

The Virgin Islands Consortium

PSC Members Again Delay a Vote on WAPA's Bid for a Hike in Electric Rates; Decision Should Come During November Meeting, PSC Director Says

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The VI Public Services Commission again kept the lid on the Water and Power Authority's attempts to increase electric bills paid by Virgin Islanders.

PSC members voted overwhelmingly to make no changes to the base utility and the Levelized Energy Adjustment Clause (LEAC) rates, opting instead to postpone a decision until an independent hearing examiner investigates and makes a recommendation to the PSC in the coming weeks. The commission is now expected to take a vote at its next public hearing in November.

The commission hearing on Thursday came two days after Senate lawmakers subjected WAPA officials to 12 hours of intense questioning during a legislative session in which utility officials acknowledged systemic failures in financial management, accountability and transparency. Tens of thousands of viewers watched portions of a Committee of the Whole hearing via news and social media feeds.

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.

"We should have a decision in our next agenda meeting," he concluded.