



PSC Regular Meeting - Regular Session

Public Services Commission (PSC)

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- 0:00:00 Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Amen. . Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Okay, we are back from executive session, I will have Attorney Spreen discuss items we discussed while we were in executive session, please, thank you.
- 0:08:18 We provided legal advice to the Commission on certain pending matters as well as discussed pending litigation before the severe, no actions were taken in executive session. thank you um the next item on our uh on our agenda is the consent agenda and who speaks on that please morning brenda connor accounts maintenance officer and today the staff recommends the commission to enter assessment on the following documents that is 556 by telco universal service fund 130 dollars docket 669 draw band vi uh 2600 dollars docket 691 the st john february investigation for violet ventures 26 208 dollars for transportation services 26 208 dollars and for the docket seven or two wakaliak 98 846.33 okay would you like to come forward and be scored in okay she's not allowed to make a comment agenda the idea is that we those are items that we normally do not have objections if we have someone who wishes to objectively remove that item we can move the other items she's not prohibited from opposing an assessment on her client or getting their comments on the record the consent agenda was created because the vast majority of our assessments are without
- 0:10:17 objection okay yes ma'am you can um raise your right hand and be sworn in please do you sound on this one to tell the truth of the world truth and nothing but the truth so i do thank you uh maria tangles and punch representing the variable companies excuse me could you please speak up a little bit i want to make sure maria tankes and hodge representing the fairy boat companies transportation services of st john inc and barlock ventures inc um the first thing i'd note actually was i see that the figures given this morning by the staff are not the same as those in the written consent agenda i'm not quite sure what it counts for that i think the indication was twenty six thousand two hundred two dollars for each of my companies while the written consent agenda said thirty three thousand seven oh seven but we nevertheless have objections which i'd like to summarize for you if i may okay can we take care of that issue first bernie can you please check to make sure those numbers are accurate oh i'm sorry it's my i'm i made an error okay um yeah she's she's correct i was reading from a different document the actual assessment is 23 707 32 cents per friendly company each of the

companies each company you accept that i that's what i understood okay for you oh okay i don't know yeah sorry it was a man it wasn't here right oh man yeah and i had the larger number but the amount orally mentioned today was that's what happened okay thank you so briefly um the commission by this assessment would add an additional approximately 66 000 to the assessments made to these two companies

0:12:09 in this rate review which already have an assessment of 124 000 so the total of these additional amounts and the amounts you previously assessed would bring the assessments in this case to 190 000 to my knowledge more than any hearing examiner's fees in the history of the public services commission particularly when there was no technical consultant hired by the commission so you have only one professional being paid in addition we believe that on review these billings could not have been reviewed for reasonableness as required by law because for example if you look at the details submitted by the hearing examiner to support this charge you'll see that it reflects an hourly charge of 400 an hour which we submit as excessive but it has a column which it refers to as regular hours and for example for the february 28th date the regular hours are shown as six hours and then there's a separate column for the same date that's called total hours and there it shows two hours but nevertheless in the billing the hearing examiner uses the larger amount the six hours for his charges so he ends up charging two thousand four hundred dollars for that day rather than eight hundred dollars which would be the amount if the two hours of so-called um total hours were charged he also charged that two thousand four hundred dollars just for preparing this bill two thousand four hundred dollars for preparing his bill to you this is the only person in addition who in this assessment traveled from saint thomas

0:14:01 to saint john to attend the public hearing and stayed there overnight while everyone else all of your staff your attorney your staff members all of the ferry boat representatives went over to the hearing and then came back to saint thomas but the hearing examiner chose to stay in saint john overnight at what must be the most expensive hotel in the virgin islands at a rate of 800 for a single night in some kind of a suite for a mini vacation instead of coming back with everyone else he also rented a car put it on the car barge and essentially made a mini vacation out of attending this hearing when everybody else came back to st thomas in st thomas the following night his hotel room was about 200 a night so there was no reason for him to stay in st john and bill my clients 800 for a single night in a hotel room he also charges from eight to ten hours a day every day from tuesday april 21st to tuesday april sorry from from tuesday to tuesday a period of eight days eight to ten hours a day claiming he was working from eight to ten hours every one of those eight days in a row to make his draft report this accounts for approximately eighty thousand dollars in charges for a day of more than a week what was the date from what so so that is that let me just get that for you commission so attorney uh the information that you're reading from that is the information provided i'm so sorry sir i was looking for this is it you're in the examiner okay yeah so i'm i'm i'm here can you let's let good morning sir let's let her finish and then we're going to have you come in and discuss this thank you these figures commission members are very small for these old eyes i'm trying to find the exact

0:16:16 date but it's a period of eight days in a row in april when according to the billings attached to this submission the examiner charges eight to ten hours a day all in april i think i would respectfully request that the staff review for that to prepare the draft report the these charges again i submit are unprecedented in the history of the public services commission excuse me are you able to find the dates i i i'm sorry commissioner i'm looking at these attachments and the fonts are so tiny yeah i can't i can't but i wear a glass i had i had a magnified glass with me when i was we'll get um to give us those dates thank you but go ahead let me finish up the concern that we have is that these two small family businesses are being assessed these massive amounts with what appears to be little scrutiny of the time that would be reasonable to perform these services and additionally these costs these charges for um for travel that we submit are excessive that if you were hiring somebody to do a service for you in your private business you would not expect them to do that you would not expect them to check into a hotel in the virgin islands for 800 a night so my clients are concerned because they have faced these massive assessments and we're asking the commission to review these assessments further and just have them carefully scrutinized for reasonableness before approving them thank you very much okay so right now i would like mr judge on hope to please come forward so that you can be sworn in all right good morning everyone chair chair one moment please wait no oh yeah raise your hand please

0:18:13 David let's just let's let him let's hear his side of the story first and then we can comment that's kind of my point chair the commission does not sit here and debate specific charges of administrative capacity we have an executive director for this attorney hodge should be making her her her arguments about the billing to our executive director and we should be advised by the executive director as to whether or not this has been scrutinized i don't have a problem with challenging the billings it's not done before the commission it's a function of our executive director's administrative responsibilities to manage hearing examiners if these claims have not been made to the executive director in writing i don't know why the commission is hearing them okay were these claims made to the executive director i sent an email to the staff before this this hearing when you were scheduled to hear these last meeting including the objection about the hotel room i have

developed this further as i have had a chance to look at the charges with a magnifying glass and i believe that it is appropriate to raise them with the commission because it's before you now it is for the commission to decide if these are reasonable okay well i'm gonna have to agree with commissioner hughes on this um to the executive director do you have that information we do have the email from um attorney hajj and we are in fact reviewing the um complaint okay okay so i think that's enough on the matter that um our executive director will be looking into that and she will keep you getting back with both yourself and also mr jed john hope okay all right question go ahead we have a question one moment please one moment

0:20:06 please um does our contract with mr john hope include um reasonable costs is there such a phrase in the content yes reasonable costs and expenses okay okay thank you all right Mr. John Hope, this matter will be taken up with our executive director. So any comments you have concerning this matter, you will be discussing that with her. She will contact you concerning this, okay? I will note that Mr. John Hope has sent some comments back to our executive director. Okay. So it will be looked at. Thank you very much, sir. Chair, a motion. Okay. Okay. Okay, so I have a motion. Oh, go ahead. I move that the ferry boat assessments be removed from the consent agenda until such time as the executive director has addressed them. Okay. We can barely hear you.

0:21:09 remove to remove the rates the um docket 691 from the agenda until further discussion okay all of it or just those two six nine six nine one yes okay okay let's vote on it commissioner clement mcgrass yes commissioner lara nicholson yes commissioner raymond williams commissioner david hughes so move that these two items will be removed from the consent agenda until after the executive director has reviewed comments made by attorney Hodge right attorney Hodge and comments uh and spoken with attorney Hodge and also Mr. John did hope okay now let's vote on the rest of the consent agenda motion to accept the consent agenda so moved application target five five six six six nine and seven or two correct okay get a vote please commissioner clement mcgras yes commissioner lara nicholson yes commissioner raymond williams commissioner david hughes yes okay so let's move on to the next item on the agenda section three it's st john franchise ferry boat matters um docket number 709 st john perry franchise temporary emergency fuel surcharge petition no one speaks on this matter

0:23:09 good morning again manager maria hodge for the ferry boat companies thank you you have already been sworn in so you can go ahead proceed please so good morning to the commissioners The two companies that I represent, Transportation Services and Far Life Ventures, have filed an emergency petition for a fuel surcharge during this temporary period of disruption in the cost of fuel around the world, really, but for purposes of our interest in the Virgin Islands. The emergency petition was filed on April 17th as a result of the massive increase in the price of diesel resulting from the war in Iran and the closure of the Strait of Hormuz. The cost of diesel to the ferry boat companies is one of their fundamental expenses of operating obviously.

0:24:00 All their vessels are diesel-fueled, and they have increased in a single month from approximately \$3.85 a gallon to \$6.10 a gallon, and from \$5.76 a gallon to \$7.68 for transportation services in similar businesses in the virgin islands there have been comparable increases and necessary surcharges for example you may have seen in the press proudly and tropical shipping have recently increased their fuel surcharge from 100 to 300 for a 20-foot cargo container and from 200 to 700 for a 40-foot container as reported in an article in the vi consortium on may 7th the ferry boat from st thomas to the british virgin islands has also imposed a fuel surcharge in this emergency theirs has increased by five dollars a trip we are requesting according to the calculation submitted with our petition an emergency surcharge of 75 cents per ticket during the course of this emergency We believe this is reasonable and that the analysis justifies it.

0:25:15 It is prudent and it is critical for the companies to continue to pay the cost of fuel. When you think of the alternative, we are all aware, certainly all of us in the Virgin Islands are aware of the recent bankruptcy of Spirit Airlines reportedly tipped into bankruptcy by the cost of fuel, which undermined their ability to continue to operate. In St. Thomas observation, the cost of regular gasoline has increased 50 cents a gallon just in the last month. So it is pervasive, it's everywhere, it's unavoidable, it's completely beyond the control of the companies, they need this temporary emergency relief just to keep operating on a viable basis. So we're asking the Commission to approve this temporary surcharge with the understanding that it would terminate when the emergency terminates and that we will all be aware of that because we'll be watching the news, we'll be aware when hopefully not too long this emergency concludes.

0:26:26 We have submitted responses to questions from your staff, including most recently, the response from the Department of Public Works to transportation services efforts to be able to arrange to fuel their larger vessel at the waterfront with an exemption from the prohibition on using the big vessel to go to town. And the Department of Public Works said that exemption couldn't be granted. So we believe that the petition is submitted is actually the best that can be hoped for. And we ask the commission to approve it. Thank you, Attorney Hart.

- 0:27:04 Let's hear comments from commissioners and staff. Do we amenable to an increase? Say who you are so good. Pardon me? Say you who. Oh, Commissioner McGrath, amenable to an increase for three months with a reassessment after three months rather than just. So I think a temporary period would be acceptable, Commissioner McGrath, as long as it was expected that before the expiration, we would come back to you if it was clear that the emergency wasn't over and we needed an extension.
- 0:27:39 This is what I'm saying. It would be like the LIAC rate for WAPA every three months you'd come back and have a reassessment. I think that would not be unreasonable. Is that all you have? Yes. Commissioner Hughes, do you have any comment? I think it's an interesting suggestion by Commissioner McGrath. I don't know that it's necessary to put a time frame on it. We're in the middle of a rate investigation, so we're going to be coming back to the ferry boat companies with a decision on rates here probably inside three months. I would hope and at that point we can we can either extend it I would just to the extent that we approve an emergency fuel surcharge I would just think it would be until such time as the commission rescinds it however I'd like to ask a couple questions about the surcharge we had raised earlier issues about the disparity in pricing between the two companies can you explain please why one company is achieving much lower fuel costs than the other yes we submitted a written response to that query from your council the answer was that transportation services is as the commission is aware has one much larger vessel both companies operate some of the smaller ones that the um uh the government vessels that are on the primary run back and forth director but transportation services also has spirit of 1776 which is much larger and cannot be accommodated at the refueling uh location that the smaller vessels have so it has to be um accommodated with special facilities transportation services has found it necessary in order to manage their ship schedule to acquire their fuel primarily from canal base fuel supplier they they have sought the opportunity to use a lower cost provider at the waterfront we submitted copies of that correspondence commissioner um to the to department of public works asking them permission to allow
- 0:29:56 an accommodation that would potentially have resulted in a lower cost of fuel for transportation for the larger vessel and that one that request was with regrets as the government expressed it denied they felt that their hands were tied by the terms of their federal contract so it is primarily a result of the fact that one company operates one much larger vessel that can't be accommodated at the at the docking facilities where one of the uh alternative providers uh operates also that there is a limited capacity for the boats to all be fueling up because um the fuel suppliers can only fuel one boat at a time they that requires them to occupy a dock and and as the um as the response to the commission's question indicated transportation services has not been able to reach accommodation with that provider that would allow them to keep their schedule and also fuel its smaller vessel consistently at that location that barlock issues so while they've been trying to minimize their costs obviously for their own sake um at this point this is this is the best they've been able to manage attorney hodge could you help me understand please for transportation services how much of their their activity between red hook and cruise bay is being run by this larger boat as opposed to the older government boat so I'm sorry I don't really have that information I think the company was going to have somebody
- 0:31:46 available um on zoom that might have the answer to that but I can't tell from looking at your screens if they're here who's the person who's the person so learn and boys from transportation services was going to join and also um avery williams who did a lot of the analysis including the analysis this are either of those people online no okay so my understanding realize you get to this the use and the efficacy of the larger boat is that it certainly accommodates high traffic rates for a couple of the periods in the day it's not necessarily needed uh volumes of traffic for every route during the day in fact I think it's limited to a couple routes I'm kind of curious what boat's being run and what happened to the third government boat is it just sitting there or um you know you make the point that that you can't accommodate the schedule for the larger boat to go over and make the trip to st thomas to to the waterfront it wasn't my understanding that boat was running a full schedule my understanding was it was running only those those runs that necessitated higher volumes so that's that's kind of what I'd like clarified by mr boynes or mr could I'll try to offer a clarification of my clarification which you use I must have missed misled the commission I was not suggesting that the larger vessel the spirit of 1776 was being operated on the run to town it isn't being operated on that run it's prohibited from doing so it was it was whether they could get permission to send it to town to refuel them okay I I wasn't suggesting I'd get into the restrictions of the run to town differently
- 0:33:37 um so public works is basically saying that boat can't even travel to charlotte no they said what they said in the letter that we sent you I'm sorry can you repeat that we had a little disturbance here go ahead what what public works said in the letter we submitted to the commission was we can't allow you to operate to that run with passengers but if you want to go down there empty to fill your tanks we can permit that and that doesn't make sense to do no because it it's a waste of fuel which is now obviously very expensive to travel all the way to town to to refuel the vessel empty and also you know it's timing so um the company has determined that the the most prudent arrangements that they can make are the ones that they're using and and in fairness which I point out that um they're doing this out of their own pocket it's not like

somebody else is paying for this so they're not doing it they're they're not wasting money um frivolously they're they're paying this cost because as a matter of business practice it has turned out to be the way they can do it they also pointed out that the alternative fuel provider can't accommodate all these vessels that they have to um schedule their refueling when they have available space at the dock they have other customers that also need to be refueled not just these ferry boats and that this um this is the the best arrangement that the companies have been able to manage does public works allow the other two government boats to make the downtown run and be refueled

0:35:26 as my understanding is that the other two uh government-owned boats are allowed to go to town and the spirit of 1776 is the one that has a prohibition on it and that's consistent with the correspondence from public works that we've submitted to you okay can we hold a first a second um miss gums who do we have miss varla okay miss varlac can you please she's going to be able to answer about 1776 is a transportation services if you wanted to see okay good morning hi um mrs varlac um would you raise your hand and be sworn in please let's just see what she has she needs to turn on yeah you need to turn on your camera please Thank you. Thanks. Are you still with us? Yes. Okay. How are you? Great. Do you solemnly swear to tell the truth, the whole truth, and nothing but the truth to help you God? I do. Thank you.

0:36:30 Okay. Let's let her proceed. Thank you. Good morning to everyone. As it pertains to our fueling situation um it is across the board uh our availability of fuel number one the availability of space for fueling number two and of course the cost of fueling has just been nothing but a challenge for the ferry boat companies and i can say a little bit about transportation services because when they have to go to the facility that they utilize it takes about an hour and a half for them to execute the process and then i would have to fill in on their schedule depending on what service we are assigned to for that particular week um again it has it has been a challenge for us because there's limited facilities that we can fuel at number one we can't we were restricted from refueling in red hook um about two years now so the only fueling facility would be on saint john and we're restricted to the the barge ramp area and or to use the supplier that transportation services use, which is exuberant. It is closed- Excuse me, Mrs. Barlett. When you say St. John, are you referring to the facility at Caneo Bay?

0:38:12 That is one of the options, but their cost for fuel is very exuberant. Okay, so the one that's closer to the national park doc? That is correct. Okay, continue. On several occasions, I have had to utilize that facility, but it would only be an amount that would tie me over until the other supplier would be available again. And that would be fueling over at the barge ramp or taking one of the vessels to Charlotte Amalia i'm assigned for that charlotte amalia run for that particular week but those are our options thank you um commissioner hughes do you want to finish on um your comments please yeah setting aside the the refueling logistics which do appear to be a little difficult um ms farlock how many boats are you currently being compensated to provide through depreciation and amortization in the current rate structure.

0:39:23 How many boats are you supposed to have available to the rate payers? I have three vessels available. Okay, and what vessels are those, please? The Red Hook one, the Lady Venture, and the Venture Pride. Are Lady Venture and Venture Pride both in the territory serviceable and approved by the Coast Guard? Yes, sir. Okay, you wouldn't happen to know many vessels transportation services is is obligated to provide no i'm i am not aware of that attorney hodge any any information there i don't know what you mean by obligated how many they have currently in operation they're being they're being paid to make a certain number of vessels through the amortization and depreciation clauses of the rate to to have those vessels available to the ratepayers how many vessels are you being compensated for currently in the current rate so respectfully commission i don't think i don't think that's the correct description of of their present arrangement i believe that they have two vessels currently in operation what are the names of those vessels please yeah one one is either redwood one or cruise bay one and the other one is the spirit of 1776 okay i think it's cruise bay one i i can assure you in the current rate structure there are a specific number of vessels that are being amortized and for which the ferryboat companies are receiving consideration it it isn't it isn't the question as to how many those vessels are they were part of the prior rate calculation uh miss Mayor Mrakas- Commissioner, that you have a you have a 2016. Mayor Mrakas- Attorney hot please let him finish and we'll let you make your comments, thank you very much.

0:41:19 Mayor Mrakas- I think that miss barlock is very accurately you know stated her. Mayor Mrakas- her compensation as the three boats i'm just curious what how many boats voice is being compensated for. Mayor Mrakas- Okay, you can answer that question now. So, the statute that is currently in effect for these companies, Commissioner, does not provide for depreciation of vessels in terms of rates, it provides for a return on the fair value of applied assets, and I guess that's an issue.

0:41:54 I guess that's an issue we'll be briefing to you. It's actually, that's inaccurate, and we're not talking about the statute, we're talking about the rate-based calculation that was the foundation of the current \$6 rate. It absolutely contemplated consideration paid to the ferry boat companies for a certain number of boats to be provided. You're receiving a depreciation or an amortization for a certain number of boats. It's part of the rate structure. We're going to review that for

the new rate structure and perhaps take different view of it but there is an existing rate structure and it specifies the boats that you're being paid to provide miss barlock is being prepared under a formula for the three boats that she just mentioned voice is being paid transportation services is being paid for a certain number of boats my only question was how many boats if there are two boats that are currently in operation i've identified them by name i i because that's really the point is there boats in operation and there are boats that are being paid for to be in operation and i'm trying to get to are the boats available to the rate payer yeah so mr jim and all i can say to you as a lawyer who has read the statute that governs this commission and its setting of rates for these companies is that we clearly have a very different point of view about what the role of the commission is under present law okay attorney spring has a question no i have a comment if i may um in appendix f to the testimony of avery williams in the current rate case the vessels listed for the two different companies include for transportation services spirit of 1733 and cruise bay one which are the two government uh provided vessels to deal the department of public works and it includes carob tide and care of k as vessels that are used by transportation services in the provision of services care of tide and what was the last one care of k care of k or care of key if you prefer thank you

0:44:04

are those two vessels serviceable and and in the territory both of those vessels to my understanding all four of them both of the the two vessels of those vessels i think two of the vessels are in operation the two that i named i think i got my year wrong 1733 and 1776. i know and uh one um as the and the uh the two other vessels the older vessels to my understanding are currently uh under repair okay how long have they been under repair a number of years really okay so the care of tide and the carrot key are under repair thank you commissioner i think they've been under repair since since the hurricane so nine almost nine years now so i guess the reason i bring this up is that the ferry boats have asked for a consideration for fuel and and i believe it's it is the case that for a very long period of time and maybe still um you're being compensated for assets that you're you're legally obligated under the rate base to provide that you are not providing so you're being overcompensated it's going to be one of the conclusions i believe certainly in the interim report that that has been the case since the hurricanes and i believe that those amounts should offset to the extent that we we calculate for this emergency fuel surcharge i i believe that it matters that you're being overcompensated for vessels you are obligated to provide under the current rate that you are not providing and i would like those amounts netted out so uh commissioner i'm just going to respectfully say you did that perspective the truck was passing we couldn't hear you say it louder you know a truck was passing oh sorry yeah okay i'm just going to respectfully submit commission that to the extent that you referred to um data that was before the commission when the rates were last set 10 years ago that the company was not then operating the two vessels that are

0:46:13

currently in operation and then obviously not being compensated for operating those vessels either so the idea that they would be penalized now for the fact the two vessels are under repair while they're operating two vessels that are statutorily mandated to be included in their compensation is and it's just inexplicable to me it's punitive it is incomprehensible it is contrary to it's contrary to the statute and it is contrary to constitutional law which requires companies to be reasonably compensated for their operation of a public utility i think that you should probably rely then less on the statutory language which is limited and more on an understanding of how this rate is calculated and the rate basis is determined which we are going through that exercise now i suspect you'll come up to speed pretty quickly on how the commission views assets to be to be deployed by the ferry boat companies that's okay i i i think i got the answer to my question which is two of the boats that you're being paid for uh to provide are not in service um the question is is how much are you being compensated in the current rate structure to provide those votes that you're not providing and do you have any more comments commissioner and hughes for questions appreciate it okay commission um okay no question no questions no comments no comments okay um does anyone like would anyone like to make a motion or would we even like to make a motion to uh defer this uh request to a different time i move the matter be moved to the june meeting

0:48:12

does anyone second that Okay, so let's get a vote, please. Commissioner Clement McGrath? No. Commissioner Lara Nicholson? Yes. Commissioner Raymond Williams? Yes. Commissioner David Hughes? Yes. So the votes say that three voting yay, one voting no, that we move this to the next meeting in June, which is June 9th, June 9th.

0:48:51

Thank you very much. Okay, let's move on to the next item on the agenda. And St. John Perry, what a great investigation. Who speaks on that? Would that be... We have Mr. Jed John Hope. Mr. Jed John Hope, is the hearing examiner present? Mr. Jed John Hope, are you still here? yes good morning good morning okay you've already been sworn have you been sworn in yet yeah okay so go ahead no he was sworn in okay so we'll go ahead thank you very much yeah good morning give me one second let me pull it up okay all right so we um we have been going through this rate case for roughly the last year um presenting an interim report to the commissioners a few months back and i now have a draft report in hand uh hoping to finalize it uh pending your recommendations as well as uh recommendations as comments as well as input from the general public um but in short i recommend denying the rate increase um commissioner hughes previously

alluded to some of the issues that we that we found through our investigation um there are boats that have been outside of the territory um for for you know for almost 10 years that are being compensated for there are boats that have been retired they're being compensated for um and the way that the legislature um seems to have structured the uh the agreement or the uh beyond the enabling statute compensate the ferry companies for boats that they did not buy um so it's just i i recommend kind of simplifying the approach to this um you know decoupling the charlotte amali um route

0:51:04 the red hook uh cruise bay route is the the main transportation corridor and should be looked at separately the charlotte amali route only accounts for about three percent of the traffic um and you And obviously, you need to have at least two boats to do that reliably. You need to kind of separate these two. The Charlotte and Molly route just kind of obscures the math. Some other things that I found was there was a ton of issues with the data integrity and oversight. It's nonsensical that the ferry companies jointly own the ticketing apparatus, which makes it impossible to verify ridership and revenue. you know on top of that you know i recommend uh you know auditing payroll and staffing fuel consumption vessel utilization by route the numbers were not very transparent um so given and given all of the above i do not believe that a rate increase is um is necessary at this time thank you mr john did hope does anybody else like to speak on that attorney hodge thank you again maria hodge for the various companies we would like at this time to reserve all objections to the draft report of the hearing examiner both as to matters of law evidence fact and procedure one thing i would say to the commission now at this stage is the draft report is before you is that we have a preliminary objection to the suggestion in the report that the commission has complete discretion to decide to rearrange the fare categories and to essentially eliminate the preference for local residents in favor of giving a fair discount to tourists

0:52:57 that is a finding that disregards a lengthy opinion of the public services commission's own legal counsel in the last rate case that concluded that rates favoring local residents and commuters were and are constitutional and entirely legal and appropriate the finding by the hearing examiner in the draft report appears to be an effort to evade responsibility to make a specific recommendation on rates and it disregards the long history of fares that protected local residents um from undue fares when they were commuters children going to school people going to saint thomas for shopping and so for some reason um it is only the locally owned companies that are the public utilities before you um that have been subjected to this kind of uh recommendation and and the ferry boat companies have long resisted this idea that the local residents are not entitled to special protection and their rates there was not a single witness in any of the hearings in st thomas or st john who spoke in favor of equalizing rates to give tourists a discount which would necessarily i mean just inherently as a matter of mathematics require an increase in the rates to local residents the psc staff has submitted a brief that suggested that it was inclined to agree with that idea that the preference for local residents could be removed and that tourists could be given a special benefit in an alternative rate structure but this is not consistent with either the law for the evidence that was provided and certainly not with the history of these companies we'd like to have the commission at this very early stage look with care at the draft report

0:54:57 on this specific issue and recognize the importance of protecting our local consumers from any rate increase that would result from eliminating the distinction between local residents and tourists in fair settings the two companies as you know have been operating these public ferry boats between st thomas and st john for over 50 years these are two families that formed these local companies as family businesses before there was any franchise they weren't public utilities when they started they started with two small vessels they trained their own children to operate the vessels and they are committed to this community the community of st thomas and st john into protecting the people of st thomas and st john for some reason the um the the draft report suggests that it would be within the commission's discretion and almost implies it would be appropriate to eliminate that's that special consideration for local residents in the fares for our for the ferry boats we notice that there are any number of amenities for tourists who visit the Virgin Islands, where they pay more. You go to Megan's Bay, you pay more if you're a tourist.

0:56:10 If you go to the contraption that takes you up to the hilltop in St. Thomas, you pay more if you're a tourist. And for the commuters between St. Thomas and St. John, it's especially critical that this be maintained because we rely on that as a community to get to and from work, school, shopping doctor's offices everything critical to a working community the one distinction that was mentioned in a brief to the hearing examiner by psc staff was that when the last rates were set in 2016 i reminded we haven't had a rate increase in a decade that at that point the vessels were not provided by the federal government that somehow that would be a reason why the ability to give some preference to local residents would be lost because the federal government supplied some vessels but they are not the only ones contributing to this transportation system the virgin islands government supplies the roads they get us to the dock they supply the docks they supply the police that protect us they supply the fire department that protects us so our community is supporting this public marine highway and the idea that tourists need to be protected from the possibility of paying a little more for a ferry boat ticket we submit to you is just not not accurate there was not only no not only was there no attorney hodge i understand um i i would like uh mr jed john hope to comment on the what you're saying about um not consider no consideration for local

residents i would love to jump in at this point i made no specific recommendation rather it was uh you know what the rate should be what i did say in the report i do not think

0:57:59 that attorney hodge read it is that the that decision on who gets charged what lies solely with the commission so it's up to the commission to determine who you know pays what my job is my job is to determine what the rate base is and by my math the ferry companies have overcharged of people in this territory to the tune of seven million dollars over the last you know 10 12 years that's the heart of the raid case that's deciding you know whether tourists pay an extra dollar to was not contemplated in my report and i laid that at the feet of the commission to this to decide it's likewise it's not for the ferry companies to decide who pays what that that responsibility lies with the commissioners your point is noted um attorney spring who did commissioner hughes oh uh commissioner hughes will come right back to you attorney spring commissioner hughes you actually asked the question for me i i wasn't aware that that mr john hope had made a recommendation one way or the other and i agree with him that that is solely the purview of the commission not the ferry boat companies not the hearing examiner he's certainly entitled to his opinion and and his report which is still interim by the way not not a final report that we're acting on i appreciate uh attorney hodge's position which is that it should include a subsidy and the commission at an appropriate time will take that in into its its view of how we divide up the rate base i didn't think mr john hope made a recommendation for one way or the other i haven't even seen a rate recommended yet only that an increase in the rate base was probably not appropriate and this is an interim report so we're not there yet i do take the report to ask questions of the commission which is i think what we ought to be trying to do today which is to give him direction on how to finish the report so that

1:00:00 we can take up these points and there were several items in his report that basically begged questions of the commission decoupling the downtown route being one of them um we uh whether or not we need to do to work on his recommendation that the data is insufficient so should the commission order staff to come up with a audit procedure to verify fuel and labor before we write it into law here in a new rape case those are things i think we can do today which is to to guide the completion of the report by answering some of the hearing examiners open questions okay thank you commissioner who's attorney spring you had a comment a few if i may uh thank you attorney sprain for the psc i i would apologize i should have made a comment at the outset of this process to help clarify for the for the sake of those listening the agenda item today is not to make a final decision on the rate case because in the process of doing the rate investigation and preparing the draft report we had two public hearings and at those public hearings there was comments from the public that they wanted to have an additional opportunity to comment and the hearing examiner at that time uh pledged that the draft report would be made available for a two-week period for public comment that two-week period is ongoing and actually ends tomorrow so we are still receiving public comments on that draft hearing report we have scheduled later this week a draft report our draft conference between the franchisees the hearing examiner and bsc staff to begin the process of preparing a final report to have available

1:01:47 for the commission's june meeting uh i would acknowledge the comments of both the hearing examiner and commissioner hughes but there are a number of matters that are before the commission ultimately for decision whether that decision is made today or your next one one of the reasons it was left on the agenda today was to try and identify issues that we need to address before that june hearing whether that requires additional information from the hearing examiner for the franchisees or the very or the staff afforded the opportunity for you to put those questions on the table uh i do want to address one particular comment that attorney hodge made and the language was used there the pse staff at no point said that tourists should be right in a special benefit what they said was the question of whether or not a special extra charge should continue to be applied to tourists not that they should be charged a lower rate than residents should they be charged an equivalent rate or a lesser excess charge that's the question that's before the commission at this point we did not suggest a number we have said that there is a extensive federal subsidy now involved in this process there's a federal subsidy in two different ways there is a cash subsidy available to each of the franchisees through the federal government and the presence of the vessels itself constitutes a federal subsidy the basis of local residents being provided a lower rate for access to facilities provided through the local government is that the local residents are providing the funding for that um that service that is not necessarily the case here the federal the local government does provide a subsidy it is less than the amount that's available through

1:03:40 the federal subsidy either one of the federal subsidies and the tourists are currently at the current rights paying a larger portion of the carrying cost of the operation than than locals again we made no recommendation as a specific level that is something that is within the commission's discretion of establishing rights okay and i'll leave it at that for today okay thank you attorney spurn okay um attorney hodge we've already discussed the consideration for local residents do you have any other comments you'd like to make on the draft well i would just like to not on the draft i would reserve objection but i would just like to say i did not say that the recommendation was that tourists should pay less than locals my understanding of the recommendation was that it was a suggestion that the rate should be made equivalent that is to

say that the discount provided to locals should be eliminated and that there should be some sort of a equal fare for tourists and locals and the effect of that would necessarily be that you would have to raise local rates because you can't reduce one without increasing the other if i was if i wasn't making myself clear on that attorney screen i apologize um do you have anything else you'd like to add no i'm we're reserving our objections okay thank you very much okay so uh attorney hughes did you have any additional comments you'd like to make so i'd like some discussion amongst the commissioners here because we have some questions in front of us if we want to conclude this rate case we really need to give the hearing examiner some guidance i would propose that there's a question before us that says we should at the recommendation of the hearing examiner at a minimum decouple the rate calculations from the downtown run uh vis-a-vis the the red hook cruise bay run um which would

- 1:05:42 allow us to get at the 97 percent of ridership and conclude the rape case for the cruise bay red hook run with without the complicating factors of how much of that is being obscured by additional boats necessary and additional subsidies to carry the other three percent of people um i'd like the thoughts of the other commissioners on whether or not we want to go ahead and do that and give the the hearing examiner an order or at least guidance that say please complete the Red Hook Cruise Bay analysis on its own while we determine how we want to accommodate the downtown run or if we want to continue to accommodate in a rate regulation the downtown run.
- 1:06:30 So when you say decoupling, are you saying the possibility of eliminating that run? Or are you just saying, let's take apart the finances of each of those different runs so that they can be looked at as separate entities? Well, we should understand how the overall rate base is currently built and how it's about to be built if we don't change something. A big, big chunk of the rate base, which is the amount of revenue necessary to fairly compensate the ferry boats under the statute, a big chunk of this is depreciation of assets properly applied.
- 1:07:14 And for practical matters, that means boats, because there aren't any substantial other assets being properly applied. So the problem with the downtown run is even though it's 3% of ridership, it does, in fact, require a couple of boats to run it. So my personal view is that we should refrain from regulating the rate of the downtown run, given that it has commercial competition, and that we should take a recommendation from the ferryboat companies as to what they think that run should generate as a rate and probably adopt their recommendation. Without getting into a calculation of how much or why, I'd be willing to take the recommendation of whoever's running the route as to what they think it ought to cost. Instead of \$13, maybe that's closer to the \$20 that the Crown Bay guy is charging. I'm indifferent to the amount.
- 1:08:12 I think it should be set by the ferryboat companies in a non-regulated rate environment. I think the commission could continue to regulate the customer service aspects of the run, but that would be about it. We would simply refrain from a regulated rate structure for the downtown run. That allows us to very clearly address the run which is most consequential to the Virgin Islands residents and tourists, which is the Cruise Bay Red Hook run. I think that's a recommendation that we should make. I'm curious as to whether or not the other commissioners are open to that approach.
- 1:08:51 What other questions did you have that you would like to? I think that the commissioners very clearly, because of its effect on rates, need to answer the question. How many boats are necessary to be included in the rate structure for the Cruise Bay Red Hook run? What is the proper amount of assets applied so that the hearing examiner can make his calculations on the number of boats that the ferry boat companies need to be compensated for? I think the commissioners should speak on the matter of whether or not a private company should be compensated through appreciation and amortization of assets that they've made no investment in, which is the three government boats. They've made an application that says that they should be able to recover the costs of those boats, even though they didn't pay for them, which I think the Department of Transportation, the Federal Department of Transportation would have a huge problem with, given that it was a subsidy to the territory to bring rates down.
- 1:09:54 I think the commission should answer the question, in my view, that those three government boats are sufficient to run the Red Hook and Cruise Bay route, and that those three boats are not eligible for recovery of costs to the ferry boat companies since they made no investment in those assets. If we could give the hearing examiner that guidance today, he could largely, if he had better data on labor and fuel, he could largely complete this rate case and make his final recommendations. I think that the commission should further order staff to design an audit of fuel and labor prior to the completion of this rate case. those those numbers are held in question by the hearing examiner and our staff is more than capable of providing the clarity um on through a small audit process of how to how to audit the actual labor and fuel necessary to run the cruise bay red hook route those would be my suggestions to my fellow commissioners is that we if we could just provide those two or three things to the hearing examiner we could get through this and get done with this this right case which has been going on for a year okay any other questions or comments for you no thank you um i don't know that i'm prepared to answer all those questions with hearing examiner today um when they show decoupling i definitely agree with that that position but i'd still like to go further into that um i'd like to um prefer to take up some of

that conversation in the executive session so um that's it maybe schedule a separate session for that yeah so i don't think all that

1:11:55 information what about you okay so for me go ahead you agree with that yeah i i feel like i i understand what you're saying commissioner hughes i do agree with that um but i do feel like that there's more information that we don't have right here to make those decisions right now so as um what's your last name i'm sorry i'm having a senior commissioner williams stated maybe we should schedule uh just like an executive session will we have all the information that we need to answer those questions to um to go back and then maybe have it ready for the next meeting in june how do you feel about that commissioner hughes understanding we're not making final determinations here we're just making giving direction to either staff or the hearing examiner i i would suggest it's entirely appropriate that this commission the four of us order staff to come up with a simple audit process for fuel and labor because i think we need better data so i don't think that hurts anybody to have us tell staff we want we want you guys to tell us how you would audit fuel and labor because guys if we can't audit fuel and labor in a rate then we don't know that the rate's appropriate so it's to me a simple matter let's just ask our staff or order our staff to advise us of an audit process for fuel and labor. Whether or not we actually perform that audit is still an open question. Whether or not we perform it in the future is still an open question. But I think our staff needs to have the capability to audit two of the largest drivers in

1:13:42 rates, because we may come back to this a year from now and say, again, is the rate appropriate because labor and fuel have changed? We don't have any way to audit and independently audit that number we don't have financial audits we're simply taking the numbers given to us by a fuel consultant or a consultant to the ferry boat companies and that's not enough for a public services commission to make a determination on so i would suggest that this commission order staff to come up with an audit process not that we're going to adopt it but just that they come up with a recommendation for audit i would also make a motion that we that we um ask the hearing examiner to decouple the rate structures between the two routes and and make a separate recommendation for the cruise bay uh red hook route that leaves open the question what do we do with the downtown route and there are a number of answers for that we may deregulate it completely we may ask for a recommendation separately we may we may run a separate rate process we don't have to make that determination today but if we want to get this rate case done for the 97 of people then we have to give or at least get the hearing examiner's uh opinion on what that would look like separately okay commissioner Hughes would you like to make a motion i'll make this I'm understanding that that is not the entirety of what I would suggest.

1:15:09 Let's let's can we discuss matters? I'd like to make a motion. Thank you. I move that staff be directed to design an audit process to audit the consumption of fuel and the provision of labor for the cruise bay red hook route. So moved. Let's take a vote. Commissioner Clement Belgras?

1:15:36 Yes. Commissioner Laura Nicholson? Yes. Commissioner Raymond Williams? Yes. Commissioner Dave Ateers? Yes. Okay. So that's the first one. So we have all four commissioners voting yes. The second motion I would make is that. is that the hearing examiner be directed in his final report to recommend a rate structure which decouples the downtown run from the red hook cruise bay route so moved amendment oh go ahead commissioner mcgras has an amendment um commissioner hughes i would just like to ask about before i make an amendment uh the possibility of asking him to give us an alternative look at it decoupled and where it is rather than just one way uh well i i actually kind of that's kind of what i thought we can see what the alternative is yeah i just want to make sure that we get a look at the independent route we we're not making any i'm not making any recommendation in this motion about what we do about the rate for downtown i just want to be able to look at the clean rate for cruise bay and red hook and see if that makes sense to just adopt that on a standalone basis that's the purpose of the motion it makes no difference back to the downtown route okay then let's um let's vote please he's not going to make an amendment so two points of points of order chair first of all just just so we all keep keep our roberts rules in order um when when a motion is seconded um you you as chair would call for discussion which probably would have mitigated given commissioner mcgross the opportunity to ask questions or have further discussion um second of all there is nothing in roberts rules that allows

1:17:52 a commissioner to amend a motion separately um well he can propose an amendment which then must be voted upon before the original motion can be voted upon so thank you for the correction yeah no amendment was made yeah i understand you made one you would simply say i i move an amendment and we would have then had to take your conversation up and suspend mine suspend my motion that's that's okay since this is discussion before you have the amendment and we were having a discussion and i withdrew my my motion so we've been okay since this is going to be confusing to the public why don't you um make your motion again so that we're clear no no no i call i call the question that's yes thank you i called out the motion the motions are made and seconded we we have to vote on it or have further okay we haven't voted on it yet commissioner clement mcgras yes Yes. Commissioner Laura Nichols-Sombs? Yes. Commissioner Raymond, by the way? Yes. Okay. All four commissioners have said yes. Oh, Commissioner Hughes, I'm

sorry. Thank you.

- 1:19:10 Okay. So all four commissioners have voted yes. Okay. So the last point that the hearing examiner is tacitly asked for guidance on, and it's the driver in rates, which is how many boats should we be considering for recovery of investment? I think I would ask the ferry boat companies if there is any way to substantiate the idea that the Red Hook Cruise Bay route needs more than the three government-provided boats that are currently servicing it. And that would be a question for the ferry boat companies, because my motion would be hearing that answer since I know that the rate is I know that the route has operated on two boats for approximately nine years now since the hurricane and that we've now added a third boat I think the natural conclusion for the commission is that that number of boats is sufficient for this route and that therefore the hearing examiner should be directed to use those assets in his calculation of a rate base. That's where I'm headed with this, which is that the hearing examiner be directed to use those three boats as the basis for the rate base calculation. I'd make that motion today because I think the answer is obvious. That's how the route is operated. But if we think we have to have more discussion on whether or not more than three boats is necessary because that changes the rate if it's if it's more than three boats i have a comment on that i think um the comment you just made we definitely would need the ferry companies to um jump in and provide information for that we have to look at the fact that when they were operating two boats it was because of an emergency basis that the service was actually slow we didn't have as many routes because they were only operating two boats and then that also doesn't leave time for maintenance and you know for them to properly take care of the boats because it was an emergency situation maybe adding a third boat will um put them in a different situation
- 1:21:28 but i really think that that's something that they need to weigh in on it as well that's my comment on that do we want to have that conversation today since we have everyone here We don't have the ferry boat company owners here, and I do think that they should definitely weigh in, because that will significantly affect the type of service they could provide. Okay, I'm assuming that, you know, if we're gonna wait for that, then it doesn't really matter to hear Mr. John hopes current opinion right now either he can he can wait. Can that question be asked through the staff of the ferry companies?
- 1:22:10 I'm sorry, I couldn't hear. No, I'm asking a good question relative to the number of votes. That question can be asked through our staff. Because to view this point, I don't want to keep kicking the cat. Right. So if they can actually take that information and let us know then we can proceed up there. I think the question was asked during the hearings, and there's a record in the transcript of the answers from the companies. I'd be glad to look for that in the transcripts for you. I don't think that the summary given by Commissioner Hughes is correct. True to care to the hearing examiner. Do you have an answer for that in your report?
- 1:23:00 Yeah, so I recommend three boats with a commission-authorized option for a fourth. Based on their fuel logs, it looks like they're pretty much running the three government-operated boats with limited service from other boats. So my recommendation there is to maximize the federal assets, maximize the uptime of the federal assets. So yeah, believe it or not, you are pretty much running three to four boats right now. Thank you very much. I'm good with that. So you're good with four votes?
- 1:23:35 Three? You said three and four is what they're evaluating on. Three. Three with kind of emergency, call it emergency option for a fourth. Say that again, Mr. Jen-Jetho. Three with an emergency option for a fourth, because obviously things happening, maintenance and things like that. um but it looks like if you were just to like we said decouple the routes the red hook route should be able to to get by on on three boats okay thank you okay commissioner hughes so i would point out that on an emergency basis varlock ventures was able to operate this entire schedule and it wasn't easy but they ran this with one boat for it wasn't the entire schedule because some Some, some of the times were, were omitted. Okay. So, so they were able to manage in an emergency environment on one boat. We're talking about three, one of which is substantially larger. When, when, when hearing examiner John Hope talks about an emergency option for a fourth boat, I think what he's probably suggesting is that Varlok, who only operates technically one of the three government boats, perhaps be given a lease or some form of consideration. they had to bring a second boat into play not a full obligation of a boat but if they if they found it necessary that the commission craft some sort of compensation system whereby if they're running their second boat because for whatever reason they can't be accommodated by the three government boats borrowing one from voice whatever the commission come up with a way to to look at the distinct possibility that a fourth boat maybe has to come into play
- 1:25:24 short of actually obligating a fourth vote full-time um that's not hard to do we could just we could just craft a little lease with Ms. Farlock for her second vote and if it comes into play you know that's that's something she can be compensated for um the last point I wanted to address which was a bit of housekeeping is if you decide or whatever you decide we decide on the three government boats, I think the commission should take the position recommended by our council and supported by common sense that in no situation should the ferry boat companies be entitled to collect in rates recovery of

the value of those boats since they made no investment in them. It's a housekeeping point, but it's a housekeeping point that the hearing examiner has to have in his pocket before he can actually finish the calculations. He has know whether or not he's going to depreciate for the benefit of the ferry boat companies the value of the federal property we haven't told him yes or no and we need to because yeah i i think the ferry boat companies in their application have said that they get compensated for the value of these boats that to me makes no sense i know attorney sprain has an opinion on that as well we need to clarify that question and i think we could do that thank you thank you attorney would you like to make a comment on that no i i would know we we if we could get that third motion restated before we have a vote on it okay the one that was just made yes okay i'm not clear on what the motion is itself so um i hadn't made one but are we talking about how many votes are necessary

- 1:27:17 yes i i understood that you wanted to make a third motion if you didn't that that's fine i'll actually make it in uh in not in two parts but as a comprehensive motion i i move that the red hook um cruise bay route uh be considered fully be considered fully serviced by the three government boats and that those boats are not eligible for uh cost recovery by the private ferry boat companies because they are government assets for which no investment has been made okay did you get any of that you want me to restate it yes please thank you i moved i moved that the for the cruise bay red hook route that the three government boats currently in operation are sufficient assets for the operation of that route and that no recovery of the capital the capital value of those assets is eligible for recovery by the ferry boat companies so moved Second.
- 1:28:31 Let's take a vote, please. Commissioner Clement-McGrath? Yes. Commissioner Raymond Williams? Yes. Commissioner Laura Nichols-Sams? Yes. Commissioner David Hughes? Yes. Okay. So all four have said yes. Motion approved. Motion approved. Chair and my commissioners, thank you for your patience in this conversation. I think we have substantially moved forward the hearing examiner's ability now to complete his report. Thank you. Okay, so we're moving on to the next matter. The next. Oh, wait, excuse me. May I ask Attorney Taj to give us a copy of your statement that you made today?
- 1:29:19 About the history case? Yes. Your report. A copy of her statement today. Yeah, let's have a 15 minute recess, please. Yeah, we're done with the fair. Yeah, but I'm going to try to change up to a little something. Thank you very much.
- 1:29:54 I love it. Thank you. . Amen. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. You Thank you. Thank you.
- 1:36:45 Thank you. Thank you. Thank you. Thank you. Thank you.
- 1:39:15 Okay, we're back from our break. The next item on our agenda today is energy matters. We have docket 706, WAPA electric system rate case. Who speaks on this matter? probably me first all right thanks we are obligated by statute to do a rate investigation of each of the regulated utilities at least once every five years uh the last completed rate investigation for office electric system was in january of 2020 and in respect to that last year we began a rate investigation uh genevieve whitaker has been appointed as a hearing examiner in that rate investigation and she had begun her work but we have kind of stalled out over the last few months uh in the last two months the commission has contracted for new electric consultants on this and those gentlemen are on board and i'm prepared to introduce those to you today and i would suggest that would probably be the next appropriate step um those gentlemen are mr julius wright it is his firm jj wright and associates that we contracted with in they are based in georgia associated with mr wright is larry brockman i see both of those gentlemen online and then the third individual who we arranged to have subcontract with jay right is mr courtney mark mr courtney mark is the former chief technical officer for the trinidad and tobago electric commission um he's an engineer with experience
- 1:41:11 working extensively in the Caribbean utility work um we have introduced the new consulting team to WAPA they have been meeting with WAPA and the personnel involved at Ernst & Young who are providing support to WAPA over the last several weeks and we've also had a conference with Ms whitaker to introduce them to them and we are about to move both processes forward and i will defer i guess at this point if you would like to hear from mr wright first yes thank you welcome mr wright good morning if you have anything you want to say to as an introductory measure please feel free to do so were you speaking to me mr sprinter yes commissioner yes okay i just appreciate the opportunity to work with you guys as you know i lived on island for a number of years taught at the university so i appreciate the opportunity to work with you and get back to the island on occasion thank you mr wright can we please hear now from mr larry brockman mr larry brockman please yes hello um as mr wright said i appreciate the opportunity to work with the commission and and uh process this red case in the liac and uh we're uh we're learning a lot about the island and uh been pretty busy the last uh couple of months just trying to uh get up to speed and and make it a smooth transition between from the old consultant to the new consultants so we're glad to be here thank you mr larry brockman and let's hear from

- 1:43:05 mr courtney mark please hi good good morning everyone is like one minute to midday so i can still say good morning thank you very much for the kind introduction and pleasant good day to the commissioners my name is courtney mark i worked with the trinidad and tobago electricity Commission as a professional engineer, graduated with second postgraduate degrees both in engineering and management and I'm happy to be working with the PSE.
- 1:43:41 Permit me to say that my engagement was first with the PSE and I became an associate with JW Wright and Associates. And I just want to make one fundamental observation and I'm encouraged to make this observation by the comments made by the Mr. David Hughes, your chairman. And that has a lot to do with simplicity. Permit me to say that I have discovered that through the minimum filing requirements there are many things i'm just saying things that are stated in there that sometimes need to be verified in simple ways that the psc could back check and understand from their own standpoint some degree of verification so quite apart from what may appear in dockets 702 and 706 as it relates to the filings i am also looking diligently to develop simple methods that the pse when they applied can make their own assessments of the data that they are looking at i don't want to oversee my welcome but i'm just leaving that in a nutshell thank you thank you sir um with any of the commissioners the commissioners have any comments or you're welcome aboard thank you thank you very much okay so the next thank you thanks so the next is the electric rate investigation status um from uh hearing examiners the report of mrs whitaker is whitaker here she is okay okay i see your turn good morning commissioner can everyone hear me and they're probably up to no one here
- 1:45:48 me okay there's something weird going on with your microphone um testing testing can you hear me testing testing can you hear me she's echoing on oh okay there's like an echo i don't know what to do if you can just slow down because there's an echo when you speak um does she need to be sworn in report attorney spring i'm sorry does she need to be sworn in for her report yeah let's go you've been doing it together here okay um ms whittaker can you raise your right hand and um be sworn in please do you solemnly swear to tell the truth the whole truth and nothing but the truth so help you guys i do okay thank you remember to talk slowly because of that echo thank you very much thank you okay we can't hear you at all now good morning um oh actually good afternoon now right good afternoon to all the commissioners to the psc staff and the members of the public i just want to share as um as a science of this matter i want to kind of go over just briefly since my appointment officially appointed of course last year back in april since my appointment i've been engaged in extensive review of wapa filings financial information operational data and supporting materials related to the electric system rate based this work has included meetings with guapa executive leadership including financial and operational personnel review of financial statements that obligations capital expenditures and revenue requirements review of accounting schedules historical financial trends coordination with the commission i want to also acknowledge attorney boyd and the team in the psp support of my efforts and one of the things i just want to highlight is while i've had a series of meetings with alpha leadership including of course obviously with cfo kelly there still remains a number of items that even in my initial request because it involved sending letters ahead of these meetings as well as the follow-ups that i've done and i also want to really thank all of the
- 1:48:24 the consultants who have had a meeting with that we can definitely move to the next phase one important thing i want to want to clarify as it pertains to and you know we're focusing on all the sea and fuel rate charges is that our next phase uh and to wapa and to wapa's leadership is where information that we do need to receive so we can really move forward and focus on some of these specific areas the core operational costs um the debt service obligations information about various mechanisms recovery and we really need to dive into the cost of service analysis but that's going to require a greater information and transparency on the part of the wapa's leadership and of course work to date information i have received i've received as i've met with the WAPTA leadership. I've learned a lot about WAPTA's financial condition and liquidity. I've learned to a level about their projected debt obligations, some of the historical and projected operational expenditures, accounting schedules and supporting work papers.
- 1:49:41 But certainly, additional information is going to be necessary for us to move forward. and in terms of where we are i have drafted yet another letter even as we work with the new technical assistant consultants we're really going to have to dive into for one um a more coordinated effort as it pertains to the receipt of this financial information that we've been requesting i also want to highlight the attorney board has worked extensively on this as well to get information from wapa diving into the cost allocation methodologies assessing whether one of the requested costs are appropriately recoverable through the base rates and identifying errors requiring additional clarification on supplemental production and we're also looking into to evaluating once we have to get those information so we can move forward across the service study, a framework going forward for WAPA meeting the requirements as we get information from them. And in the commitment to the process, as I've shared with technical consultants, we are working on, and I do acknowledge the importance of simplicity as well, a system where we can have in our internal system where we can utilize that to work together collaboratively so we can move forward and give this permission. My really hope is that we can include that this year. So my focus remains also for an independent review, clear and organized record, as well as transparency in the

process. I thank you very much for this opportunity and report any questions the commission numbers may have as we look forward with this and i want to thank thank all who's involved in the process thank you very much thank you very much um

1:51:43 do we have any questions from the commissioners we stopped with commissioner hughes i just have a comment um yeah i've i've watched the process here with hearing examiner whitaker closely and and offered her some suggestions about separating base rate issues from liac issues and and how to handle capital uh capital accounts recovery in a utility that doesn't actually make any uh investments of its own capital so we do that by the recovery of or paying for their debt service which is where all their capital comes from um i want to remind the commission and it's not even really a reminder for for chairman nickel sams and commissioner mcgross that years ago we adopted something called rate flow which will have a bearing on the base rate discussion and and we have an order which anticipates designing a base rate in such a way that on an annual basis we can check it's it's big drivers it's it's the simplest things like debt service and labor expenditures and um i don't know there there were three or four categories uh leases lease obligations so that we can on an ongoing basis make sure that the rate closely tracks correctly tracks the uh the uh the actual cost of service of the utility we do this because otherwise you're making a five-year guess uh when you do a base rate case and and there should be no expectation that you're going to get it all right so i just want to remind everyone that as we complete this exercise hearing examiner whitaker will probably also be bringing forward recommendations for the four or five major categories that the commission reserves the right to each year kind

1:53:40 of address in a mini base rate case to make sure that the rate's still appropriate otherwise we run the risk that the rate becomes inappropriate um and and somehow the utility either under or over recovers so that's just just my plug for rate flow and just a reminder that it sits there waiting for us to implement it um and uh i'm looking forward to moving forward and and completing this case thank you commissioner hughes commissioner williams nothing okay commissioner no grass no okay i have no comments okay um let's see what's next here got that done okay so the next one is docket 672 waffle customer service um attorney spring for yes would you like to speak on that thank you good morning to sean hendrix assistant executive director for the public services commission good morning chair commission members psc staff and all members present and our listening audience a memo was shared addressing ongoing challenges in resolving customer complaints involving the water and power authority and the need for commission action over the past two years the commission has seen a significant increase in complaints primarily related to billing inaccuracies and estimated billing meter failures and delays account adjustment and credit discrepancies and untimely responses and poor customer communication these issues have resulted in a growing backlog and delays beyond regulatory time frames as of march the st croix district has 70 outstanding complaints and the st thomas st john district has 94 outstanding complaints and that would be as of march many cases remain pending due to delayed adjustments, refunds, investigations, and meta-related issues.

1:55:59 While PSE staff continues to follow all procedures, timely resolution depends heavily on WAPA's responsiveness, which remains inconsistent. Although WAPA has acknowledged these issues during our February 18, 2026 meeting and committed to improvement, measurable progress has not yet been achieved. As a result, these delays are impacting both operational efficiency and public confidence. Accordingly, staff recommends that the commission require a formal corrective action plan, establish mandatory reporting requirements, enforce clear resolution time frames, authorize formal action if improvements are not made, and consider penalties for continued noncompliance. WAPA has since responded to the PSE's letter and expresses a willingness to enhance accountability, responsiveness, and service delivery. However, the PSE continues to have reservations.

1:57:14 The volume of daily customer complaints suggests persistent gaps in due diligence, timely responses, customer satisfaction, and customer education. Guapa's immediate priority must be to deliver meaningful customer satisfaction through timely, accurate, and accountable service. It is essential that the PSE not serve as a final mechanism for achieving basic resolution for dissatisfied customers. Your attention to this matter and continued oversight will be critical in ensuring WAPA meets its service obligations, improve service delivery and restore public trust.

1:58:03 Thank you for your time. That concludes the report. Thank you. Okay. Yeah, good job. Who at WAPA would like to speak on this matter? Please come forward to be sworn in. Thank you. Raise your right hands. in right or it's different okay do you solemnly swear to tell the truth the whole truth and nothing but the truth is going to be that yes okay remember to speak loud good morning um i provided a written response to the staff report dated may 11 2026. i'm dare Chairman Hughes, Commissioner McGrath, Commissioner Williams, Executive Director Satori, and the staff of the Virgin Islands Public Service Commission. Thank you for the opportunity to respond to the staff report on customer complaints dated March 27, 2026. while the report suggests that challenges attributed solely to the authority have impacted the resolution of customer complaints the data does not fully support that conclusion in fact the authority has

experienced a reduction in the number of open complaints during the commission's fiscal year 2026 budget presentation
reporter honorable senator nobel

1:59:52 e francis and members of the 36 led stranger of the virgin islands the commission reported at a total of 236 pending complaints although the information presented did not segregate complaints by utility information recently provided by the utility staff assistance on may 4th reflects that the virgin islands water and power authority currently currently has 177 open complaints i would also like to note that today we also received information from the staff that other complaints were closed as of today assuming for the purposes of analysis all 236 complaints previously reported were attributable to the authority this would represent an approximate 25 reduction in complaints within one year while we acknowledge that additional improvements are necessary and we remain committed to further reducing complaints the current data does not support the need for further commission action at this time additionally while staff has reported to the commission that it has consistently adhered to its procedures the authority has identified several matters that contribute to prolonged complaint resolution in several cases the authority has provided its analysis conducted joint site visits with the psc performed meter testing adjusted accounts and or scheduled meetings to address customer concerns yet customers cease responding to the commission in my opinion such matters should be administrative

2:01:44 administratively closed after reasonable follow-up efforts have been exhausted in other cases we are awaiting the psc schedule of customer meetings and or decision further can you repeat that you're waiting one in other cases we are waiting the pse scheduling of customer meetings and or decisions further despite our extensive discussions with the commission on november the 4th 2025 regarding the mythology utilized for estimating bill calculations there continues to be an uncertainty surrounding the mathematical formula used to estimate accounts despite these discussions with staff despite several discussions with staff following the november the fourth meeting this lack of clarity regarding the mythology for estimated bills and adjustment has contributed to complaints remaining open longer than necessary while there are additional concerns that could be addressed i believe it would be more productive to discuss all matters contributing to delays directly with the staff in a collaborative setting today however i would prefer to focus on initiatives the authority has implemented to improve customer service and reduce complaints as previously reported to the public services commission in february 2026 the authority completed the onboarding of new managers within customer service customer accounts and meter services recognizing that leadership changes alone would not improve the customer experience the authority also restructured

2:03:31 its reporting framework so that all three divisions now report to a single director this restructuring was implemented with a specific objective of improving customer satisfaction and strengthening coordination across departments we anticipate that this cross-function approach would significantly improve the efficiency and consistency of complaint resolution in fact the psc utility assistance recently noted an improved process the authority has also continued its meter replacement initiative during april 26 approximately a thousand meters replaced on st croix meter replacement efforts are continuing this week within the st thomas st john district with work currently concentrated on st john before transitioning to st thomas additionally the thought has escalated the processing of customer accounts with adjustments now being completed within approximately 30 days following review further the authorities actively sorting systems designed to reduce manual processes and enhance operational efficient efficiency these systems will improve our ability to one manage high volumes of customer complaints in a timely and consistent manner anticipate customer traffic and service demands collect and analyze operational data and identify trends impacting customer service performance The authority is also actively pursuing a new customer service training program for both management and frontline customer service personnel. These initiatives, together with the implementation of the AMI, will further strengthen the customer experience and continue reducing the number of complacency. Finally, I'm pleased to report that the number of estimated accounts continues to decline.

2:05:32 in april 24 approximately 27.7 seven percent of customer accounts were estimated as of april 26 that percentage has been reduced to 15.1 percent though not perfect it's reducing we anticipate that this downward trend will continue as authority advances the community replacement initiatives and operational improvements thank you again for the opportunity to present this response on behalf of the virgin ounce water and power authority although we have made meaningful strides in less than a year in addressing customer concerns every day we are working towards driving results as always we remain committed to working collaboratively with the commission and staff and our customers to improve service delivery and complaint resolution throughout the tour territory respectfully morning v francis i also want to take note of the efforts made by the psc utility assistance and the customer service team in resolving complaints again we had 177 cases noted as of yesterday and today we received word that additional accounts customer concerns will be resolved and closed by the psc and this is this is great kelly one second let's tell it sure um miss hendrix um do you want to comment on that letter is this what you're actually seeing or the improvements that were discussed are we feeling that are we getting less um complaints coming our way for people who aren't getting um their bills resolved with uh wafa we're still

receiving complaints on a daily basis but i want to speak to the the numbers that were quoted

2:07:22 historically the psc would record the numbers on a fiscal year basis which would be from october 1 until september of the following year this year we have changed that we're recording based on a calendar basis so from january and whatever is outstanding as of 2025 that would be the 170 something complaints that we receive that we're seeing so it's technically not a not a major deduction because we were reporting for a longer period of time that was presented before the um legislature in our budget hearing it's a shorter span of time and the numbers are still fairly high what we are noticing is a lot of the complaints that come to the psc should be addressed by the water and power authority but because 30 days have passed or more the complaints fall under the psc's jurisdiction we're talking about minor issues that can be resolved directly but by the water and power authority that we're seeing on a daily basis that's slowing down the complaint process not saying that all complaints are not important but there's some complaints that may need a little more time a little more investigation we have to actually adhere to those complaints that could have been resolved prior to coming to the pse and those are the ones that's making the process more overwhelming for our staff thank you okay good morning good morning commissioner lorraine kelly chief financial officer let's speak up a little bit more good morning thank you ryan kelly chief financial officer of water and power authority who oversees the customer service function and i would like to thank miss francis and her new team and she has three new managers reporting to her and all of which have been recruited and hired some uh one two of which were transfers from elsewhere within one room bring a tremendous amount of knowledge and experience and they have been working very diligently to ask for and inquire of um how we can better our processes um and miss francis has uh included in in the fy27 budget and uh we have preliminary approval of course we do not yet have board approval but we have preliminary approval from our executive director to be able to establish new systems some new technology that will require some it assistance to implement but those changes we believe will not only enhance the customer

2:10:10 experience but enhance the team's ability to to track and monitor and and i also do want to reference that um the team again led by miss francis is looking very greatly to enhance the reporting um i i myself have seen some of that reporting and um i i'm more than happy for the team to share that with you and we now have weekly updates of the data that we have and we are able to more quickly move towards an area that might be a problematic issue and i have noticed certainly in the last three four months that we've we've done that a little bit more nimbly than we had done before that enables us to address what might be one or two customers or maybe even a few more and to prevent it from becoming more um and i know that um certainly one of the things that miss francis is is conducting is uh every week there are meetings now with um i.t personnel with legal personnel operations personnel um might be included as needed and also communications so that there is a very broad scope the focus of that meeting is specifically customer service concerns and how we address them so we're bringing a very specific team approach that has been going ongoing for many many months um but i i just want to make sure to alert the permission to that um i do also want to mention um that as part of that reporting we are implementing more what i'd call key performance indicators okay before we go there can you identify these um problematic areas you were talking about you said it was three can you elaborate on that please yes one of the key areas is estimated billing another key area is the time that it takes us to do adjustments for

2:12:15 a customer account and then the third aspect is just to make sure that the accuracy and completeness of billing and those billing files when they when they're going out daily are accurate and reviewed and we have reporting processes to ensure that we can prevent a customer's bill going out if there might be errors or mistakes on it thank you and that is among many other uh aspects the team is identifying um i i would also like to to point out that um we are very open to um the the more frequent meeting with you so that we can i think we now are at bi-weekly meetings uh if we need to go back to more frequent what we were doing is weekly meetings so that we can address these items um we're open to that if that may not help the problem then then then that's fine but um please continue to give us your recommendations um i for one see the team uh bringing in new creative solutions technology solutions reporting solutions monitoring and tracking in a way that perhaps we didn't do and bringing more what i would call controls and methodologies surrounding that so that we can be better better serving our customers more frequently we aren't perfect and we do have some challenges in terms of being able to address all the customers needs but please know that we are open to whatever recommendations that you might like to make and the team and myself will oversee and make sure that we we address those issues very

2:14:01 fun thank you very much okay let's hear from um our commissioners um oh you have a question okay we're going to start with ramon um commissioner williams this time thank you good afternoon to everyone um thanks for the update um i'm always happy to see we're going in a positive direction i want to congratulate our staff as well for the work they're doing um my general question is we made took a I just want to verify that with our staff okay do you want to come forward thank you miss uh miss davis has a comment to make on that please thank you thank you miss davis um afternoon my name is fascia davis the utility staff assistant for the st thomas st john district um to verify all the customers except misspelled their webster they'd get their um refunds attorney screen and i are working on um looking over miss webster's

case so that we could have a meeting with walk off that was one of the kisses all right everybody else is closed and they got their refunds okay so we just have one if i must say she did receive a refund but i think there's

2:15:50 a discrepancy as to how much you should have received she received um i can't remember them she didn't receive a credit adjustment but the customer wanted to remain in check form so we just have to clarify the um so you guys already met with her we met with her and um us and and we agreed on like a final well we met someone with website on friday we're going to discuss that also she has another complaint with us on friday we're going to discuss all the complaints that she does okay cool thank you you're welcome stay right there just in case okay so um my question to the staff um i heard the report um can you summarize so i can see there's like a consistency in the type of complaints um the complaints been generally the same that we've been hearing for quite some time estimating issues um major issues estimated bills meter issues ultimately linking to possible estimating bills um just um billing discrepancies on uncertain unsure of what the bill amounts should be those types of complaints yeah so like miss i have to say my name again yeah sasha davis um like ms hendrick said prior um a lot of the complaints that we see before the psd we do not need to see it if wapa customer service and they are working on their customer service but if they would tackle the customers first then they wouldn't even need to come here

2:17:38 like adjustments that are um warranted to the account accounts from 2017. they don't don't get it so they come here and then when we put the complaint in the adjustment is given within two months so that makes the the the community things that they could just come here instead of going to WAPA when WAPA just needs to do the due diligence of doing the investigation and they wouldn't have to come here and we're going to have this influx are complete what's preventing you from doing that i think that's a prior um challenge we have but how can we fix it though i mean i understand it's a prior challenge you all are staffed right now so what are you doing so that this doesn't happen again we need to move past this so as i i mentioned we have uh the escalation process if a customer comes in with an adjustment once it's uh reviewed it's processed within 30 days if it's not processed that's actually happening now right people as a matter of fact some of them are being processed prior to the 30 days we had a customer um i think had come to the psc and her adjustments actually done before we even notified the customer of the adjustment so some of them are happening quicker than um before in the past that was the scenario that's before we had this unified structure so now the managers and myself will be every morning 9 30 not this morning but most mornings 9 30 so that we can discuss these issues that are escalated and we could disperse them to the appropriate team thank you are you seeing that are we still seeing people on a regular basis that are past the 30 days what's going on their process is fairly new so it has not impacted our on our end as yet we're still seeing similar complaints like for instance the most recent one a customer was waiting from 2017 customer was mentioned from 2021 was aware of the situation the account was noted but there was no 2017 what was the issue there why it takes so long so after the storms the customer will receive the bill although there was no

2:19:49 electricity so that she was promised that adjustment would be applied to the account that's the information that we got from the customer she's went into wapa and she said that her account is noted however there's no progress and her fare is who she's been working with if they decide to retire move on there's no way of her being able to get that adjustment if in fact the party's changed that's currently assisting her with the process that sounds like a cut and dry type thing why did it take so long we're talking about 2017. i'm not committed with the customer intimately but i know that after the hurricane right it was a long period that we didn't feel right so from like september some customers got bills in december so when customer sees the service period they're assuming that i understand your point but i'm talking about 2017 right we're in 2026 so so there's some questions i'm not i'm not i'm not familiar with that so what i'm saying is they would assume that they're they should get an adjustment because i didn't use the service doing the same time i'm just saying it didn't happen i mean it didn't that's 2017 is 2026 if i may have any other one second do we have any other issues like that oh yeah we have a customer um she's been waiting on adjustment since 2021 the adjustment was processed in 2025 however she was not satisfied with the amount that was processed okay after further investigation we realized that the late fees were not taken into consideration so that was the most recent finding but this is from how many how many customers we have like that um it's hard to say off the top but there are a few that fall into that category that's been waiting can we give them a list of all these customers that because that makes no sense to me well well the list is

2:21:38 present wapa's fully aware they have acknowledged that some adjustments need to be processed but we're just waiting on the adjustment to take place um special news as he told me stuff as of this morning mr hunt as well as miss francis got an updated list of saint thomas and saint john which i actually went home and break it down letting them know like a lot of the customers are just missing adjustments and whapa has told us that the adjustment is pending so why not process it so we can close the complaint can we get them this a list they are ready can we get these we i am not disagreeing but a lot of those adjustments are already are on the customer's account it's just for the public services and wapa to meet regarding those specific i went through the list the last week when we met um with the management team and i identified at least 15 customers that had already received their adjustments since 2025. i asked that information to share with the public

services commission so that we could discuss these cases right so those are from the old process the old process i am trying to focus on new and the improvements that we're making okay but i don't want to forget about no no we're not forgetting about them because we have the list and we're working through that list thank you Ms. Samms, if I can just add to the comments that Ms. Francis is making. Ms. We can't hear you. Ms. Commissioner Samms, if I could just supplement what Ms. Francis is saying.

2:23:25 There have been accounts that have been very delinquent not handled and not handled timely by one part. We recognize those. I don't want anyone including the Commission or the PSC staff or the general public to go away with the impression that we're not focused on that we are i do want you to know that um in the last six and 12 months we have had a very very specific effort of looking and searching for any old accounts that have not been addressed and making sure that we address them you have our commitment today that we will address those and we will address them as timely as we possibly can okay i have one more comment i'm going to give it back to raymond can we get a time can we get a time for those to be resolved i um i know with we will review them next week miss francis's team meets daily okay and what i would like to say maybe what we were on wednesday what day are we tuesday um by by monday we can provide a further response um some of the items might take a little bit longer to research and some of them might be quick to research what i would like to suggest and i know this is the manner in which miss francis works is that she takes the quicker items so that we can move those customers along and at the same time work on some of those customers that might require further research but we'll give you an update no later than by end of monday thank you i'm sorry let me go ahead How is your billing done? Is it still outsourced or are you reviewing it?

2:25:08 The billing is done internally, but there's an electronic file sent to our vendor to print the bills. Oh, to print? To print in Puerto Rico. Oh, okay. So can you explain that process? How does it start? The revenue starts from the meter reading. So the meter readers go out, they read. that information is transferred to the billing team the billing team then reviews those readings may send out a reading we check there's a discrepancy with the usage and then once they're through with that they run a report and then have an exception list thing are we supposed to review that to see if there's any anomalies in that in any account then they run a clean edit and then after that they run the final version of the billing and it's sent to our IT department so that it could be transferred over to the vendor. And all the vendor does is print the actual bill and mail it out one hour and half. I think it's important to have that on record because I think the general thought process is that your billing is done in Puerto Rico. That is not a correct statement. I'm saying I think it was important to have that on the website. Thank you. Do you have any more questions? No I'm good thank you. Okay thank you very much. Commissioner Hughes do you have any questions?

2:26:44 Yeah just first of all a comment was made about this process of of estimation not being clear i thought the law was really clear on this i'm not sure i agree with it i think i'm closer to wapa's position than the legislature's position about how long the utility for whatever reason can estimate a bill and still collect on it why is that not clear um miss kelly if i could speak if i could speak to that commissioner hughes um sure Sure. I mean, from our perspective, why is that not clear?

2:27:21 I don't understand. The clarity is on the Public Services Commission side. When they're reviewing these customer concerns, they want to verify that the estimate that we provided is accurate, right? So the mathematical formula used, I guess, is not clear to the staff. so those those complaints are held um we had a meeting in reference to what's the methodology that we use and i've committed anytime you know they're willing you meet regularly we could discuss it again so that also holds up complaints from being resolved okay so excuse me i have to say something concerning her comment then we're going to jump back to you commissioner so commissioner hughes regarding the clarity customers are being estimated outside the 30-day period we've seen as far back as two years one year six month it varies from account to account and an adjustment is then warranted because wafa has estimated the customer outside of the required estimated period when we do get the adjustment there's no breakdown as to what the calculation or how the calculation is derived or when we do get the um calculation it's hard to understand how the calculation was derived a customer should not have to pull out their calculus or algebra skills to be able to understand what's being built to them and that's the challenge that the psc is having so i think the problem is is that the psc is is actually willing to engage in that calculation the law is very clear about

2:29:11 how many months in arrears a customer may be legitimately billed and anything that occurs prior to that point is simply a write-off by the utility we should have to do nothing more than than first of all clarify how long the estimate has occurred and the utility is entitled to bill under a certain i guess uh justification using current amounts how far back they can go and we seem to be willing to get into this food fight with the utility about how far back they can go when in fact that period is fixed by law so so many of these estimated discussions should be simply applying the law by the psc and and these my comments are actually to staff not to not to the utility because a comment was made it was the final comment to your report miss hendricks that you you don't wish the psc to be the avenue of last resort when in fact that is exactly by

law what we are we we are set up to be the avenue of last resort for customers i wish we never had a wapa complaint come in front of us i wish the utility resolved them all with its own customer base, and that would be the perfect situation here. When a complaint comes to us, my understanding was the first question you ask is, have you raised this complaint with the utility? And if you haven't, come back to us when you have in a certain period of time has passed. That's a process. It's a process point. We don't even take up a customer's complaint if they haven't first made it to the utility, and the utility has had an appropriate amount of time to address it.

2:30:52 It is only when the customer has not been adequately addressed by the utility or addressed in a reasonable amount of time that we are willing to take up that complaint. That is the first step in our process. I don't get the impression we're actually utilizing that as a point of process. The next point of process is, are we applying the law? Because you and I both know going back 10 or 15 years that we used to have a a statutory position as more of a consumer advocate where we would we would take the complainant um and understand their complaint and then we would go and try and resolve it by by a cooperative negotiation with the utility and and that's kind of how it was until about two or three years ago two or three years ago our position changed legally we we were given authority to resolve the complaints not simply to make the customers complain and hope that utility agreed with us we are in effect administrative law judges in this matter now which means the consumer makes a complaint wapa answers the complaint and we make a decision so many of the comments of the report seem to be asking the commission to clarify the process that an administrative law judge would set for the complainants, for the respondents, which is how long you have to respond to it, when is evidence to be presented to me as the administrative law judge. We delegated all this authority to staff, and staff seems not to be willing to exercise it. Put a process in front of WAPA. Put a process in front of the commission, will approve it and then put the process in front of WAPA, which is you have X number of days to respond. The customer has X number of days to respond, and then we will make a decision and

2:32:47 WAPA will implement it. We can get to what happens if WAPA doesn't administer our orders, but I don't get the impression that that's been a big problem. You're asking us for a process that is your job to create. This is no longer a cooperative discussion with the utility. By the time it gets to us, you are the judge and jury, and you're supposed to be making orders to resolve these complaints according to the law. So many of these complaints seem to be dealing with this area of estimation where the law is very clear. I don't even know why we take up a conversation about this. If they've been estimated for more than a certain amount of time, you make a decision. You don't even need to know why. You don't need to know that the meter's broken or that they didn't get a meter reader out the law says x number of days the utility can back bill that's it it doesn't really matter why and and it's back bill from the present point so i i don't these are not comments to the utility they have their own process to resolve their customer complaints i hope they make the progress that miss francis is suggesting that they're making and that's great i hope we never get another customer complaint at the psc but when it comes to the psc staff needs to have a process and they need to actually execute their authority. I'm not seeing that happen.

2:34:02 If they were, then we would be resolving complaints more quickly. Those are my comments to staff. Come to the commission. Instead of asking us what the process would be, you should come to the commission and say, this is the process that we are, in effect, going to execute as the administrative law judge. And then, commissioners, you will issue orders, hopefully, to support that process. You're not doing that. You're you're telling us that the process doesn't exist. It's your job to create the process. That's my comments to this report by staff. Create a process and make a recommendation to the commissioner.

2:34:40 Thank you for your comments. There is a process in place. It's the customer service rules and regulations. The PSE is unable to accept a complaint filed by any rate payer without them going to the utility first they first have to give the the service provider 30 days before we can engage with the customer if we take a customer complaint and submit it to wapa and wapa has not seen that complaint they will definitely bring that to our attention and let us know that they have not seen this complaint first so there is a process in place we are following the process where the challenge is is that when an adjustment is supposed to be applied it's not being applied what else is the psc supposed to do at that point we wapa has acknowledged that they have estimated the customer outside of the scope that they're supposed to it's exact it's acknowledged the adjustments are pending the psc has submitted all of the information we've conducted the investigation we're now at that point as to what is next how do we get wapa to apply these um adjustments to the customer's account within the um based on the rules and regulations and the time frames outlined in the rules and regulations there is a process that the psd is following question one second commissioner hughes one second commissioner other than word of mouth how how how do you verify that they actually have filed a complaint with wapa does wapa give them something in writing that complaint has been filed they just started to give um the customers dispute forms so the customers come to us with the dispute forms in some cases the dispute forms are 30 days or 45 days and they haven't heard they just have this dispute form that they turn in um and they haven't heard back from wapa but this is just recently that they started the

customer service representatives of cashes they started giving the customers printout dispute forms and they don't explain it or not so the customers come back to the psc with the empty dispute forms asking if we could help them

2:36:58 fill it out then we send them back to wapa i get to give them the third customer complaint officers that takes complaints only every service rep takes a complaint and i also want to clarify we have received complaints from the pfc from deceased customers and from people who are not authorized on customer accounts that also creates a further backlog in terms of investigating i mean i would prefer i really would prefer that we have in february when we first met i asked that we have additional meetings like the one we had in february so that we could discuss some of these issues and moves in march 26 we received the letter indicating some challenges the pfc was happening with wapa right and then on the 27th for a second i just want commissioner he needs to finish i'm sorry no no we're going in another direction i just want to stay so what we were discussing go ahead so so what we were drilling down on was that that may be part of the problem is this implementation of adjustments and i guess the first point i would make is that if the PSC is involved in this conversation and an adjustment is made, it's an order of the PSC at this point. It's an order to the utility to make an adjustment because we've gone through the process. There apparently is a number that has been resolved and that becomes an order of the Public Services Commission to make the adjustment. Look, I don't know why the utility can't make that adjustment in a matter of days, but if that's a problem, then staff needs to, I guess, publish to the commissioners, All of the orders that are not being implemented, because that's an order of the PSC at that point. And if that's a problem, that's a different kind of problem. I was focused on getting to that point, which is that the commission has gone through a quick process of entertaining an argument and making a decision.

2:39:02 It sounds like we're doing that, although I'm not familiar with the timeframes that you guys are imposing upon the utility, but presumably you have limits of response as an administrative law judge would that gets through a process in a reasonable amount of time, causes both respondents to put their case on the table so that you can make a decision at the staff level. If that's not the problem, and this is a problem of just implementation of the order, that's a different problem. Which is it? Are we not getting through the discussion, or are we getting through the discussion and the utility is simply not implementing the order? in terms of the um adjustments the the psc rarely um calculates the adjustments we rely on the water and power authority to give us the adjustment amounts um once that adjustment amount is received then we then continue the investigation to verify if in fact that's within the ballpark if it's in agreeance to what the customer's initial concern was so um what i'm hearing from you uh um commissioner hughes is that we may need to tweak the process and what we're doing and just be more assertive in demanding specifically what the final outcome should be and that's just the long and short i would just like staff to appreciate that they are functioning as a judge here the a claim is being made against the utility a dollar amount playing presumably by by a customer the utility is responding with its argument at that point unless further discussion is necessary it is your job as

2:40:52 the judge to make a determination okay and and hopefully as quickly as possible that is the position of the psc at this point we are no longer just facilitating a discussion we are taking both arguments in hand and we are making a determination based on on the evidence that's been presented before us. Now, we delegated that authority to staff, the commission has. And I think the presumption is, is that you will come back each month with a list of orders, and we'll approve them almost on a consent agenda basis. I'm not certain that's what you guys are doing at the staff level, that that's how you're functioning. But I wish you would, because it would make this so much clearer and easier for customers. And it would give the, frankly, would give the utility guidance as to what the expectations are for them in order to keep these things out of our court which would be great so i just now are they implementing your order is the second question you you talk about adjustments that are not being made that is a violation of our orders because if that complaint was before us then the resolution of it was an order is the utility not implementing the adjustments the ones that have been ordered by the commission miss tom davis spoke to those there's still one that's currently being negotiated but the others have been applied okay so it's not like 80 or 90 that they're they're just okay fine so that wouldn't appear to be a problem where we need to talk about punitive action necessarily on the on the utility giving them daily fines or something like that it doesn't seem like we've gotten to that point where they're ignoring the psc i would just i would just encourage staff to come up with firmer rules and guidelines and timetables that everyone in front of your court knows they have to abide by because when those

2:42:46 arguments are made if they're not made then that party loses i mean if wapa doesn't show up to an argument wapa loses it doesn't matter if they would have been right or not if they don't make their argument in the time frame to to answer the claim of the customer you let the 30 days or whatever it is go by and at that point you don't go back to wapa and ask for more information you just say you failed to respond you lose that that's how a court of law would work in its simplest form an administrative law judge just says okay i've only got one argument in front of me and therefore it is by law the correct argument that would be the customer side and that's how you get get the utility to come to the table and make their own argument so that you can act in your function. I'm not seeing us do that, and I wish we would, because we are,

in fact, the avenue of last resort for people legally, and that is just where we are. I mean, they can appeal these orders to a court, but they're probably not going to do that on every single little order, and then that becomes the court's problems, not the PSCs. I'm just seeing a lack of firm process to guide the utility. And in that sense, I don't know why you're looking to the commission to give you that process. You tell us what the process is. You tell the utility what the process is. We'll probably accept it. I don't know what you're asking the commissioners to do here. You guys are the judges here. We delegated the authority to you. Create a process and run it. Thank you, Commissioner Hughes. I think are you clear okay um yes commissioner mcgras um you indicated earlier that um you have installed over a thousand new meters have you hired new uh meter readers for these for these meters yes on st croix we've hired a few meter readers and i'm saying on st croix and st thomas we hire new meter readers and we used to install the meters it's a different department

2:44:54 media services so we have employees there as well are these are these meters going to be replaced with the new ami system eventually yes eventually yes they will be uh replaced so that we can have the same efficiency across the territory with our new any of these new meters being estimated i would presume yes that there would be accounts that are estimated but not necessarily because um we don't want to get to the meter for instance if we're reading that area under there there's a power out but it's a dog not that we're not actively trying to read the meter there are instances where you know things happen you can't get to the meter see this is my this is my this is my problem with this estimation this estimation has gone on for years for some customers and it's it's uncalled for my i i would like to see us take a position that estimation can have one from one of three months without a real me a real meter reading taking place every three months you cannot go past three months without doing a real media reading i would love that too i would love that too because it would avoid some of the complaints we have with the true up you know it would um give our customers more um faith in the readings that we we deliver and i'm sure it's coming with the new ami that we'll be talking about next i think i find it hard to believe that estimated readings have gone down you claim that your number of estimated readings have gone down and yet every complaint that i hear on the street is about estimated readings

2:46:42 it doesn't seem possible how many me how many meters are you actually um not able to do major readings i don't have that data with me okay i don't have that because you said i tell you one of the problems i've experienced with me there's a lot of people who come here and live here for three months before we come back and you continue to estimate why are they gone and so they're paying a higher rate and it's never it's never they never do a reading to bring it back to what it should be so they continue paying this high rate for this long period of time they're not going to get a refund you know that right it hurts us more times than not it hurts them more than it hurts you no they get the credit they get the credit the adjustment who wants a credit i want my money back lots of people if you can't continue to take people's money without them getting a service if you're estimating and they're not there you're taking their money and not giving them a service i'd like to let's see how he goes i'd like to raise two points and first i know that i can't i can't hear you i'd like to raise two points miss francis um under the time frame that she has been the new director has established what i will call a cyclical um changing of if a customer has been estimated last month to focus efforts to make sure that for those smaller amounts of customers that we do do a meetery we may not get to all of those customers that put that it has been a prioritization for her i know that because i've been in meetings where she's uh you know required that approach

2:48:38 you know somebody is going to sue up for taking their money illegally because you're taking their money and not providing a service that is illegal the second thing that i do want to say is in instances where we have customer amounts that have been paid for a bill and the payment was made we do give either a credit or if there is a significant amount outstanding if there's a negative on the account we do give refunds and one of the things that the refund process does not report through miss francis it reports through one of my other departments but miss francis and that other department have been frequently um meeting and we have in the last year and a half we've made sure to make uh payments for refunds each and every week look at all of your customers who have been on this estimated billing for long periods and somebody has to send a meter reader out there to read them and bring them up today at least every three months at least every three i agree with you and that's why we made the changes that i've just described you know people cannot be repaying for a whole year and they're not there yes madam chair can i be recognized hi how are you can you raise your right hand to be sworn in please thank you tonight can you swear in do you solemnly swear to tell the truth the whole truth and nothing but the truth so help you god i will certainly do go ahead good afternoon uh carl knight ceo virginia's water and power authority not not withstanding i understand the frustration of the commission i understand

2:50:27 both the commissioners and this and the staff um i just want to provide some context especially in light of um commissioner mcgras's frustration as well um we are not operating we are trying our best to manage a less than ideal situation without metering infrastructure when i came into the company about a year and nine months ago now there were over 10 000 meters that were not functioning we recognize after roman maria that fema declared that we should replace our power generation equipment that was damaged during the storm we recognize that fema said we should replace our tnd infrastructure that was damaged after the storms this commission recognizes that fema acknowledged that we should

replace our water infrastructure that they deemed to have been impacted by the storms but it's also important that we recognize that fema is also deemed that there was a catastrophic damage done to our meter infrastructure there were thousands of meters that that were failed. There have been at least two reports presented on the cause of that failure. Water intrusion, humidity, and whatnot has been pointed as a point of failure. And we have been trying to recover from that. So when we talk about estimated bills, and especially those that have been estimated for quite some time, the real challenge that the authority has encountered is some of these meters have not worked for quite some time.

2:52:12 We have done our level best to replace them by the thousands. In that year and nine months that I've been in charge, I've replaced thousands. I think we're up to over 6,000 meters that we've replaced. We are between, we're in a delicate balancing act now between this AMI project that we're going to discuss shortly, which is going to replace all of those meters with brand new state-of-the-art meters can be read remotely don't require access to to your home or you can keep your dog out if you want um you know we're getting to that point uh but at the same time we're we as we try to get a good beat on when we can really make a dent through the new ami how do we deal and make our customers whole in the meantime right so there's this gap that we found ourselves in where how much investment does the authority make from its operating budget to purchase new meters to install so i have something readable i don't have to estimate versus when can i actually get this fema funded project going to replace everything wholesale and get us away from that i just wanted to punctuate and say we'll continue to be overwhelmed your staff my staff will continue to be overwhelmed by the complaints and we'll do our best to process through them as quickly as we can and do right by our customers until we really get this ami solution in place and then a lot of this conversation goes away uh proactively once we get that in place but but um retroactively now we we do have this issue that we're trying our best to clean up within our limited resources and it's it's not a function of whopper's reluctance or hesitancy to to do right by our customers we are overwhelmed by a catastrophic failure of our media infrastructure that we're trying to to remedy and i just want to throw that context in there this is not normal operating conditions where we're just being blatantly um ignoring our customer complaints um or having a

2:54:11 callous regard for for these issues this is not normal operating conditions we're operating under this is a recovery from a catastrophic failure of a meter in infrastructure and i just want to put that perspective in in the conversation thank you very much madam chair director thank you director knight um uh mcgrash you have no comments okay so that brings it to me i just have a couple of things i think we're pretty much on the same page with other items discussed there was something that um i haven't seen at the regular meeting the public service commission regular meeting on november 4th 2025. um but i'm just for now not if it wasn't that one it was that one but it was a couple of meetings back we had talked about the customer bill of rights being put on your website has that been done because i haven't seen it okay and we're talking like and we were told that you were getting updates on your website um that month so that it would be on there it's not on there and then you also talked about um including that in the customer's bills and i looked at my recent bill and i didn't see anything like that i need to know what's going to be done with that and we need to definitely get a time when it's actually going to be done is that something that um you all said was supposed to be done right i'm trying to find the date of that meeting i think it was the same um day we talked about the estimated bills we have had internal discussions about all of those issues um i have to rely on the supporting department it was november 4th right right okay you talked about um it's not on the website we did put language under dispute form and that was added to the

2:56:10 website and it's not the bill of rights though it's not the customer bill of rights right the home specifically what we discussed right and it's that's not on the website and i do realize that you said that but it's not on the website we'll circle back with that dealing with our communications give us a timeline when you expect that to appear on the website um can i get back to you like next week because i have give us a date next week that you're going to get back to our staff to let them know we meet on thursdays so i'll get back on friday um give me a date what date is friday anybody tell me 15 15 friday the 15th of may we're still in may okay 15th of may you're gonna um send the correspondence to our staff to let us know about when you're gonna get the customer bill of rights listed on the website and also you're going to provide information as to when you're going to be including it in billing because we discussed that with the billing you had to go through your contractor you use to do the bills that go out and add that or it can even be just a link or a website or a link to that part on the website on the bill just something that has like the customer bill of rights can be read at this however you say it you get the point right we have we have discussed it several times i just have to and i think in english and spanish too was that what we talked i can't remember but i don't know is your bill in english and do you have no it's just english okay then don't listen what i just said

2:57:58 okay but this is the most of which okay thank you very much um does anybody else have any other comments concerning this matter we're done with that okay thank you thank you all very much i appreciate it um let's see where we where are we next we have the report from wapa on ami contract and implementation um commission questions okay so this is exciting looking forward to this thank you and can you state your name and please raise your right hand and be sworn in

and please speak up because we can't hear do you solemnly swear to tell the truth the whole truth and nothing about the truth so help you back yes all right good morning sorry good afternoon um Jesus amazing chief information officer for I'm here to give an update on the implementation of the AMI, the new AMI system.

2:59:03 Last time I was here, I had a meter, and I was asked if that was a new meter. It was not, but I do have a new meter for us today. This is actually one of the production meters that is from ITRON that we have been using for testing. So I'll go through a quick rundown of where we are currently with the project. Okay, so the project is working on into three separate work streams. You have our system integration and testing, which is basically getting all the systems that we're putting in talking to each other. So we have our customer information system that has to talk to the new metering system, to the installation for the work orders, changing meters and those things. So in that work stream, we have unit testing, which is testing each individual component. Then we have the system integration testing, which is now getting the systems talking to each other. So the ITRON system is called UIQ, talking to RCIS, talking to...

3:00:06 And you need to tell us what that means because you're not just talking to us. Oh, apologies. We don't know what you're talking about. So iTron's head-in system where all the network communication and all the meter readers, the meter readings are aggregated. It's called utility IQ, so UIQ. That's their system that will talk to one of our systems, which is our meter database, our media data management system, which also then talks to our customer information system. So it's basically, we're going to get the meter reads from the field through the iTron system, which will then talk to our database and then talk to argument um there's also a component for the installations to manage work orders for every meter that is replaced there will be pictures there will be voltage and a lot of data you know as met as left those things um so this is um you know one of the the critical as i said the integration is right now we're about at 53 of the project on the integration work stream um we are actually testing right now the billing process which is uh module 9 out of 14 in the billing um this is actually the most complicated um process um for that and we as i said we're about 57 percent done the entire testing of the um integration um so after we've finished with the the testing portion um we'll go into user acceptance test where we will basically run the system in test as a full function so our use our end users from everyone from the meter reading to billing to it will go and do a full start all the way install a meter in the field make sure it gets correctly applied go through get reads create a bill from start to finish for a couple billing cycles in the test environment once that's done then we will decide

3:02:07 okay are we ready to go live great okay so this is just it's not like you aren't using any real meters with any real customers for this testing it's just all okay no no right we have real meters that are sitting in um a test form um where we use to get the data in um we also have simulated data that's used on the quality notes and data that's used for testing um you know months of data it creates months of data to um so that we can use for the testing process um so once that's done um and we go live we we go through the entire process of user acceptance testing make sure it's functioning how we expect it to function make sure the billing is functioning how it's supposed to function we're going to double check triple check multiple check everything um then we will um go live um go live right now is scheduled for uh august 31st um that will be where we take the system from the test environment and move it to the production environment once the production environment is up and running we will then start to deploy the meters before we deploy the meters though we have to go through the network deployment of the process of the project um we the network itself will be built out before we start installing meters so as we install the meters they come online they go through their commissioning and get straight to the into the billing system so we can use them um you know within a couple of days once it's installed um on the network side um we're putting about about 150 devices um across the territory to help to collect the reads um they are going on composite pools in most areas um there are a few in st john that has um national park that we can't put from possible so those would go on

3:03:58 existing poles um yeah so we can't just can't put the poles at this point um so to not delay the project we decided to go on the existing pole to um to continue the project um so we have visited all every single site we have done done surveys on every single one of the sites we've done RF signals we've done propagation studies and the field the enhanced field network design has been completed um and that's what was used to um do the final design over the composite poles and materials that have been needed um the composite poles are on island sitting um waiting to be installed um hardware for them are on island as well um the network equipment itself the actual collectors are shipping on the 22nd of this month um so hopefully by next month sometime we should actually have them on island um as you know the shipping um is uh has been a little issue for us or a few things lately um the one thing that um i will put um the linchpin for this um we do need fema ehb before we can start installing the polls yeah my ehb the environmental historic preservation approval um that we do not have yet um it is under review with them but that is a very critical point um we cannot start installing the poles until we get that um the issue with that is if we don't get that very shortly it's going to start to push back the meter installed because the poles have to be up collectors have to be up before we can install the meters um so that is completely out of our control um but that is um the a flag on the project that we you know we're monitoring and

we're trying to push through to get the meter the dhp so we can install the network um once the network is done and um we are starting

3:05:51 in st john um we will so before let's go back a little bit um all the meters for st thomas st john and st croix are on island um they are in warehouses sitting on st thomas and st croix um every meter for the project is here um we have also done a change order to the project to do a concurrent install in st croix and st thomas um if you remember last time we had met we had we had it was going to be st john then st thomas and st croix um we will still do st john first do our testing after the testing we've validated everything is working we've done the performance testing we will actually then do two crews doing St. Towns and St. Croix at the same time which cuts about six months off the install time yeah okay so um back to the deploy uh so St. John right now let's get still scheduled for September 2026 um we'll do a that's going to take about a month um after that month we'll stop for a month with the installs the network design the network install will continue but the meters will stop while we do performance testing validate everything is working as it should go through an entire billing cycle on the live system the new system the new data make sure everything is working once that's verified and completed we will then start st thomas and same road um and do both of the same thank you so much all right um i'd like to hear comments from our um commissioners commissioner mcgrath yeah my only question is um is everything going to go live at one time or are they going to be implemented no it's been so the system itself the all the the four systems that we're integrating each together when we go live that's done that's 100 because that's what we're testing that's what we're integrating okay what that's done when we go like that's functioning that's been tested that's done as the meters go online it's

3:07:53 going to be as a pathetic so as you deploy them they become they go through their commissioning process um they have to talk connect to the network they have to go through the security authentication make sure that you know they're they're communicating properly and then they'll going to a active status yeah commissioner williams oh i'm just happy to hear the progress is being made thanks commissioner hughes no comment no thank you mr obane i always appreciate your uh your very detailed presentations to us okay i do have a few questions just some okay so when you all install the meters on st john um once you get them installed um how long does that take just to get in st john okay so you install them but as you install them the systems are going to be operating right they're going to be coming as they install they start day one it's going to take uh some will come online within a couple hours some will take a two days you know there may be some troubleshooting has to be happening but within i would say a couple days it will be online and be awesome so you said that after they're installed like after all of them install 30 days you're going to wait for 30 days to run through a whole cycle cycle so it's like 60 days actually before you move on to st thomas and st corp concurrently correct okay cool yeah so that um yeah we thought it was prudent to make sure we do some some really real not only um testing of the building but also performance testing on a system make sure that the system is functioning as we expect it to so the one thing that um the amount of data that's coming in from the meters is quite a bit so we want to make sure that it is actually functioning the systems are performing as they should um you know we are doing um 15 minute reads um interval reads on every residential we're doing five minutes on commercial so yes it's a lot okay so now that is a lot yeah so we just want to make sure that you know the systems are working the network is working

3:10:14 everything is balanced everything is performing as it should so a second question composite polls don't they already have them pretty much in st john um not in all the areas some of the areas i feel like the national park now no but outside outside yes so those where we can install we will be installing okay john one thing we are doing um we're not unless it was um not possible to we're actually installing the collectors on a separate pool that's that way it's hardened that's going to be the only thing on that pool other than the power connection that way um you know it's less likely for something to happen to it there are some instances where we have to go in existence once just so you would have two poles right next to each other or default distance and stuff like that but where where we can we are putting a separate pool to harden the system as much as we could cool um another question with the fema eph that will ehp i'm sorry i got that you're waiting for it sound to me like you're a bit delayed in that process the shutdown how much delayed are you all in that process honestly i would have hoped to have it already um when were you expecting it i should say before the shutdown oh yes it has not delayed us yet um if we can get it before it within the next two weeks two three weeks will be okay what's the likelihood of that they are actively reviewing it okay so okay so that that could delay the whole process yes that that's that would be the big issue if we don't okay and i think that's all i have thank you so much all right thank you go ahead you can be excused thank you thank you okay so the next thing that we have on the agenda is um yeah docket 702 waffle leveled energy adjustment clause um who speaks on that um attorney spring do you have any comments about that excuse me let me take a look at my agenda i closed it because i had to reboot my adobe oh okay

3:12:42 And the two items there, no, those are actually both items that are to WAPA for our staff report on the process. So WAPA would like to speak on this topic. Anybody?

3:13:09 Thank you. Good afternoon. This is Lorraine Kelly, Chief Financial Officer. The Advice Energy Adjustment Cause, item one, fuel contracts. I'm having an update on fuel contracts. A status report? Yes, ma'am. okay raise your right hand and be sworn in please thank you do you swear to tell these do you solemnly swear to tell the truth the whole truth and nothing what the truth is so help me that i do thank you all right we're ready thank you i apologize deon sinclair general counsel at um the water and power authority uh yesterday i believe or or maybe the day before i provided uh a copy of the completed contract with carib lpg um llc so that should be before the commissioners currently um that is the finalized agreement um that is went into effect at the close of march so since that time the lpg has been supplied uh through carib and will continue for approximately a two-year period i don't know if everybody's had a chance to review the document if there are any okay sorry so so everything's signed yes okay the document was complete i think the last signature

3:15:00 was um executed on the 30th awesome okay so um commissioner mcgrath you have any comments no questions commissioner hughes do you have any questions or comments no just my congratulations to the utility for completing this process with a with a solid vendor great that's it i don't have any questions or comments so with that being said um we are adjourning this meeting oh wait i'm sorry we're not adjourning the meeting go ahead i'll ask my question off the floor okay we're adjourning this meeting thank you very much when we talked last week

People named in this transcript

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- 8x **Commissioner David Hughes**
heard in this transcript as: Hughes
- 6x **Commissioner Clement McGrath**
heard in this transcript as: McGrath
- 5x **Commissioner Raymond Williams**
the surname alone also matches: Pedro Williams
heard in this transcript as: Williams
- 3x **Commissioner Lara Nicholson**
heard in this transcript as: Laura Nicholson
- 2x **Commissioner Laura Nichols-Sams**