

## THE VIRGIN ISLANDS WATER & POWER AUTHORITY CORPORATE COMMUNICATIONS

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## WAPA Announces Results of Consecutive Board Meetings: Commitment to Sustainability and Community Services Highlighted

U.S. Virgin Islands (July 8, 2024) – The Virgin Islands Water and Power Authority ("WAPA" or the "Authority") is pleased to announce the completion of two back-to-back board meetings held on June 27 and June 28.

During the June 27<sup>th</sup> board meeting, several critical decisions and updates were discussed. VIElectron's solar installation progress was noted, with batteries already onsite being installed. Medium voltage terminations are currently in progress. The Petronella battery lease was brought before the board, but the motion for its approval resulted in a tie and was not carried, with votes split between board members. The board did approve a motion to engage in direct discussions with VIElectron to address outstanding items.

Additionally, Lorraine Kelly, Interim Chief Financial Officer, presented the 14th supplemental bond resolution, which included extending the 2022 Bond Anticipation Notes. This extension allows the July 1 Bond Anticipation Notes to be extended to August 1, facilitating the transition of the outgoing Chief Executive Officer/Executive Director, Andy Smith.

Recently, the scope of the Composite Pole Project has been increased to include installation of an additional 2,200 poles territory-wide and a bypass transmission line for Feeder 13. This amendment request includes the cost associated with the increase in debris associated with the additional scope, as well as the debris associated with the remainder of the original St. Croix Composite Pole Project. This project produces waste such as poles, wires, arrestors and insulators that must be disposed of per <a href="EPA RCRA regulations">EPA RCRA regulations</a>. The board unanimously approved the debris removal motion, which includes a 15%

increase in cost of unit items that pertain to off-island shipping and 7% for the unit items that do not have an off-island shipping component. The territory-wide installation of composite poles strengthens our transmission and distribution infrastructure, making it more resilient to natural disasters. Strategic placement, innovative design, efficient material management, and coordinated contractor efforts will ensure durable installations that reduce outages and expedite recovery, minimizing time, effort, and resource expenditures after incidents, i.e. vehicle collisions, overgrown debris, and storms.

The Governing Board approved the first Addendum to Wärtsilä Contract SC-33-20 to not exceed cost of \$10,804,258.00 and a time extension to May 31, 2025, following successful negotiations between the Authority and Wärtsilä. The completion of the additional scopes and time extension were needed for installation of the additional Wärtsilä Phase 2 Engines and Battery Energy Storage System (BESS). Despite unforeseen challenges requiring adjustments to the initial contract, the completion of the Wärtsilä Phase 2 project and BESS will soon provide efficient power generation and stability for the St. Thomas/St. John district.

The board also approved two (2) personnel matters in an executive session on June 27th. During the June 28th, Emergency Board meeting, Ashley Bryan, Interim Chief Operating Officer - Electric, was named Interim Chief Executive Officer/Executive Director.

WAPA remains committed to building a sustainable future through innovative solutions and dedicated service to our community.

"Our recent board meetings reflect our unwavering commitment to sustainability and community service," noted Ashley Bryan, Interim CEO/Executive Director of the Authority. "We are excited about the progress we are making and the positive impact these initiatives will have on our community."

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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.