

COMMITTEE ON BUDGET, APPROPRIATIONS & FINANCE
36TH LEGISLATURE OF THE VIRGIN ISLANDS

POST AUDIT DIVISION

FISCAL YEAR 2027 BUDGET ANALYSIS



PUBLIC SERVICE COMMISSION
(PSC)

July 9, 2026

COMMITTEE MEMBERS

Chair, Senator Novelle E. Francis, Jr.

Vice Chair, Senator Marvin A. Blyden

Senator Dwayne M. DeGraff

Senator Ray Fonseca

Senator Hubert L. Frederick

Senator Marise C. James

Senator Kurt A. Vialet

POST AUDIT DIVISION

STAFF CONTRIBUTORS

Dr. Theodora Philip.....**Post Auditor**

Ms. Nikia Fleming.....**Assistant Post Auditor**

Ms. Ameka Hydman.....Executive Assistant

Ms. Odette Gordon.....Budget Analyst

Ms. Ashley Wattley.....Budget Analyst

Ms. Christina Colbourne-Miller.....Administrative Assistant

Ms. Alinda Sebastian.....Administrative Secretary I

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DEPARTMENT'S OVERVIEW

The Public Services Commission (PSC) was established under *Title 30, Virgin Islands Code, Section 137(a)* within the Department of Public Works for administrative purposes, and under *Title 30, Virgin Islands Code, Section 273* within the Department of Licensing and Consumer Affairs (DLCA) for budgetary purposes only.

The PSC is a semi-autonomous body that operates under the provisions of *Title 30, Virgin Islands Code, Chapter 1*. It has a broad mandate to ensure that consumers receive safe and reliable utility services at reasonable rates, with minimal adverse impact on the environment.

The PSC is further mandated by **Act No. 6548**, which amended *Title 30, Virgin Islands Code, Section 20*, to:

- Conduct rate investigations of all regulated utilities every five years.
- Hold formal hearings as required under subsection (a), either:
 - On its own initiative, or
 - Upon receiving a reasonable complaint against any public utility, including the Water and Power Authority (WAPA), regarding:
 - Rates, tolls, charges, schedules, or services;
 - Terms and conditions of payment;
 - Joint rates or services;
 - Service adequacy, availability, or discriminatory practices;
 - Inaccurate or erroneous billing.

In such cases, the Commission may, at its discretion, initiate an investigation with or without notice, as it deems necessary or convenient. However, no order affecting the rates, tolls, charges, schedules, regulations, or acts complained of shall be issued without a formal hearing.

The PSC consists of nine (7) members:

- Five (5) voting Board members
- Two (2) non-voting or ex-officio members

The members are as follows:

Name	Position
David Hughes	Chairman
Laura Nichols-Samms	Vice-Chairman
Clement Magras	Member
Raymond Williams	Member
Senator Hubert Frederick	Ex-Officio Member
Senator Carla J. Joseph	Ex-Officio Member
Vacant	Member

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PSC AT A GLANCE

PSC received a lump sum appropriation of \$2,079,291 in Act 9035.

Status of Investigations

Active Investigations: Two reviews are currently underway.

- **Electric Utility:** A full-scale rate investigation into the V.I. Water and Power Authority electric system.

Hearing Examiner selected-Genevieve Whitaker, JD

Technical Consultants selected - Wright & Associates, Inc.

- **Franchised Ferry Companies:** Investigation into the St. Thomas-St. John Ferry Franchisees (Docket No. 691) to assess competitive rates and regulatory compliance.

Hearing Examiner selected-SFT Solutions, Jed John Hope

Technical Consultants - PSC Staff assignments

Upcoming Investigations:

- **Third Investigation:** Waste Management Authority (WMA) wastewater system (Docket No. 693) is currently in the preparation stage and expected to begin within this fiscal year.

Hearing Examiner selected- Dolace McClean, Esq.

Technical Consultant - N/A

Planned Future Reviews: Full-scale reviews are also slated for WAPA's water system and both arms of the WMA's solid waste system.

FUND FLOW ANALYSIS

Funding Source	Appropriated	Allotted	Obligated	Expended	Balance	Remarks
Public Service Commission Revolving Fund	\$ 2,079,291	\$ 1,039,646	\$ -	\$ 755,731	\$ 1,323,560	50% of the Appropriation remains unallotted
Grand Total	\$ 2,079,291	\$ 1,039,646	\$ -	\$ 755,731	\$ 1,323,560	

FISCAL YEAR 2027 BUDGET SUMMARY

The Governor has recommended an appropriation of \$2,395,129 from the Public Service Commission Revolving Fund for Fiscal Year 2027. **Exhibit III** provides a three-year financial summary for the Commission. Per the Executive Budget, **the FY 2026 Budget has been revised to \$2,284,803, representing an increase of \$205,512 above the original FY 2026 Budget ceiling for docket specific expenses.**

As of June 6, 2026, the Commission's FY 2026 allotments totaled **\$1,039,646**, leaving an unallotted balance of **\$1,039,645**, according to the Office of Management and Budget.

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PSC REVOLVING FUND EXPENDITURES						
Description	FY 2025 Actuals	FY 2026 Act 9035 Budget	FY 2026 Per FY 2027 Budget Book	FY 2027 Request	Variance	% Change
Appropriated Funds:						
PSC Revolving Fund						
Personnel Services	\$ 924,807	\$ 1,011,354	\$ 1,011,354	\$ 1,109,854	\$ 98,500	10%
Fringe Benefits	\$ 398,196	\$ 418,369	\$ 418,369	\$ 483,598	\$ 65,229	16%
Supplies	\$ 118,529	\$ 81,030	\$ 81,030	\$ 93,715	\$ 12,685	16%
Other Services & Charges	\$ 733,229	\$ 447,038	\$ 652,550	\$ 581,662	\$ 134,624	30%
Utilities	\$ 40,762	\$ 36,000	\$ 36,000	\$ 40,800	\$ 4,800	13%
Capital Outlay	\$ -	\$ 85,500	\$ 85,500	\$ 85,500	\$ -	0%
Total PSC Revolving Fund	\$ 2,215,523	\$ 2,079,291	\$ 2,284,803	\$ 2,395,129	\$ 315,838	15%

PERSONNEL SERVICES

The Governor has recommended a PSC Revolving Fund appropriation of **\$1,109,854** for FY 2027. The Governor's recommendation represents an increase of **\$98,500**, which is **10%** more than the FY 2026 appropriation of **\$1,011,354**. A detailed personnel listing for the Commission is provided in **Appendix I**. The table below presents a breakdown of the FY 2027 recommendation by classification.

Personnel Listing - All Positions			Position Classification				
Fund Name	Pos #	FY 2027 Total Budget	Pos #	Unclass.	Pos #	Class.	Adjustments
Public Services Commission Revolving Fund	13	\$1,109,854	13	\$1,034,029	0	\$ -	\$75,825
Total	13	\$1,109,854	13	\$1,034,029	0	\$ -	\$75,825

LEASES / RENTALS

The following table provides a list of rental properties.

Landlord	Address	Lease Terms	Sq. Ft.	Annual Rent
Prime Storage, LLC	9160 Estate Thomas, St. Thomas, Virgin Islands, 00802	2 Years	100	\$ 5,011
Lab Management, LLC	Plot No. 8A C Lot No 1, 1003 Estate Ross/Barbel Plaza, St. Thomas, VI	2 Years	4,148	\$ 69,574
Zefo's Enterprise, LLC	Plot #3 of Parcel 2 Estate Carlton, Frederiksted, St. Croix, VI	5 Years	3,000	\$ 54,000
Total			7,248	\$ 128,585

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PROFESSIONAL SERVICES CONTRACTS

Displayed below are the Commission's Professional Services Contracts.

Vendor	Type of Service	Term of Contract	Annual Payment	Payments to Date
VI Cleaning, LLC	Custodial	Yearly	\$ 7,800	\$ 1,800
A E Services, LLC	Custodial	Yearly	\$ 7,774	\$ -
ADT Security Services	Security	Yearly	\$ 547	\$ 547
Vendor	Type of Service	Term of Contract	Annual Payment	Payments to Date
ADT Security Services (STX)	Security	Yearly	\$ 167	\$ 167
Ocean Pest Control, LLC	Exterminating	Bi-Annually	\$ 248	\$ -
Total			\$ 16,536	\$ 2,514

VEHICLES

The Commission maintains a fleet of 4 vehicles (2 in STT/STJ, & 2 in STX). Gasoline charges for both districts are \$2,635 and maintenance costs were reported at \$1,481.

Office	Make	Model	Year	Plate No.	Funding	Lease/Own	Condition	Maintenance Cost	Gas Cost
STT	Chevrolet	Blazer	2023	PSC-1	PSC	Own	Good	\$ 549.28	\$ 709.71
STT	Chevrolet	Blazer	2024	PSC-4	PSC	Own	Good	\$ 290.72	\$ 615.00
STX	Chevrolet	Equinox	2014	PSC-5	PSC	Own	Poor	\$ 144.00	\$ 720.00
STX	Dodge	Grand Caravan	2017	PSC-3	PSC	Own	Poor	\$ 497.00	\$ 320.00
Total								\$ 1,481.00	\$ 2,364.71

FEDERAL GRANTS

PSC does not receive federal funding.

OUTSTANDING VENDOR PAYMENTS

The Commission has submitted one (1) outstanding vendor payment as of March 31, 2026, for a pending contract at DPP.

Description	Amount
A E Services, LLC	\$ 4,535
Grand Total	\$ 4,535

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PSC REVOLVING FUND

The Public Services Commission Revolving Fund is the primary funding source for the Commission's regulatory and administrative operations. The fund is supported through assessments, regulatory fees, filing fees, and other revenues authorized under Virgin Islands law and collected from public utilities and other entities subject to the Commission's jurisdiction. These dedicated revenues enable the Commission to operate independently of General Fund appropriations while carrying out its statutory responsibilities.

As of May 5, 2026, the Department of Finance reported an available fund balance of **\$696,221.26** in the PSC's Revolving Fund, based on financial activity **through March 31, 2026**.

This fund enables the PSC to fulfill its mandate independently by financing personnel costs, professional services, and administrative expenses.

In accordance with *Title 30, Virgin Islands Code, Section 25(a)*, fees are assessed against public utilities and cable television companies, initially capped at \$300,000. The Legislature increased the ceiling to \$2,550,000 through Act No. 7233.

The fund is administered by the Commissioner of Finance as a separate and distinct account within the Treasury of the Virgin Islands. For FY 2026, the Commission estimated assessments and fees totalling **\$2,395,128.60** to support its regulatory and administrative operations. The estimated FY 2026 fee schedule is presented in the table below.

Utility	Gross Operating Revenues	Ratio	FY 2026 Estimated Fees
Virgin Islands Water & Power Authority	\$ 214,338,348.00	84.75%	\$ 2,029,790.63
Innovative/Vitelco	\$ 16,032,709.69	6.34%	\$ 151,830.25
Virgin Islands Waste Management Authority	\$ 2,352,602.00	0.93%	\$ 22,279.21
Innovative Cable TV - STT/STJ	\$ 7,908,250.16	3.13%	\$ 74,891.37
Innovative Cable TV - STX	\$ 5,303,449.57	2.10%	\$ 50,223.83
Varlack Ventures, Inc.	\$ 4,179,740.16	1.65%	\$ 39,582.27
Transportation Services, Inc.	\$ 2,801,579.31	1.11%	\$ 26,531.04
TOTAL ASSESMENT REVENUES	\$ 252,916,678.89	100%	\$ 2,395,128.60

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SUMMARY

The Governor's FY 2027 budget recommendation for the Public Services Commission is summarized below.

\$	1,109,854	Personnel Services
\$	483,598	Fringe Benefits
\$	93,715	Supplies
\$	581,662	Other Svs. & Chgs.
\$	40,800	Utilities
\$	85,500	Capital Outlay
\$	2,395,129	FY 2027 Recommended Budget



Theodora Philip, DBA
Post Auditor

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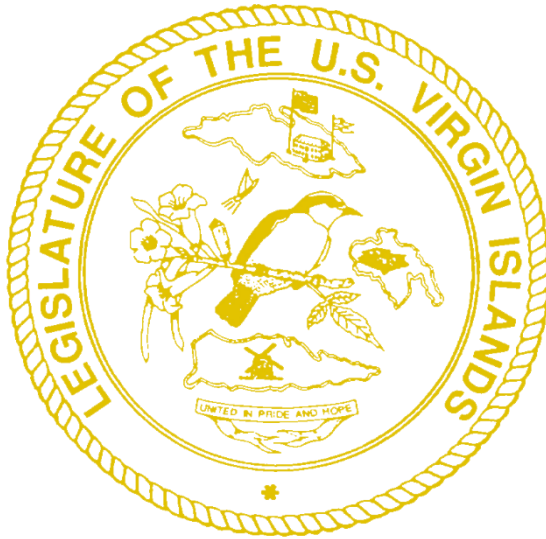
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APPENDIX I
LEGISLATURE OF THE VIRGIN ISLANDS
POST AUDIT DIVISION
COMMITTEE ON APPROPRIATIONS & BUDGET
BUDGET HEARING FISCAL YEAR 2027
PUBLIC SERVICES COMMISSION
PERSONNEL LISTING

POSITION TITLE	SALARY		STATUS
380 LICENSING AND CONSUMER AFFAIRS			
38000 PUBLIC SERVICES COMMISSION			
<u>UNCLASSIFIED</u>			
ASSISTANT EXECUTIVE DIRECTOR	\$ 95,000		FILLED
LEGAL COUNSEL	\$ 147,000		FILLED
LEGAL SUPPORT SPECIALIST	\$ 58,500		FILLED
ACCOUNT MAINTENANCE OFFICER	\$ 86,849		FILLED
ASSISTANT ACCOUNTS MAINTENANCE OFFICER	\$ 72,000		FILLED
UTILITY STAFF ASSISTANT	\$ 55,000		FILLED
UTILITY STAFF ASSISTANT	\$ 55,000		FILLED
EXECUTIVE DIRECTOR	\$ 130,000		FILLED
ADMINISTRATIVE ASSISTANT I	\$ 49,000		FILLED
ADMINISTRATIVE OFFICER II	\$ 51,200		FILLED
INDUSTRY ENGINEER III	\$ 79,980		FILLED
PUBLIC COMMUNICATIONS COORDINATOR	\$ 68,000		FILLED
HUMAN RESOURCES PERSONNEL & INFORMATION TECHNOLOGY MANAGER	\$ 86,500		FILLED
SUB-TOTAL	\$ 1,034,029	13	
<u>ADJUSTMENTS</u>			
NOC FEES & COMP	\$ 55,825		
LUMP SUM	\$ 20,000		
SUB-TOTAL	\$ 75,825		
38000 FUND 6032 TOTAL	\$ 1,109,854	13	
38000 ACTIVITY	\$ 1,109,854	13	
TOTAL PSC FUND	\$ 1,109,854	13	
UNCLASSIFIED FILLED	\$ 1,034,029	13	
UNCLASSIFIED VACANT	\$ -	0	
UNCLASSIFIED NEW	\$ -	0	
CLASSIFIED FILLED	\$ -	0	
CLASSIFIED VACANT	\$ -	0	
ADJUSTMENTS	\$ 75,825		
TOTAL	\$ 1,109,854	13	

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