



THE VIRGIN ISLANDS WATER & POWER AUTHORITY CORPORATE COMMUNICATIONS PRESS STATEMENT

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WAPA Supports Turnaround Efforts, Awaits Assessment Report

U.S. Virgin Islands (January 29, 2025) – In June 2024, the Public Finance Authority (PFA), on behalf of the Government of the U.S. Virgin Islands (GVI), engaged EY Turnaround Management Services, LLC (EY) as the turnaround management company tasked with preparing a comprehensive assessment of the Virgin Islands Water and Power Authority’s financial and operational status. This engagement was mandated by Act No. 8471. Within 120 days, EY was required to deliver an Assessment Report that includes evaluation of ongoing programs, plans and projects and organizational structure. The Authority understands that EY has submitted the Assessment Report to the GVI.

The Virgin Islands Water and Power Authority (WAPA or the Authority) management has provided extensive cooperation throughout this process and expresses gratitude to EY for their thoroughness in developing the Assessment Report. Our management team continues to actively implement several transformative initiatives as part of the overall strategic plan, including recent significant advancements such as the completion of the Petronella Solar Farm on St. Croix and the Randolph Harley Power Plant Phase II New Generation Wärtsilä on St. Thomas. These initiatives territory-wide mark major developments towards reducing dependence on fossil fuels and increasing reliance on low-cost energy sources.

“Our team looks forward to reviewing the Assessment Report and the key action items that will be outlined in the forthcoming Recommendations Report, expected in the next 60 days. This comprehensive process highlights the fragile nature of the Authority’s finances and the critical need to address the immediate priorities identified during the Energy State of Emergency declared in April 2024,” stated Karl Knight, Chief Executive Officer and Executive Director of the Virgin Islands Water and Power Authority.

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.