



THE VIRGIN ISLANDS WATER & POWER AUTHORITY
CORPORATE COMMUNICATIONS
NEWS RELEASE

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WAPA Board Receives Update on Fuel Supply, Communications Improvements, and System Reliability

U.S. Virgin Islands (July 20, 2026) — At Friday's Special Board Meeting, WAPA leadership addressed several questions raised by the community following last week's service interruptions, including fuel supply, communications, and ongoing reliability efforts.

Chief Executive Officer and Executive Director Karl Knight clarified that WAPA did not experience a loss of generation capacity due to a lack of fuel. The Authority's regularly scheduled diesel shipment was delayed due to transportation logistics and was not related to an unpaid invoice or funding issue.

WAPA purchases diesel and LPG fuel underpayment terms, and last week's LPG shipment was also paid. To maintain adequate fuel supply while the delayed shipment is addressed, the Board unanimously approved an emergency purchase of 7,000 barrels of diesel from Puerto Rico through Borinken. WAPA also coordinated the transport of more than 4500 barrels of diesel to the Randolph Harley Power Plant via truck as part of its mitigation efforts earlier last week. The contracted diesel supplier, Peerless Oil and Chemicals, Inc., is expected to deliver its regular 25,000-barrel fuel shipment this week, providing sufficient fuel through the remainder of the month.

Leadership also addressed the emergency alert that referenced fuel-related generation shortfalls. CEO Knight acknowledged that the alert should not have been released because it contained inaccurate information. He recognized the confusion and frustration it caused and said WAPA is strengthening its internal review process to ensure emergency communications are accurate, timely, and appropriately verified before being shared with the public.

Beginning July 20, management will provide Board members with weekly updates on fuel nominations and cash-on-hand to improve transparency around fuel planning.

CEO Knight explained that fuel logistics involve more than purchasing fuel. Deliveries depend on specialized vessels capable of serving the Territory's shallow harbors, changing market conditions, and careful coordination to avoid costly delays. He noted that recent transportation challenges were related to vessel availability after a barge servicing the

Puerto Rico–Virgin Islands route was taken out of service earlier this year. Looking ahead, WAPA plans to include additional contingency measures in future fuel contracts to strengthen emergency supply options.

The Board also received an update on the Feeder 13 Bypass Project, a FEMA-funded hazard mitigation project. CEO Knight explained that the planned overnight outages were intentionally scheduled during a period expected to have the least impact on customers while advancing infrastructure improvements designed to enhance system reliability.

Recognizing that recent outages have affected public confidence, WAPA reaffirmed its commitment to providing timely and accurate information, acknowledging when mistakes occur, and continuing to strengthen both its operations and communications with the 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.