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WAPA 6 Months Behind On Payments To PSC, Potentially Jeopardizing Operation of Commission, Says Director

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Kyle Murphy **October 13, 2021**

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The V.I. Water and Power Authority's Richmond Plant on St. Croix. By. V.I. CONSORTIUM

V.I. Public Services Commission Director Donald Cole revealed during a Committee on Government Operations and Consumer Protection hearing that the Water and Power Authority as of Tuesday was six months behind on assessment payments which could jeopardize the operation of the commission. Mr. Cole said the PSC is entirely funded by assessment payments from the entities it regulates.

The amount of the six-month debt was not stated during the hearing Tuesday. Back in 2017, the quarterly payment was roughly \$230,000, though the cost may have increases since that time.

“We must note with concern that as of this date the Water and Power Authority is more than six months behind in the payment of its assessment, which jeopardizes the continued operation of the commission,” Mr. Cole said during his testimony.

He added, “WAPA is unique in that the Legislature has authorized WAPA to pay its annual assessment in quarterly payments, while all others are due on assessment. As we are in the last month of the fiscal year, WAPA has not paid its 2nd quarter payment in full and has not paid its 3rd and 4th quarter payments at all.”

Mr. Cole said the WAPA annual assessment is included in WAPA rates, "so WAPA has recovered the amount of the assessment from its ratepayers. It is not an expense paid out of WAPA's pocket," he said.

Senator Javan James sought to learn why the authority was six months behind on payments. Mr Cole responded, “WAPA is having a serious cashflow problem right now, but that cashflow problem should not be impacting the Public Services Commission."

Mr. Cole said the PSC has been reaching out to WAPA but payment had yet to be remitted. "...Somehow we are going to have to use more stringent measures," he said. "The authority that you gave to us say that we can hire our attorneys and we can go and have some support for some relief... that's what we have to do, senator, if they don't pay the payment."

Bills Heard

Earlier in the day, Bill No. 34-0090, An Act amending title 3 Virgin Islands Code to extend the Career Incentive Program to all peace officers was held in the committee, with some lawmakers arguing that the entire program needs an overhaul.

Additionally, the committee forwarded the following measures to the Committee on Rules and Judiciary:

- Bill No. 34-0074: A Resolution honoring and commending Holland L. Redfield, II for his expansive and continued contributions to the island of St. Croix and the entire Virgin Islands community as a whole, through his roles in various areas of service in the territory and awards him the Virgin Islands Medal of Honor for Public Service.
- Bill No. 34-0081: An Act amending title 27 Virgin Islands Code, chapter 17 relating to barbering and cosmetology service to reflect the barbering and cosmetology services that are being currently offered and to rename the chapter and the Board to reflect the changes.

