



GOVERNMENT OF THE VIRGIN ISLANDS OF THE UNITED STATES

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Office of the Commissioner

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The Honorable Milton E. Potter
President
36th Legislature of the Virgin Islands

RE: Approval of Major Coastal Zone Management Permit Nos. CZMJL0017-25 and CZMJL0018-25

Good day Senate President Potter, other members of the 36th Legislature present, legislative staff, and members of the viewing and listening public, my name is Jean-Pierre L. Oriol, Commissioner of the Department of Planning & Natural Resources. I am here today in support of the request for the 36th Legislature to waive the requirements of the Coastal Zone Management (CZM) Act and approve major CZM Permit Nos. CZMJL0017-25 and CZMJL0018-25 for the development of solar farms in Estate Fortuna and Estate Bovoni, respectively.

Over the last 12 months, the Government of the Virgin Islands has celebrated the development of two (2) solar farms on the island of St. Croix producing 45MW of clean, renewable, reliable, and low-cost power to the grid. The Department received applications for each site, approved the developments, provided significant oversight into the land clearing activities and the installation of the infrastructure, to include all rails, panels, electrical conduits and connections, and the pull-out test, which is a geotechnical test that measures the anchoring system's holding capacity in the ground. Today, these solar farms have significantly improved the quality of life for the residents on St. Croix as there have been minimal power disruptions since these developments began producing power. The solar farms have allowed the VI Water & Power Authority (VIWAPA) to conduct routine maintenance on their equipment by switching the grid to battery storage from the solar farms, thereby extending the reliability of the equipment. In this same 12-month span, the residents of St. Thomas and St. John have experienced many power outages, rotational power schedules, and unfortunately, several island-wide blackouts; quality of life in this district with respect to reliable power is significantly impacted.

Significant investment by the developer, VI Electron, on these solar farms providing low-cost power is made possible through the Investment Tax Credit (ITC) which was introduced under the Biden Administration. The ITC program as approved was to be a 10-year program where developers would have the time to find investors and install the developments. As we all know, the Trump Administration does not share the same views as the Biden Administration as it relates to "green" energy development. On July 7, 2025, three days after the passage of the One Big Beautiful Bill Act, President Donald J. Trump issued Executive Order No. 14315 titled, "Ending Market Distorting Subsidies for Unreliable, Foreign-Controlled Energy Sources." In this Order, the President directs the Secretary of the Treasury to "strictly enforce the termination of the clean electricity production and investment tax credits under sections 45Y and 48E of the Internal Revenue Code for wind and solar facilities" unless a substantial portion of a subject facility has been built. On August 25, 2025, the Secretary of the Treasury

issued guidance that defined substantial construction and put a date of December 31, 2025, to achieve the benchmarks in the guidelines. In an instant, the developer's 10-year time frame was now reduced to four months.

We are here today Senators because, based on the standard procedures for the submission and review of major CZM permit applications as prescribed in 12 VIC § 910, it is impossible to meet the substantial construction benchmarks set by the Treasury going through the formal CZM process. The major permit process is at best 130 days, giving time for completeness review, public comment, public hearings, additional comments following the public hearing and the decision meeting. To put this into perspective, 130 days from December 31, 2025, is August 23, 2025 – two days prior to the Treasury issuing guidance with this determination date; thus, there was no circumstance in which the proposed developments could go through the full CZM review process and the project qualify for the ITC.

Although we are here seeking a waiver of the process, please be advised that this project has been fully reviewed by the Department. We received a preliminary review of the details on October 23, 2025, and provided comments to the developer. The details were updated and submitted officially on November 2, 2025. The STT Committee of the CZM Commission (the "Committee") met with the developer and toured both sites on November 7, 2025. They asked technical questions on methods of land clearing, stormwater management and the anchoring systems for both sites; and for the Fortuna site, they asked about potential impacts to incoming flights and protections for residents neighboring the solar farms. The Committee met twice during the week of November 10, and on November 13, 2025, voted to unanimously issue their consent to the 36th Legislature to approve the major CZM permits, subject to specific special conditions provided (as seen in the permit documents). The Department followed the process outlined in the CZM Act to the maximum extent practicable, made findings with respect to each of the developments, and presented these findings to the STT CZM Committee for them to make a decision.

On Sunday November 16, 2025, I had the opportunity to participate in a town hall meeting hosted by Senator Carla Joseph, with the residents of the Fortuna area. The residents spoke passionately about their concerns with the project, and I can say that the Department anticipated these concerns and they are addressed by the permits. The major concern by all the residents was potential damage that could be caused to residents' properties by the panels during a storm. One of the requirements the developer must comply with during the installation is having to complete pull tests that simulate conditions equivalent to 185 mph storms. There is also a special condition requiring the developer to obtain and maintain insurance coverage that will pay for damages that may arise from the panels causing damage to property during the passage of a major storm. We recognize that the developer presently maintains this type of insurance for both solar farms in the St. Croix district. Residents expressed concern about stormwater runoff, and the conditions implemented require reinforced berms and buffers to control stormwater flow. There is also a condition that requires marine monitoring for a period of three years to ensure no increased turbidity of degradation of water quality is taking place. Also, with respect to stormwater runoff, we are requesting that the developer use vetiver grass to seed the low ground cover, as it has a deeper root system for better soil retention, and excellent water filtration characteristics. Lastly, residents expressed concern if a fire were to happen from the battery systems. The developer expressed that the installations come with built-in fire suppression systems and automatic shutoff sensors such that if a fire were to happen, the system would begin suppressing any fire prior to the arrival of our Fire and Emergency Services personnel. There

was one concern that we could not address – that the property should not be used for a solar farm. The only thing that we could offer in this case was that a) the characteristics of the property (southern facing for maximum exposure, adequate acreage to produce enough power to make a meaningful difference with the grid, and within a reasonable radius of WAPA infrastructure to transmit power back to); and b) pursuant to 29 VIC § 228, the generation of solar power is a use permitted as a matter of right in the R-1 zoning district.

We are here today Senators in support of a better quality of life for all Virgin Islanders. These projects represent more reliable power for the residents in the STT-STJ district; these projects represent the opportunity for lower power rates to all electrical customers; these projects allow for a more reliable VIWAPA, allowing them to complete long overdue maintenance on systems at the Randolph Harley power plant. The territory has found a proven partner who has demonstrated the ability to deliver clean, reliable, low-cost power to WAPA, at no additional cost to the people of the Virgin Islands. We have the opportunity to increase the green energy and grid-reliability benefits for all residents of the territory, which begins with giving the developer the opportunity to meet the deadlines imposed by the federal administration on the Investment Tax Credit. Member of my team and I have used our expertise to consider all reasonable impacts that could result from the development, and have included special conditions to minimize impacts to the surrounding area. We ask that the 36th Legislature approve BR #25-0914 and BR #25-0915 waiving the requirements of 12 VIC § 910 and approving Major CZM Permit Nos. CZMJL0017-25 and CZMJL0018-25 for the development of solar farms in Estate Fortuna and Estate Bovoni, respectively.

Thank you for the opportunity to testify on this matter. I am here to answer any questions you may have at this time.