



VIRGIN ISLANDS WATER AND POWER AUTHORITY
Office of the Executive Director

TESTIMONY OF KARL KNIGHT
EXECUTIVE DIRECTOR OF THE
VIRGIN ISLANDS WATER AND POWER AUTHORITY
TO THE
36th LEGISLATURE OF THE U.S. VIRGIN ISLANDS
DECEMBER 15, 2025

Good day, Honorable Novelle E. Francis, Jr., Chairman of the Committee on Budget, Appropriations, and Finance of the 36th Legislature of the United States Virgin Islands, other Honorable Senators present, and the listening and viewing audience. I am Karl Knight, Executive Director and Chief Executive Officer of the Virgin Islands Water and Power Authority (hereinafter “WAPA” or “the Authority”). I am here at your invitation to provide testimony on:

Bill No. 36-0210 An Act appropriating the sum of \$4,000,000 from the Virgin Islands Insurance Guaranty Fund to the Virgin Islands Water and Power Authority for the repair, replacement, and operation of streetlights throughout the Territory.

The United States Virgin Islands possesses 17,767 streetlights, distributed as follows: St. Croix – 10,169, St. Thomas – 6,814, St. John – 595. After the storms of 2015, luminaires were repaired and replaced. However, 437 areas which were lit before the storm are still in darkness. This includes 189 in St. Croix, 207 in St. Thomas and 41 in St. John. Excluding the 437 damaged lamps, the luminaires consume 8,543,281 kWh annually.

Investor-owned utilities typically bill for all streetlighting through rates paid by ratepayers. Government-owned utilities are usually supported by taxpayers. That taxpayer subsidy is currently underfunded.

In fact, streetlight maintenance has been chronically underfunded. To date, the government is \$8.3 million past due on streetlight payments based on a charge of 1.25 cents per kWh. The result is visible across our islands: damaged fixtures, non-functional luminaires, leaning or corroded poles, and aging electrical components. These aren’t cosmetic issues—they undermine public safety, economic vitality, and community confidence.

Why This Allocation Is Necessary

1. Public Safety

Effective lighting enhances roadway visibility, supports pedestrian safety, and contributes to safer communities. While many areas remain well lit, some corridors across the Territory would benefit from upgraded equipment to ensure consistent illumination and a safer experience for residents and visitors.

2. Economic and Tourism Impact

Tourism depends on a sense of safety and reliability. Well-lit roads signal a well-maintained destination and help visitors navigate our islands confidently after dark. Improving lighting infrastructure also supports local businesses and encourages evening economic activity.

3. Operational Reality

Our streetlight program has operated efficiently within available resources, but age, storm impacts, and evolving technology have created a growing need for modernization. Limited rate-based revenue has constrained our ability to make proactive upgrades at the pace required. The \$3 million allocation for repairs and replacements directly addresses that gap.

Use of Funds

The requested funds will enable the utility to advance a focused, high-impact maintenance initiative, including:

- Replacement of the 437 lamps damaged by storms and other obsolete and defective lighting fixtures with LED conversions.
- Replacement of damaged light poles, particularly in areas where structural deterioration poses safety risks.
- Procurement of essential spare parts, including luminaires, photocells, wiring, mounting hardware, and transformers.
- Repair of defective luminaires requiring attention to ensure consistent performance.
- Acquisition of specialized equipment such as one small bucket truck on each island dedicated to streetlighting installation and maintenance, improving safety and efficiency.
- Strengthening of routine and preventive maintenance to reduce outages and future costs.

Long-Term Value

This investment is not merely a stopgap. It will restore the foundation of a sustainable maintenance program. Adequate inventory, reliable equipment, and modernized fixtures will significantly improve operational efficiency and reduce the frequency of emergency repairs. Over time, this

reduces costs for both the government and ratepayers while delivering consistent service to the public.

Conclusion

This appropriation represents a prudent, proactive investment in essential public infrastructure. It supports safety, strengthens our tourism economy, and boosts the quality of life that every resident deserves. The proposed \$4 million allocation will yield immediate benefits and long-term value for the Territory.

I respectfully urge the Legislature to support this appropriation and help ensure a safe, navigable, and welcoming Territory for all.