for a beating doesn’t solve the problem,” he said.