

GOVERNMENT OF THE VIRGIN ISLANDS
OF THE
UNITED STATES

Public Services Commission

IN THE MATTER OF THE VIRGIN ISLANDS)	
WATER AND POWER AUTHORITY)	Docket No. 533
PETITION FOR EMERGENCY WATER RATE)	WATER SYSTEM
INCREASE)	Order No. 03/2004
)	
)	

ORDER

WHEREAS, this Docket was commenced in August 2001, in compliance with the Legislature's mandate that the Virgin Islands Public Services Commission ("PSC" or "Commission") conduct biennial rate investigations of the regulated utilities. Section 20, Title 30 of the Virgin Islands Code; and

WHEREAS, following the completion of the Electric System rate investigation and approval of the increases, the Commission directed staff and the Hearing Examiner to proceed with the Water System Rate Investigation; and

WHEREAS, the Authority reported to the Commission that WAPA would not be ready to seek increased rates or identify new capital projects until at least December 2003, and requested that the Commission delay any further proceedings in this Docket concerning Water System rates; and

WHEREAS, on September 11, 2003, the Authority filed its Petition for Emergency Water System Rate Increase, seeking an additional \$3,400,000 in water rates within fiscal year 2004; and

WHEREAS, following an expedited investigation by and hearing before the appointed hearing examiner, and the taking of further testimony at its meeting on November 13, 2003, the Commission denied the Authority's request for an emergency increase;

WHEREAS, the Authority filed a Petition for Reconsideration on or about December 1, 2003;

NOW THEREFORE, the Commission hereby orders:

1. Petition for Reconsideration is granted; and
2. The appointed Hearing Examiner shall report to the Commission as soon as practicable any new information or changed circumstances which may justify a temporary increase in rates prior to the completion of the scheduled rate investigation in this docket; and
3. The Commission affirms its prior order that the on-going rate investigation in this docket of WAPA's water rates is to proceed, with the Hearing Examiner's final report and recommendation as to any changes in rates to the Commission by April 2004. Any additional tariffs sought by the Authority to be imposed or collected during Fiscal Year 2004 shall be filed in this proceeding in accordance with the schedule set forth by the Hearing Examiner.

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Public Services Commission
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Authority's Petition for Emergency Water Rate Increase
Docket 533

The existing rates shall remain in effect until the conclusion of the rate investigation in
April 2004, unless otherwise ordered by the Commission.

Dated: December *24*, 2003



VALENCIO JACKSON
Chairman