



THE VIRGIN ISLANDS WATER & POWER AUTHORITY CORPORATE COMMUNICATIONS NEWS RELEASE

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WAPA Board Approves Fiscal Year 2026 Budget and Key Fuel Initiatives

U.S. VIRGIN ISLANDS (July 24, 2025) –The Virgin Islands Water and Power Authority (“WAPA” or “the Authority”) Governing Board met today and approved several initiatives aimed at reducing fuel costs, strengthening infrastructure, and improving service delivery across the territory. The meeting was also marked by a renewed call for accountability from the Board’s newly elected Chairman, Maurice K. Muia.

Chairman Muia began the meeting by emphasizing the urgent need to tackle high fuel costs, address long-standing financial challenges, and reignite hope in the Authority. “We must get our fuel strategy right—fuel is the biggest burden on our customers,” said Muia. “I want this Board to be a conduit that reinstates faith in the Authority, its people, and our services. Join me in holding us accountable and supporting us on the right path forward,” Muia added.

The meeting resulted in the approval of several key projects that support WAPA’s long-term goal of delivering reliable, cost-effective service to customers. Among them was a new contract with Empire Gas Company, Inc., for the supply of HD-5 grade Liquid Propane Gas (LPG) to WAPA’s Randolph Harley and Richmond power plants. The contract offers improved pricing and includes an option for the vendor to construct and maintain a dedicated LPG fuel station at no capital cost to WAPA. Karl Knight, CEO and Executive Director of the Virgin Islands Water and Power Authority, stated, “Empire Gas offers a reliable, cost-effective supply of LPG. It represents a big step forward in our move toward reducing our operational expenses and achieving financial stability.”

To support the integration of the new Wartsila generators at the Randolph Harley Power Plant, the Board also approved a no-cost time extension for Exsol Group to complete the final phase of the LPG terminal infrastructure. This permanent solution will ensure a dedicated and redundant fuel supply for the new units.

In an effort to enhance meter and billing accuracy, the Board approved additional work on the Authority’s Advanced Metering Infrastructure (AMI) project. The approvals will enable the installation of up to 150 new composite poles and related electrical equipment throughout St. Croix, St. Thomas, St. John, Water Island, and Hassel Island. CEO Knight emphasized, “We’re entering AMI 2.0 with better tools, better data, and lessons learned. This infrastructure will improve meter reading accuracy, reduce estimated billing, and empower customers to track their consumption in real time.”

The meeting also advanced plans to improve substation reliability, with approval granted for a cost increase and time extension on the Donald Francois Substation switchgear replacement project. This FEMA-funded project is critical to restoring reliability in one of the Authority’s most heavily burdened substations, which sustained major damage during the 2017 hurricanes. The switch from aging air-

insulated switchgear to modern gas-insulated units will help prevent future outages and ensure a more stable power supply for customers in the East End of St. Thomas.

As part of WAPA's broader fiscal planning, the Board unanimously approved the Fiscal Year 2026 Electric and Water Budgets. The budgets reflect a renewed focus on financial stability and operational improvements, with increased revenues anticipated from more accurate meter readings and higher system efficiency. These resources will support critical maintenance of legacy units and allow for timely payments to vendors. The budget includes funding for key positions to include dedicated tree trimming crews and technical staff.

Additionally, the Board officially welcomed Collin Brown as the new Director of Transmission & Distribution. A seasoned electrical engineer with prior experience at the St. Kitts Electricity Co. Ltd (SKELEC), Brown expressed his commitment to WAPA's mission and his readiness to take on the challenges ahead. "I extend assurance to the board, CEO, and team. My commitment in joining WAPA is sincere, and I look forward to contributing to the team," he said. Board members acknowledged the demands of the role and pledged their support to ensure the department's success in delivering safe and reliable service.

While the cost of fuel is trending downward, CEO Knight reminded the Board and the public that WAPA must still contend with deferred maintenance and a \$7.4 million balance in outstanding payments to local vendors. "Before we can celebrate savings, we need to address the full financial picture," he said. "WAPA does not make a profit, and that's often overlooked in public discourse. We must ensure continuity of service for our community."

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.

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