



Government of the Virgin Islands of the United States

VIRGIN ISLANDS ENERGY OFFICE

COW 2025 "Transportation" Testimony

Tuesday, March 4th, 2025



Good morning, thank you Sen. President Milton Potter for your invitation to appear before the Committee of the Whole and this opportunity to inform the public about some of the exciting transportation opportunities taking shape in the Virgin Islands today. I am Virgin Islands Energy Office Director Kyle Fleming, and for the last six years I have worked to usher in Gov. Albert Bryan Jr's vision of an energy sovereign territory.

The price of a gallon of regular gasoline in the territory has beaten the national average for some time, with St. Croix rates stubbornly fixed at \$3.99 a gallon for nearly the entirety of 2024, a trend which seems set to continue into the new year. Prices on St. Thomas & St. John are even more punishing, and Virgin Islanders regardless of jurisdiction, are having to spend more to engage in essential travel, leaving family budgets strained. I am sure much of the conversation today will circle around how we as leaders can better control the cost at the pump. While I certainly believe there is room for improvement relative to ensuring local fuel suppliers are better community stewards of the critical commodity that they provide. Unfortunately, regardless of the local policies put in place, the Virgin Islands will Never be able to control or even influence the cost of fossil fuels imported into the territory. However, the cost of electricity is within the territory's grasp of control, even though we haven't yet fully realized the potential, every step we take towards increasing renewable energy adoption mitigates our sole dependence on imported fossil fuels. For this core reason, the VIEO has been steadfast in promoting the benefits of ditching the Pump and reaching for the Plug to meet local

transportation needs. Mass adoption of electric vehicles allows the community to leverage an electricity commodity whose price we can ultimately control as opposed to imported gasoline whose price will always be dictated to us.

At VIEO we have tailored policies and programs that are designed to help Virgin Islanders cut down on the cost of their commutes, significantly reduce the cost of vehicle maintenance, and reduce hazardous pollutants. These initiatives include rebates for new or used all electric vehicles, which in 2024 alone, the VIEO gave out over \$150,000 to approximate 30 recent EV adopters in the territory. Softening hearts and minds long accustomed to traditional gas vehicles and extremely apprehensive of the Utility's electrical service reputation has been the foremost challenge VIEO has faced in its effort to offer consumers access to alternatives. Access to local electric vehicle service has been the other challenge.

Early last month a Letter of Intent between the government and the owner of the territory's largest auto dealerships was signed with the goal being to open the door for local car dealerships, to leverage VIEO administered federal funding towards the expansion of vehicle service center capable of performing critical maintenance and service on electric vehicles. This opens up the possibility to begin selling wildly popular electric vehicles locally, a move that in the near future could expand access to broader consumer adoption of electric vehicles.

This year VIEO plans to expand the transportation revolution the agency laid the foundation for in 2022 when it oversaw the ambitious procurement of 20 all electric vehicles for the government's fleet. That initial purchase sent shockwaves through the government, introducing the territory's hardworking civil servants to the potential of electric vehicles as they delivered essential services, and showcasing to the public at large that this technology could be a success in our unique

island environment. Since then VIEO has been at the vanguard of the government's efforts to procure cleaner running vehicles. Most recently, last year the VIEO procured eight electric F-150 pickup trucks capable of displacing some of the GVI fleet's most utilized workhorses.

But getting electric vehicles on island is only one aspect of the challenges that must be overcome to make this technology ubiquitous in the territory. VIEO is championing the construction of public Level II electric vehicle chargers. Eight of the chargers were installed on St. Croix over the holiday season, and work is underway to finalize the leg work needed for the remaining installations to be completed by the summer of 2025. The VIEO has also been funded to deploy solar & battery coupled charging stations that will not only be renewably powered but will leverage the battery to ensure availability even during the instances of grid outages. These stations will be installed prior to the end of the year.

The inflationary pressures that have seen gasoline prices soar in the territory for the last few years show no sign of easing, and there are only so many non-essential purchases working families can continue to defer as they struggle to keep their vehicles on the road. One of my goals as Director of the Virgin Islands Energy Office is to make the switch to electric vehicles a no brainer decision for residents. The legislature has historically been instrumental in incorporating alternative fuel policies that the VIEO leverages regularly to support grant proposals and program design. The recent advancements and availability of electric vehicle technology highlights the need for updated legislation that makes an already cost efficient decision even easier for Virgin Islanders to make. This concludes my testimony, and I am available for any questions.