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Gittens Calls for 'Further Investigation of all Parties Involved' Following Inspector General's WAPA Audit Findings

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Aerial shot of the V.I. Water and Power Authority Richmond Plant. By. ERNICE GILBERT/ V.I. CONSORTIUM

Following the release of a report [detailing more than \\$113 million in cost overruns](#) on a V.I. Water and Power Authority project promised to reduce energy bills, Senator Kenneth Gittens is calling for further investigation of all parties involved in the now infamous VITOL contract, according to a release the senator's office issued Tuesday.

The Office of the V.I. Inspector General released details of its probe of the contract between WAPA and VITOL on Monday. The contract was entered into primarily to facilitate conversion of

the territory's power plants from diesel fuel to propane. At that time, WAPA officials projected that the fuel conversion would save ratepayers more than 30 percent on their monthly electricity bills. The original cost of the project was estimated at \$87 million, but through a series of change orders and overruns, the final cost eventually swelled to more than \$200 million.

"This audit provides us with almost all we need to know about why our utility rates remain ridiculously high here in the Virgin Islands," Mr. Gittens said. "What it doesn't tell us is how we can hold those involved accountable. I am reiterating my call for further investigation of WAPA by the Justice Department, as well as calling on my colleagues to reconsider my legislation to appoint a Special Investigator. Those responsible for this and WAPA's other transgressions can't simply be allowed to walk away."

According to the release, given the many serious problems at WAPA, Mr. Gittens determined last year that the best course forward was to authorize, via legislation, a thorough examination of all the Authority's contracts, leases, billing practices and other problematic issues such as credit card use and the loss of more than \$2 million to an offshore account.

Bill# 34-0080 calls for the appointment of a Special Investigator with the authority to thoroughly review concerns related to WAPA and to make prosecutorial recommendations to the Virgin Islands Attorney General and the U.S. Attorney. The investigator will have the power to issue subpoenas for evidence and witnesses and to engage government auditors and personnel as necessary to assist in the inquiry.

"We continue to uncover a great deal of waste, fraud and abuse, along with a general lack of accountability at WAPA without any real resolution," Mr. Gittens said. "WAPA claims it has addressed many of the problems identified in this recent audit, but that is simply not good enough when the ratepayers are still suffering and economic growth is stifled. We will have to pay for an independent investigation, but the cost is very low compared to the waste and fraud we are already aware of at WAPA. The Inspector General did a good job of breaking down what led to the cost overruns on this one contract, but we can't stop there."

Members of the 34th Legislature's Government Operations & Consumer Protection Committee voted to hold Mr. Gittens' bill to appoint a Special Investigator in Committee on August 6, 2021. The senator said he hoped those voting to hold the bill would reconsider after reading the VITOL contract audit.

"We must use every tool at our disposal to enforce reform at WAPA and to hold those who allowed this to happen accountable," he said.

According to the release, the senator noted many basic errors in WAPA's management of the VITOL contract identified in the audit report, including hiring an attorney with a clear conflict of interest, not following basic contract protocols, and not informing the Board about critical decision making for their input and consent.

Mr. Gittens called for the 2019 subpoenas of WAPA documents and personnel that helped bring to light many problems at the utility. Previous legislation introduced by the senator to address concerns related to improving utility service has since had a positive impact on the Public Services Commission's ability to handle consumer complaints. The Ratepayers Bill of Rights was made law last year in the 33rd Legislature.