

The Virgin Islands Alliance for Consumer Justice, Inc.

July 19, 2021

Virgin Islands Public Services Commission
Chairman, The Honorable David Hughes
Vice-Chair, The Honorable Raymond Williams
The Honorable Commissioner Andrew Rutnik
Ex-Officio Officer, Senator Janelle K. Sarauw
Ex-Officio Officer, Senator Genevieve Whitaker

RE: Request for Reconsideration on the Virgin Islands Public Services Commission's decision to grant WAPA a L.E.A.C rate increase on June 21, 2021

Dear members of the Public Services Commission:

On behalf of the people of the Virgin Islands, the Virgin Islands Alliance for Consumer Justice is requesting that you reconsider your decision to grant WAPA the L.E.A.C rate increase that became effective on July 1, 2021. We are exercising our rights as citizens to demand that a suspension or reconsideration of the rate increase be afforded for the following reasons:

1. During your public meeting on June 21, 2021, each commissioner, along with the Georgetown consultant who was present, repeatedly expressed that WAPA's 2019 and 2020 audited financial statements were not in possession; thus, impacting your ability to establish an accurate L.E.A.C. rate. Sufficient data was not supplied to you order to establish the current LEAC rate of .172125 cents. Please provide us with the data and reports used to calculate it.
2. WAPA came before the PSC with a request of an increase of 2.58 cents, which included a deferred fuel recovery rate request of 1.67 cents. Chairman David Hughes specifically expressed that the deferred fuel cost recovery request should not be considered. If this was the case, the consideration should have only been given to the difference of .91 cents. The Commission was not able to justify an increase of 2+ cents. No measurable data regarding WAPA's generator efficiency was presented to the public nor were reports on the projection of fuel costs or what the fuel costs were on that date.
3. The Commission should have also created a motion to demand that WAPA and the PSC provide the public with education on how the LEAC rate was determined as was required of the Virgin Islands Waste Management Authority. A 60-day delay on the

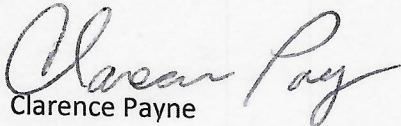
effect of the increase should have been issued to WAPA as well. The public also deserves a public hearing/commenting period on this increase.

4. The Commission expressed that the ratepayers have been recently overcharged on the base rate due to WAPA's inaccurate sales data and failure to produce reports. We request that you investigate the base rate immediately and lower it via your rate flow design now that you have access to the 2019 financials.

We appreciate your service and consideration of this formal request. We remind you that Virgin Islanders already pay the highest electric rates in the Caribbean region and among US jurisdictions. WAPA's high electric rates and frequent service interruptions negatively impact the Territory's residents, especially small businesses, the elderly living on fixed income and those with health issues. It is a sacred duty and the stated mission of the PSC to advocate on behalf of ratepayers and the VI public at large. We look forward to a prompt response that meets the public's needs and demands.

Sincerely,

The Virgin Islands Alliance for Consumer Justice, Inc.


Clarence Payne

President