

DONNA M. CHRISTENSEN
DELEGATE, VIRGIN ISLANDS

COMMITTEE ON
ENERGY AND COMMERCE
MEMBER, SUBCOMMITTEE ON
OVERSIGHT AND INVESTIGATIONS
MEMBER, SUBCOMMITTEE ON
COMMUNICATIONS AND TECHNOLOGY

FIRST VICE PRESIDENT,
CONGRESSIONAL BLACK CAUCUS
MEMBER, CONGRESSIONAL CAUCUS FOR
WOMEN'S ISSUES
ASSISTANT MINORITY WHIP

RECEIVED
Congress of the United States
House of Representatives
518583
Washington, DC 20515-5501
OFFICE OF THE
SECRETARY

PLEASE RESPOND TO:
WASHINGTON OFFICE
1510 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-1790
FAX (202) 225-5517

DISTRICT OFFICES
SUNSHINE MALL SPACE #204-205
#1 ESTATE CANE
FREDERIKSTED, VI 00840
P.O. Box 5980
C'ATED, ST. CROIX, VI 00823
(340) 778-5900
FAX (340) 778-5111

8000 NISKY CENTER, SUITE NO. 207
ST. THOMAS, VIRGIN ISLANDS 00802
(340) 774-4408
FAX (340) 774-8033

#109 CONTANT-ENIGHED
CRUZ BAY, ST. JOHN
U.S. VIRGIN ISLANDS 00831
(340) 776-1212

December 18, 2012

Honorable Kenneth L. Salazar
U.S. Secretary of Interior
1849 C. Street, NW
Mail Stop 7329
Washington, DC 20240

Dear Secretary Salazar,

Thank you for your support of the U.S. Virgin Islands. As you are aware the U.S. Virgin Islands is in the midst of an energy emergency due to the closing of the HOVENSA Oil Refinery, which provided energy for our utility and service stations. With Virgin Islands residents and businesses paying electric power rates which are the highest energy costs in the nation (in the range of 44 to 48 cents per kilowatt hour, which from some estimates is actually as high as 51 cents,) and with ongoing increases in the cost of fuel, we are clearly on a path that is unsustainable for the entire community. Today, it was announced that on January 1, there will be yet another increase. I am concerned that this or any other increase could lead to civic unrest. Already businesses are closing and homes have to ration or do without electricity.

With this in mind, I would like to request a meeting of the Interagency Group on Insular Affairs (IGIA) to specifically deal with the energy crisis that faces the Virgin Islands community. In recent months, the Government of the Virgin Islands and the utility, the Virgin Islands Water and Power Authority, have moved to implement a series of initiatives aimed at stabilizing the energy situation in the territory. They have published an Energy Action Plan that lists the following as its strategy to meeting the islands needs for energy. It includes:


- Implementing measures to enhance production efficiency at existing power generation facilities
- Converting base load power production from fuel oil to liquefied natural gas or liquefied petroleum gas
- Developing grid interconnection between the Virgin Islands and Puerto Rico
- Maximizing the development of solar and wind resources
- Pursuing biomass energy and ocean thermal energy as potential diversification of base load energy.

I have introduced legislation, the Virgin Islands Energy Crisis Relief Act, aimed at providing short term federal relief to the territory in light of the escalating costs of energy. The bill, HR 6631 seeks to subsidize the cost of fuel to the Water and Power Authority for a certain time; fund the conversion of the existing facilities to utilize liquefied natural or liquefied petroleum gas and increase the number of residents who qualify for relief through Low Income Home Energy Assistance Program (LIHEAP).

The bill is aimed at providing special appropriations to certain federal programs specifically for the Virgin Islands to provide relief to WAPA and in turn the consumer in the short term as the utility and the Government implement longer term solutions. This is a one-time ask to lower the cost of electricity to a sustainable level as the government and the utility moves to put the other plans in place. I know that the State of Alaska subsidizes their fuel to keep the cost at 22 cents per kilowatt hour. The Virgin Islands, however, does not have another level of local government to provide us with assistance, so we have to ask assistance from the federal government.

We would like the opportunity to discuss these initiatives and the role of the federal government in assisting the territory in both its short term and long term objectives at this time. I hope that this request can be accommodated as early as possible in order for us to expedite relief to the citizens of the United States Virgin Islands.

Sincerely

A handwritten signature in black ink, appearing to read "Donna M. Christensen". The signature is stylized and written over the printed name and title.

Donna M. Christensen
Member of Congress

DCC/mcw