

Image not found or type unknown

Governor Bryan Announces Initial Payment of \$45 Million in WAPA Settlement with VITOL

WAPA / **Published On May 01, 2023 06:05 PM /**

Ernice Gilbert **May 01, 2023**

Image not found or type unknown



Governor Albert Bryan, Jr. By. GETTY IMAGES

Governor Albert Bryan on Monday announced that the Government of the Virgin Islands has completed the payment of \$45 million to Vitol as part of a settlement agreement between the company, the V.I. Water and Power Authority and the GVI.

"I am pleased to announce today that we have fully satisfied the initial \$45 million payment to VITOL on behalf of WAPA as part of the negotiated settlement agreement for control of the propane terminals at the authority's Randolph Harley plant in St. Thomas and Estate Richmond in St. Croix," the governor said, according to Gov't House.

The announcement follows a WAPA board meeting on Friday [where the authority narrowly approved a \\$145 million deal](#) to pay Vitol for what the Geneva, Switzerland-based company says is WAPA's capital lease obligation, or costs for propane infrastructure that Vitol built at WAPA facilities. The 35th Legislature [on April 15 approved the bill](#) establishing the line of credit, though lawmakers wound up approving only \$100 million of the \$150 million the governor requested. Mr. Bryan subsequently signed the legislation into law.

On Monday, the governor argued that once the total sum is satisfied, WAPA will be a more stable utility as the authority enters into an era of renewable energy generation in both the St. Croix and St. Thomas-St. John districts.

“Once completed, this settlement agreement will afford WAPA better financial footing to complete its resiliency projects, which include the addition of a substantial amount of renewable energy to the grid,” Mr. Bryan stated. “It also affords the authority the ability to satisfy its obligations to other vendors, and more importantly, put the authority in the position to ultimately deliver more affordable and efficient service to its rate payers.”

While the governor acknowledged that there's still a long road ahead, he said today's accomplishment "represents the first real step toward this long-sought-after goal."

He added, "I want to, again, thank the members of the 35th Legislature for authorizing the Government of the Virgin Islands to establish a line of credit to meet today's payment deadline as part of the negotiated agreement, and I also want to thank our financial team, the leadership team at WAPA and our financial partners in making this arrangement possible on behalf of the people of the Virgin Islands."