



THE VIRGIN ISLANDS WATER & POWER AUTHORITY CORPORATE COMMUNICATIONS NEWS RELEASE

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WAPA Governing Board Advances Several Initiatives During Meeting Yesterday

U.S. VIRGIN ISLANDS (July 1, 2025) – The Virgin Islands Water and Power Authority (“WAPA” or “the Authority”) Governing Board convened yesterday, to review and advance several key initiatives aimed at improving system reliability, enhancing operational resilience, and safeguarding services for customers throughout the territory. The meeting opened with an executive session where legal and personnel matters were discussed, though no action was taken.

Among the significant approvals was Phase 1 of the FEMA-funded Sargassum Mitigation Project for the St. Croix Richmond Power Plant. The project, awarded to EVOQUA at a cost not to exceed \$864,550, will address vulnerabilities in the plant’s seawater intake system that have been challenged by seasonal sargassum blooms. The upgrades include the installation of advanced traveling screens and innovative bubble screen technology to protect the intake system and secure continuous potable water production and power generation for St. Croix residents. This investment follows the 2022 emergency declaration and long-term mitigation planning and marks a major step forward in preparing the island for future environmental challenges.

The Board also approved a \$16 million contract with Haugland VI for disaster debris removal and disposal services to support hurricane restoration efforts during the 2025 and 2026 storm seasons. The contract, which will only be activated in the event of a storm, ensures that post-disaster debris will be cleared in compliance with federal safety and environmental regulations, preserving community health and protecting the Authority’s eligibility for federal disaster funding.

In another move to strengthen the Authority’s operational efficiency and financial stability, the Board voted to close the current liquid propane gas (LPG) fuel procurement bidding process and proceed with direct negotiations. This decision positions WAPA to secure more competitive fuel pricing for its Randolph Harley and Estate Richmond power generation facilities. With fuel representing the largest annual operating cost, this step is expected to result in significant savings, helping to stabilize rates and improve cash flow while maintaining reliable energy service for customers.

The meeting also included approval of an amendment to the West Peak Energy, LLC contract to provide additional technical and project management support. The \$225,000 contract extension covers critical assistance with addressing recent mechanical issues affecting the Authority’s four Wartsila generating units and the completion of final integration work for the Battery Energy Storage System (BESS). These services are essential to ensuring that the Territory’s newest and most efficient generation assets operate safely and reliably, reducing dependence on older, less efficient equipment.

During the meeting, the Board engaged in extensive deliberations on the proposed Fiscal Year 2026 Electric and Water budgets. While the budget was tabled for further review, Chief Executive Officer and Executive Director Karl Knight at the Virgin Islands Water and Power Authority emphasized the importance of responsible financial management, acknowledging ongoing efforts to address operating deficits, control expenditures, and improve financial stability through strategic initiatives and operational reforms. In the interim, the Board unanimously approved an extension of the FY2025 budget to ensure continuity of operations as budget discussions continue into the new fiscal year, which began on July 1, 2025.

The meeting concluded with the election of new Board leadership. Maurice Muia was unanimously elected as Chairman of the Governing Board, with Juanita Young appointed Secretary and Hubert Turnbull named Vice Chairman. CEO Knight expressed his gratitude to the outgoing and incoming Board members for their service and dedication, highlighting the critical work ahead in stabilizing and modernizing the Territory's utility services.

"Whether mitigating the impact of sargassum, preparing for hurricane season, or strengthening our generation and fuel supply systems, we are making important progress toward building a stronger utility for our community," said CEO Knight.

The Virgin Islands Water and Power Authority Communication's department is committed to reaching, informing, and connecting with the youngest members of the community to the eldest, through meaningful, transparent and effective communication.

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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.