

WAPA Has Received \$12 Million From V.I. Government Since March to Subsidize Energy Costs, Bryan Reveals

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WAPA's Richmond Powerplant. By. V.I. CONSORTIUM

The V.I. Water and Power Authority, facing high fuel prices triggered by Russia's war in Ukraine and inflationary pressures, has received \$12 million from the Bryan administration in an effort to keep electricity bills at current rates, Governor Albert Bryan has made known.

Responding to Consortium questions over the weekend and Monday, the governor said the funds started flowing to WAPA after Russia's invasion of Ukraine on February 24 sent the cost of fuel surging. Mr. Bryan has repeatedly stated that without the government's support, the 41 cents per kilowatt hour currently being paid by Virgin Islands residents [would increase further](#) and possibly result in a repeat of the 2008 catastrophe, when crude oil had risen above \$146 a barrel and

WAPA was completely reliant on fossil fuel. Therefore, as the price surged, so too did utility costs in the U.S. Virgin Islands and many businesses had to shut down as a result.

Last week, WAPA forcefully denied reports of an impending rate increase of 39 percent, with CEO Andrew Smith commenting that the authority would instead seek strategies aimed at making the authority more efficient while pursuing new lines of business.

Governor Bryan echoed Mr. Smith's sentiments. Asked about WAPA's plans once the inevitable occurs and the government subsidy ends, the governor said, "We have some efficiency plans that will ultimately save some money and lower energy costs, including solar."

Mr. Bryan said that as of last week, WAPA was paying 62 cents per kilowatt hour while only charging residents 41 cents. "That's not by magic, we are subsidizing rates. I made a commitment and I'm sticking to it for now," he said last week.

The governor in March announced his intent to make St. Croix 100 percent solar-powered by partnering with a major energy firm that could build and maintain a solar plant powerful enough to easily energize the 84-square mile island.

"We want to put St. Croix 100 percent solar and put as much solar as we can in as quickly as possible. If we have one island that's burning the least amount of fuel possible that's a huge solution for us," he said.

"Getting something done and getting it down quickly, that's the kind of situation we're in," he added. "I told my people think about it as we need to get the whole island energized in 90 days... That's the kind of urgency we're under here because we cannot afford for the light bills to go where they were in 2008, 2009. It crippled our economy, crippled our small businesses — we have to figure this out and we have to do it quickly."

In order to accomplish his goal, Mr. Bryan said swift action is needed and this might come by means of an energy state of emergency declaration to push aside regulatory hurdles and other government red tape. "The way we're looking at this is the same way we looked at the whole grid being out after the [2017 storms]. Like this is an emergency situation so normal timelines don't apply. I've given serious consideration to declaring an energy emergency so that we could fast-track any bidding process, fast-track any permitting process and get somebody in here and get it up as quickly as possible," Mr. Bryan said when questioned by the Consortium for a timeline during a March 14 press briefing.