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## FIT Act presents huge opportunity for Virgin Islands

May 21, 2014 | By Barbara Vergetis Lundin

U.S. Virgin Islands (USVI) Governor John deJongh has signed the Feed-In-Tariff (FIT) Act into law, allowing residents to build renewable energy projects and sell all of the electricity to the local utility.



Currently, the USVI is almost entirely dependent on imported fossil fuels and retail electric rates average over \$0.50 per kilowatt-hour. Through the feed-in tariff, the Water and Power Authority (WAPA) will purchase up to 15 MW of local renewables, paying less than WAPA's avoided wholesale cost at around \$0.26 per kilowatt-hour. Renewable energy generators will enter a power purchase agreement with WAPA lasting between 10 and 30 years.

While the feed-in tariff marks a significant step toward cleaner, more affordable and more reliable power on the USVI, Craig Barshinger, a USVI Senator and author of the Feed-In Tariff Act, believes this is just the beginning in a larger effort to modernize the USVI's power grid.

U.S. Virgin Islands. Credit:  
NASA Earth Observatory

"Now that WAPA has adopted a cooperative stance, energy storage and grid stabilization come next," he said.

Craig Lewis, executive director of the nonprofit Clean Coalition, has made multiple visits to the USVI to lay the groundwork for a community microgrid on the island of St. John, which is designed to use local renewables to provide at least 25 percent of the total electric energy consumed on the island while at least maintaining power quality and significantly improving grid reliability and resilience

"The opportunity for the Virgin Islands is clear -- local renewables provide cheaper power and robust economic stimulation, including local job creation and private investment," said Lewis. "Now, the feed-in tariff can initiate a real deployment effort of renewables in the Virgin Islands and a community microgrid project can show the way for maximizing the benefits of getting to significant levels of local renewables."

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