

ACT NO. 9091

BILL NO. 36-0292

THIRTY-SIXTH LEGISLATURE OF THE VIRGIN ISLANDS

Regular Session

2026

An act appropriating \$2,100,000 to the Virgin Islands Water and Power Authority for the repair or replacement of the submarine electrical transmission cables that provide electricity to St. John and for other related purposes

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Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. The Legislature of the Virgin Islands finds that:

(1) the island of St. John is not served by an independent electrical generation facility and relies primarily on electrical transmission infrastructure originating from St. Thomas and operated by the Virgin Islands Water and Power Authority (“the Authority”), pursuant to its statutory mandate to provide public utility services;

(2) electrical service to St. John is transmitted through submarine electrical transmission cables extending between Red Hook, St. Thomas and Cruz Bay, St. John, which form a critical component of the territory’s public utility infrastructure;

(3) the Authority has identified, as documented in reports submitted to the Public Services Commission, that three of the four existing submarine electrical transmission cables serving St. John are currently not operational, thereby reducing system redundancy and increasing the risk of service interruption;

(4) according to operational assessments and system reliability standards applicable to electric utilities, including findings reflected in reports submitted by the Virgin Islands Water and Power Authority to the Public Services Commission, the loss of redundancy in transmission infrastructure increases the likelihood of prolonged power outages;

(5) historical service interruptions and infrastructure vulnerabilities within the territory’s electrical grid, including those caused by equipment failure and natural events, have

demonstrated the adverse impact of inadequate redundancy on public safety, healthcare delivery, emergency response, and economic activity;

(6) the restoration and full operational capability of the second submarine electrical transmission cable is necessary to ensure compliance with prudent utility practice, improve system reliability, and reduce the risk of island-wide outages affecting residents and businesses on St. John;

(7) the Legislature, under its authority over public expenditures and infrastructure investment, including appropriations for public utilities and capital improvements, finds that immediate action is necessary to fund the repair, rehabilitation, or replacement of the non-operational submarine transmission cable; and

(8) it is therefore in the public interest to appropriate funds to the Virgin Islands Water and Power Authority for the purpose of restoring redundancy and ensuring the reliable transmission of electrical power to the island of St. John.

SECTION 2. (a) The sum of \$2,100,000 is appropriated from the Budget Stabilization Fund established under title 33 Virgin Islands Code, section 3100m to the Virgin Islands Water and Power Authority in the fiscal year ending September 30, 2026, for repairing, rehabilitating, or, if necessary, the replacement, testing and commissioning of the submarine electrical transmission cables between east end St. Thomas and Cruz Bay, St. John. The funds must be used exclusively for:

- (1) diagnostic assessment of the existing cable;
- (2) repair or full replacement of damaged cable segments;
- (3) marine operations and specialized equipment required for underwater work;
- (4) environmental compliance and permitting;
- (5) testing, energization, and integration into the existing grid; and
- (6) any necessary upgrades to ensure long-term reliability.

(b) Not later than 30 days after the enactment date of this act, the Authority shall submit a detailed project plan to the President of the Legislature of the Virgin Islands, to include:

- (1) scope of work
- (2) timeline for completion of the project;
- (3) procurement methods; and

- (4) itemized costs.

Thereafter, the Authority shall submit monthly progress reports to the President of the Legislature until completion of the project.

(c) The Authority shall complete the project not later than 60 days after the enactment of this act. If the Authority determines that the project cannot be completed by the deadline, it shall, not later than 30 days before deadline date, submit a written request to the President of the Legislature for an extension. The request must include:

- (1) a detailed explanation of the need for additional time;
- (2) a revised project deadline; and
- (3) a description of the corrective action to ensure completion.

The Legislature must approve an extension for it to be effective.

(d) This project is exempt from the competitive bidding requirement of 30 V.I.C. § 116(a) because it meets the criteria of 30 V.I.C. § 116 (a)(1). As such, the Authority may utilize expedited procurement procedures for this project due to its impact on public safety and critical infrastructure.

SECTION 3. As used in this act:

(1) “Authority” means the Virgin Islands Water and Power Authority, the public utility responsible for the generation, transmission, and distribution of electrical power within the Virgin Islands.

(2) “Commissioning” means the process of testing, verifying, and placing into operational service a submarine electrical transmission cable and associated infrastructure to ensure it functions in accordance with design specifications and system requirements.

(3) “Project” means the activities authorized under this act for the repair, rehabilitation, replacement, testing, and commissioning of the submarine electrical transmission cable transmission cable between St. Thomas and St. John.

(4) “Rehabilitation” means the improvement, restoration, or upgrading of a submarine electrical transmission cable or its components to extend its useful life, enhance reliability, or improve performance, which may include partial replacement, reinforcement, modernization, or modification of existing infrastructure, but does not constitute the complete replacement of the cable system.

(5) "Repair" means the restoration of a submarine electrical transmission cable or any of its components to a functional condition through corrective actions, including fault detection, splicing, patching, or replacement of damaged segments, without substantially altering the original design or capacity of the cable system.

(6) "Replacement" means the complete removal and substitution of a submarine electrical transmission cable, or a substantial portion thereof, with new infrastructure designed to restore or improve electrical transmission capability, and may include installation of new cable systems, components, or associated infrastructure.

(7) "Submarine electrical transmission cable" means an insulated electrical conductor system, including associated shielding, armoring, and protective materials, that is installed beneath navigable waters for the purpose of transmitting electric power between geographic locations, and includes all appurtenant infrastructure necessary for its operation, connection, protection, and maintenance.

Thus passed by the Legislature of the Virgin Islands on May 28, 2026.

Witness our Hands and Seal of the Legislature of the Virgin Islands this 29th day of May, A.D., 2026.



A handwritten signature in blue ink, appearing to read "Milton E. Potter".

Milton E. Potter
President

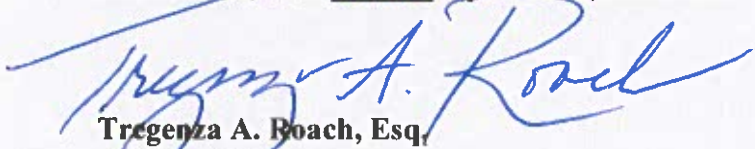
A handwritten signature in blue ink, appearing to read "Avery L. Lewis".

Avery L. Lewis
Secretary



Bill No. 36- 0292 is hereby approved.

**Witness my hand and the Seal of the Government of
the United States Virgin Islands at Charlotte Amalie,
St. Thomas, This 2ND day of June, 2026 A.D.**


**Tregenza A. Roach, Esq,
Acting Governor**