

logo not found or type unknown

## **Bills Aimed at Forcing Change at WAPA, Including Measure Establishing Outside Oversight Approved Even as WAPA Executives, Board Members Opposed**

WAPA / **Published On September 16, 2020 04:12 AM /**

Maxiene K. Cabo **September 16, 2020**

Image not found or type unknown



A bill sponsored by Senators Janelle Sarauw, Donna Frett-Gregory, Kurt Vialet and Kenneth Gittens to establish a Management and Oversight Review Committee for WAPA won approval on Tuesday in the Committee of Rules and Judiciary. The legislation was among two other measures — Bill 33-0272, which establishes a Ratepayer Bill of Rights and codifies into law basic protections for customers, and Bill 33-0211, which seeks to ensure that members of the Public Services Commission (PSC), which regulates WAPA and other utilities, have a level of expertise in an area specific to their duties — to advance Tuesday.

Testifiers expressed their opposition, including to the bill establishing oversight, whose primary goal is to ensure the proper management of the authority and bring it to financial solvency,

appropriate regulatory standards, and efficient operations.

The bills now head to the Committee of the Whole where the full body will vote before they are sent to Governor Albert Bryan. There's a possibility that Mr. Bryan, who has shown immovable support to WAPA, could veto some or all of the measures, but they appear to have strong enough support in the Senate to override the governor if he does.

"WAPA has a governing board that I don't believe has operated up to par. There is no way in the name of God we couldn't say outages aren't a problem," said Senator Janelle Sarauw, chair of the Committee on Rules and Judiciary. "The financial state of WAPA is a problem, the organizational state of WAPA is a problem and WAPA is a problem." Ms. Sarauw said the responses provided by the testifiers proved to the Legislature that the authority is in clear need of an oversight board.

WAPA CEO Lawrence Kupfer said one of the authority's concerns surrounding Bill 33-0346 primarily relates to how the authority believes current and potential future investors would react to it.

Anthony Thomas, chairman of the WAPA board who also serves as commissioner of Property and Procurement, expressed that the current governing board and management of WAPA has had a three-year head-start on the oversight management review and believes that any adjustments at this juncture to the existing management structure would only serve to hinder the progress the authority has already made.

"WAPA's progress is being purposely ignored by those peddling quick fixes and pie-in-the-sky solutions to the people of the Virgin Islands," Mr. Thomas charged. "The men and women of WAPA are hardworking and they represent families of the territory. They shop, vote, and suffer through the same issues as everyone else."

Ms. Frett-Gregory took offense to and disagreed with the comments made by Mr. Thomas. "I've spent the past year and change working on this legislation. The community has criticized this body because they felt we were not moving fast enough, but we had to make sure that once we moved, we moved a piece of legislation that was significant and didn't present quick fixes," she said.

Ms. Frett-Gregory further stated, "I shop, vote, and suffer through the same issues as well as my family and friends. We recognize that WAPA employees are hardworking employees. I'm happy that you, as the chairman, has recognized that in fact they are hardworking employees also, so it's time you do right by them."

Lawmakers continued to apply pressure. "This body continues to give the authority millions of dollars and [it's still not managed] properly," said Mr. Gittens. "We have given the board every opportunity as well to address these measures, and again they continue to fail us." Mr. Gittens and Senator Alicia Barnes are chief sponsors on Bill No. 33-0272 and Bill No. 33-0211.

"There is not one Virgin Islander or small business that is not impacted by the high cost of electricity in the territory... An absence of accountability and transparency continues to make it hard for the Legislature and citizens to have faith in the authority," Mr. Gittens added.

Mr. Vialet said, "This bill is in no way to discredit any group, but it is a mechanism to begin the fix. This oversight management committee will give the Legislature an opportunity to dive deep into the operational management of WAPA, to dive deep to make sure that WAPA is financially solvent, and to dive deep into the efficacy of the authority."

The oversight measure calls for a five-person review committee to be formed. Persons chosen as part of the committee would be the director of the V.I. Energy Office; an expert in the field of utility finance; two experts in the field of utility generation or engineering; and a legal expert in the field of public utility law who must possess a juris doctor from an American Bar Association accredited law school. For full criteria of committee members, read the bill [here](#).

The measure also calls for the governor to appoint two of the five individuals within 30 days of enactment of the law. It also states, "Not more than 15 days after a majority of the Management Committee members have been appointed, the Director of the Virgin Islands Energy Office, who shall serve as the Interim Chair of the Management Committee, shall call the first meeting of the Management Committee to organize and choose a Chairperson. Three members of the Management Committee constitute a quorum."

First introduced to the public [through the Consortium](#) in Sept. 2019, the measure had first sought to give the Public Services Commission the authority to appoint an independent management entity with fiduciary oversight to rein in WAPA. But the senators pulled back, took more time and made a number of revisions to the bill. Other senators joined as authors, and the measure won the support of all six lawmakers who were present as voting members of the Committee on Rules and Judiciary on Tuesday. Senator Novelle Francis, vice chair of the committee, is out of the territory with his wife, who Mr. Francis [said publicly](#) has fallen ill and is currently in Florida being diagnosed and receiving treatment.