



**The Virgin Islands Water and Power Authority
Corporate Communications
NEWS RELEASE**

Contact: Jean P. Greaux, Jr., Director of Corporate Communications
340-774-3552 extension 2147 or 340-244-7330
communications@viwapa.vi / www.viwapa.vi

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**WAPA SIGNS CONTRACT FOR FOUR NEW GENERATORS AND
BATTERY STORAGE SYSTEM AT RANDOLPH HARLEY POWER PLANT:**

**NEW UNITS ARE 100% FEDERALLY FUNDED,
WILL REDUCE ELECTRIC RATES BY 4¢ PER KILOWATT HOUR**

The Virgin Islands Water and Power Authority has entered into a \$75 million contract with Wartsila for the engineering, procurement, and construction of four new generators, and a battery storage system at the Randolph Harley Power Plant.

The units, which will provide an additional 36 megawatts of capacity, and the nine-megawatt energy storage system are slated to be fully operational in early 2022.

"Utilizing 100% federal monies provided by HUD, the Authority booked the order for the new generators and battery system in June," said Executive Director Lawrence J. Kupfer. The new units can burn both propane and light fuel oil. "Not only do these units build on the 21-megawatts of propane-fired units now in use at the Harley power plant, this is the first engine / hybrid power plant undertaking by our partners at Wartsila, and the first installation of the company's LG engines which are capable of burning the two fuel types," he said.

Once these units are online, the power plant will operate more efficiently and reliably on 100% propane, a less costly fuel source. The battery storage system, slated to provide nine megawatts of electricity for up to two hours, will be used for plant stabilization when an interruption occurs, and avoids bringing an additional unit online to satisfy electrical demand.

“We are confident that the seven Wartsila generators will contribute to improved system reliability while providing additional fuel and operational flexibility that increases efficiency and lowers overall operating costs. Lower operating costs and a more efficient operation will lead to rate reductions for our customers,” Kupfer said.

The new units will also allow WAPA to end its generator lease and commence the decommissioning of older, less reliable units which only operate on more expensive oil sources. Once the Harley power plant becomes more efficient, with the Wartsila units dispatched and fully on LPG fuel, WAPA anticipates that electric rates can be lowered by four cents per kilowatt hour, representing a savings for our customers. Also, having more than 57 megawatts of efficient and reliable generation capacity bodes well for our customers and for the future growth of the St. Thomas – St. John district.

WAPA is grateful to HUD Secretary Ben Carson and V.I. Housing Finance Authority Executive Director Darryl Griffith who have worked closely with WAPA to ensure that this project, once approved by FEMA, was eligible for 100% HUD funding. HUD has also authorized WAPA to use its share of grant funding to satisfy local match requirements on other mitigation projects that are now in the works, Kupfer said.

In addition to securing additional generation capacity for both power plants, WAPA is tapping federal funds for approved projects that include undergrounding of transmission and distribution electrical feeders, installing more resilient composite poles, and providing standby generators on St. John.

Once completed, these projects will provide for a more timely and efficient restoration of the electrical system following windstorm events, Kupfer said.

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About WAPA: The Virgin Islands Water and Power Authority is an autonomous agency of the Virgin Islands Government which produces and distributes electricity and drinking water to residential and commercial customers in the territory. WAPA was created by the Fifth Legislature of the Virgin Islands in 1964 through Act No. 1248. Today, WAPA generates electrical power at production plants on St. Thomas and St. Croix and distributes electrical service through smart grids to customers on St. Thomas, St. Croix, St. John, Hassel Island, and Water Island. Potable water is distributed to almost 13,000 customers through water lines and standpipes. WAPA also has the responsibility of installing and maintaining streetlights.