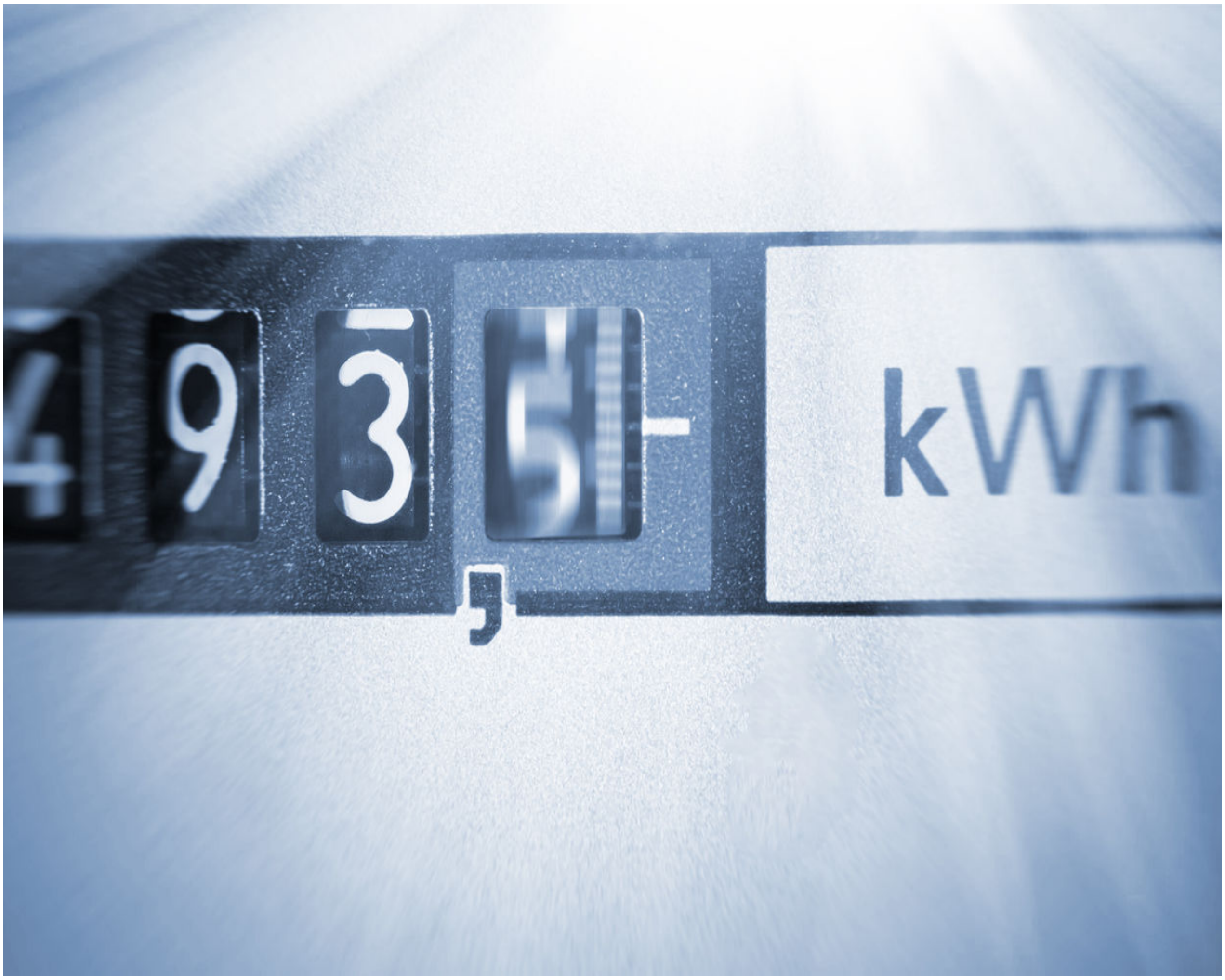
The Virgin Islands Consortium

Current LEAC Rate ExtendedThrough September as Bryan Administration Continues to Subsidize WAPA

Government / **Published On July 16, 2022 06:28 AM /**

Staff Consortium July 16, 2022



The current Levelized Energy Adjustment Clause of 41 cents per kilowatt hour currently being paid by Virgin Islands ratepayers was left unchanged during a Thursday Public Services Commission meeting, with V.I. Water and Power Authority CEO Andrew Smith requesting a three-month extension through September.

Although WAPA is paying much more than 41 cents per kilowatt hour for the cost of fuel, the Bryan administration has been subsidizing the authority with roughly $4 million a month since March so that the cost burden isn't passed on to ratepayers.

"Gas has gone up 40 percent and the Levelized Energy Adjustment Clause (LEAC) has remained the same. That's not by magic, we are subsidizing rates. I made a commitment and I'm sticking to it for now," Governor Albert Bryan said in June.

According to the PSC, WAPA provided testimony on recent outages and actions taken to prevent re-occurrence; the installation of four additional Wartsila units on St. Thomas; the implementation of more efficient, reliable, and appropriately sized generation on St. Croix; and the status of the Aggreko units on St. Croix.

PSC staff presented a draft document of the PSC Customer Service Complaint Procedure and Timeline for review by the commission, WAPA, and the public, according to the release. The purpose of this document is to improve customer service on billing and service issues, including implementation of the Ratepayers' Bill of Rights.

WAPA owes $570,853 to the commission for its outstanding annual assessments, the PSC said. WAPA has initiated a payment plan with the commission and continues to make payments, according to the release, with Mr. Smith vowing to make all payments by the end of the 3rd quarter of fiscal year 2023.