

November 3, 2022

## Authority's Governing Board Meeting Yields Positive Developments

U.S. VIRGIN ISLANDS – The Authority's Governing Board ("Board") met last week to highlight positive strides made over the last month in the pursuit of renewable energy partnerships, as well as to request time extensions to projects underway.

Among positive developments discussed, the Authority's Line Department has successfully transitioned from the Bolongo Bay site and now has a new home at Market Square East, resulting in rent savings of \$22,000/month. "I'd like to thank everyone who has contributed over the last 6-9 months to this project, and particularly the combined efforts over the last 6 weeks to ensure buildout was completed to provide a better facility for our linemen to work from. The Line Department is just one of many departments we plan to revamp, as we work to prioritize the working conditions for our employees at the Authority," noted CEO Andrew Smith of the Virgin Islands Water and Power Authority during the public hearing.

The CEO also reported to the Board on the near-term arrival of the three new bucket trucks currently enroute to the territory that will serve as a critical addition for the linemen to safely, quickly, and efficiently service the territory with the increased fleet.

Other agenda items included an approval of a no-cost time extension for the Randolph Harley Power Plant Wartsila New Generation Project that is anticipated to be completed Q1 2023. The installation of four 9 MW Wartsila Engines and a 9 MW Battery Energy Storage System (BESS) will benefit the Authority by providing much needed efficient power generation to the island of St. Thomas. The new generators reduce the Authority's cost of fuel and allow the more seasoned generators to receive regular maintenance. The BESS helps improve reliability because a BESS works like a shock absorber and helps insulate the Authority's system from disruptions.

Additional approvals included a time extension of 53 days to the contract scope for the Cruz Bay, Feeder 7E Under Ground Contract and board authorization to increase the cost of the Clifton Hill Waterline Rehabilitation Project by \$695,250.00 due to primarily escalating cost in materials. Funding for this project is provided through the Department of Planning and Natural Resources and will significantly improve the water quality and reduce line loss caused by aging pipelines.

On the GERS front, the Authority has made catch-up payments of \$1.8 million in total and will be entirely caught up on employer contributions by April 2023.

Lastly, during the meeting, CEO Smith provided clarification on an inaccurate story citing an Authority's Tesla had been destroyed. "No Teslas in the Authority's possession have been wrecked," noted CEO Smith.

The Authority continues to strive to ensure transparency to the community and commitment to improving the quality of life for all Virgin Islanders through its mission and mandates.

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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.

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