

The Virgin Islands Water and Power Authority Corporate Communications NEWS RELEASE

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WAPA AWARDS FEDERALLY FUNDED COMPOSITE POLE INSTALLATION CONTRACTS FOR ST. THOMAS AND ST. JOHN; AN ADDITIONAL 1,500 OF THE MORE RESILIENT POLES TO BE INSTALLED ON ST. THOMAS, 600 ARE SLATED FOR ST. JOHN

The Virgin Islands Water and Power Authority has awarded three federally funded contracts to complete the installation of additional resilient composite poles in the St. Thomas – St. John district.

The poles, to be installed in locations where electrical facilities cannot be undergrounded, are one component of a major transformation of the Authority's electric system which aims to create more durable electric grids over the next three to five years. Composite poles have an eighty-year life span and are designed to withstand sustained wind speeds of up to 200 miles per hour.

Currently on St. Thomas there are 800 composite poles including 253 on Water Island, and an additional 1,500 are scheduled to be installed over the next three years. On St. John, 1,000 composite poles have been previously installed, and 600 existing wooden poles will now be replaced.

WAPA's governing board on Thursday unanimously awarded contracts to Haugland Energy Group, LLC and BBC Electric Services, Inc. for the pole installation projects.

According to Executive Director Lawrence J. Kupfer, Haugland Energy Group will be awarded two contracts for the work on St. Thomas. "One contract is for the installation of 750 poles on the west end of the island, while the other addresses the installation of 750 composite poles on the island's east end. The west end contract will not exceed \$24 million while the east end contract is capped at \$23.7 million." The contract award to BBC Electric for pole installation on St. John is capped at \$32.8 million and requires the installation of the remaining poles within a three-year period.

The composite pole installation contracts are funded by FEMA and HUD. Kupfer told the board WAPA is presently finalizing the use of HUD grants as the required local match.

Both Haugland Energy and BBC Electric did extensive restoration and rebuilding work on WAPA's behalf in the months that followed Hurricanes Irma and Maria in September 2017.

In elaborating on other aspects of the transformation plan, Kupfer said on Thursday that composite pole installation continues on St. Croix. "Haugland Energy is under a previously-awarded contract to complete pole installation on the island."

Other components of the plan include the undergrounding of electrical lines, transmission and distribution feeders, and other equipment. When this facet of the transformation plan is completed, WAPA will provide underground electrical service to the meter bases of at least 50% of its customers.

WAPA has already awarded four underground projects on St. Croix, and the first such project for St. John cleared a major hurdle this week when it was greenlighted by the historic preservation office. WAPA worked extensively with SHIPO and other consultants to address previously expressed concerns about the project which is now on its way to full environmental approval ahead of breaking ground. The initial project on St. John will underground equipment which provides electrical service to Cruz Bay and other surrounding areas.

New, more reliable and efficient generation at the power plants in Estate Richmond and Krum Bay are also a part of the planned transformation as is the addition of more renewables to the grids, such as solar and wind, complete with battery storage. Micro electric grids and standby power generators for St. John will also be added to the electric system.

"Today's award of the three contracts to complete the pole installations is a major step forward for WAPA as we work each day to design a more resilient, reliable, and efficient electric system," Kupfer said.

Governing Board Chairman and Department of Property and Procurement Commissioner, Anthony D. Thomas was effusive in praising the forward movement of the pole projects. "I am very pleased, the board is indeed pleased, that we have gotten to this point of authorizing contract awards for this most important work. These projects are important not only to WAPA as it builds a stronger electric system, but equally as important to the people of the Virgin Islands who expect affordable and reliable electric service."

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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.