The United States Virgin Islands is an unincorporated U.S. territory and has yet to adopt a constitution. The most recent constitution proposed was in May 2009 at the Fifth Constitutional Convention.

The Virgin Islands Public Services Commission (PSC) is established under Title 3, § 237 of the Virgin Islands Code (V.I.C.) and oversees rates for regulated utilities, which includes water, wastewater, electric, cable, communications and transportation. For water and wastewater, PSC only regulates the Virgin Islands Water and Power Authority (WAPA) and the Virgin Islands Waste Management Authority; however, the PSC’s authority for the Waste Management Authority rate setting is limited.

The Virgin Islands Water and Power Authority make up the largest utility in the territory. It serves about 99% of the U.S. Virgin Islands population. The remaining population is served by independent community water supply utilities, which most often serve condominums, hotels, or apartments.

Virgin Islands Water and Power Authority

Under Title 30, §1 of the V.I.C., WAPA is under the jurisdiction of PSC, who is only authorized to fix rates and not provide “general oversight.” Additionally, Title 30, § 2 of the V.I.C. states that “the charge made by any such public utility for any facility or services furnished, or rendered, or to be furnished, or rendered, shall be reasonable, just and nondiscriminatory.” The statute further states “every unjust or unreasonable or discriminatory charge for such facility or service is prohibited and is hereby declared unlawful.” There is not a specific statute in Title 30 of the V.I.C. that addresses low-income assistance programs funded by rate revenue as applied to WAPA. The only section of the statutes that does reference a rate reduction is Title 30, § 15(a)-(c). However, it only applies to transportation services. Specifically, Title 30 § 15(a) of the V.I.C. allows the PSC to approve “rates or schedules [that] include provisions granting reductions in rates of at least twenty-


Estimated Long-Term Water and Wastewater Infrastructure Needs: $0.2 billion
five percent (25%) for all residents of the United States Virgin Islands who are sixty (60) years of age or older…”

Considering the language used in Title 30, § 2 of the V.I.C., it is uncertain if WAPA is able to apply a rate reduction for water and wastewater services, similar to the reduction for transportation services, or to implement a customer assistance program using rate-revenue. Nonetheless, approval from the PSC would be necessary before WAPA could implement any such customer assistance program using rate-revenue.