



**THE UNITED STATES VIRGIN ISLANDS**  
OFFICE OF THE GOVERNOR  
GOVERNMENT HOUSE  
**Charlotte Amalie, V.I. 00802**  
**340-774-0001**

October 11, 2024

**VIA HAND DELIVERY**

The Honorable Novelle E. Francis  
Senate President  
Thirty-Fifth Legislature of the Virgin Islands  
Capitol Building  
St. Thomas, Virgin Islands 00802

**Re: Request for Approval of Extension of State of Emergency Declaration to Avert an Energy Crisis**

Dear Senate President Francis, Jr.:

In accordance with Section 11 of the Revised Organic Act of the Virgin Islands of 1954, as amended, and Title 23, Virgin Islands Code Ann. § 1005(d), I submit to the Thirty-Fifth Legislature the enclosed proposed legislation ratifying the extension of the State of Emergency due to the ongoing energy crisis. This extension will enable the continuation efforts to stabilize the Water and Power Authority's ability to generate and provide reliable power to the people of the U.S. Virgin Islands.

Pursuant to Title 23, Section 1005(d) of the Virgin Islands Code, I hereby set forth the following for consideration by the Legislature:

**REASONS FOR THE EXTENSION**

Since the initial declaration of a State of Emergency to Avert an Energy Crisis on April 22, 2024 by Executive Order 537-2024, the Emergency Operation Center has been active. Initially, the Incident Command leadership met daily but now meets twice per week with an operation committee and a finance committee meeting between scheduled IC meetings, to assess and respond to the Water and Power Authority (WAPA)'s ongoing power generation failures.

The leadership team secured a fuel agreement with VITOL which has resulted in cost savings for the purchase of LPG. Unfortunately, WAPA's debt grows due to the increased fuel costs in running Generation Profiles in both districts heavily dependent on No. 2 diesel, which is three times more expensive than LPG.

Although substantial progress has been made, many issues have been identified that require continued attention and support. Continuation of the State of Emergency is critical to ensure the continuity of leadership during the navigation of the outstanding issues identified below. Also,

continuing the State of Emergency reinforces to our federal and local partners the gravity of the challenges the Territory is facing.

### **TIME PERIOD**

The State of Emergency was declared on April 22, 2024 by Executive Order 537-2024 and extended through June 21, 2024 by Executive Order 537a-2024. On June 24, 2024, the Legislature passed Bill No. 35-0292 and extended the State of Emergency for an additional 90 days until September 19, 2024. On September 13, 2024, a request to extend the State of Emergency for an additional 60 days was sent to the Legislature. By operation of law, when the Legislature failed to convene a hearing on the request for an additional 60-day extension, the State of Emergency was automatically renewed through October 20, 2024. Through this request we seek to extend the State of Emergency for an additional 60 days, through **December 20, 2024** to allow for the execution of the plan of action below.

### **PLAN OF ACTION**

The State of Emergency Incident Command (“IC”) intends to support WAPA with its financial obligations and federal funded projects to ensure continuous and uninterrupted progress toward self-reliance. The IC shall present its entire plan of action for the additional 60 days but some of the following items shall include:

- **Reduce Liquidity Gap:** IC will continue to monitor WAPA will continue to monitor WAPA’s liquidity position weekly.
- **Core Vendor Payments:** IC will continue to monitor WAPA’s payments to critical vendors.
- **Hurricane Preparedness:** IC will continue to support WAPA to ensure an adequate reserve inventory of propane, diesel, water and transmission and distribution material and supplies is readily available.
- **Wartsila Project:** IC will continue to monitor weekly progress on the Wartsila project. The overall project, including the scheduled plant completion, is anticipated to be completed by December 18, 2024.
- **St. John Power Sustainability:** IC is monitoring the upcoming revised timeline to complete scheduled St. John projects since FEMA approved the separation of the composite pole project from the other projects that are no longer required to have an Environmental and Historic Preservation review prior to proceeding.
- **Short-Term Financial Obligations:** IC monitors WAPA’s obligations and assisting, if necessary, to meet critical payments that exceed forecast collections primarily driven by fuel costs.
- **Renewable Energy:** IC is prioritizing and expediting connection of Petronella site to add generation capacity to the system.
- **Revenue Collection:** IC is assisting WAPA in strategic planning to maximize revenue collection.
- **Deferred Maintenance:** IC is assisting WAPA to identify funding to bring on additional generation to allow existing units to go offline for maintenance and repair.

We recognize that the continuing challenges WAPA faces are long-standing and complex and many of the necessary improvements will be incremental. However, there are critical, immediate actions that can and must be taken to protect the safety and health of our residents. This State of Emergency must be extended to expeditiously facilitate the resolution of the Authority’s most dire and disruptive issues.



*Letter to Honorable Novelle E. Francis, Senate President*

*Re: Extension of State of Emergency – Energy Crisis*

*October 11, 2024*

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I thank you for joining me in addressing the need to mitigate the ongoing critical threat to the people of the Virgin Islands.

Sincerely,



Albert Bryan Jr.

Governor

*Enclosures*

*Cc: Members of the Thirty-Fifth Legislature*