

Grantee: Virgin Islands

Grant: B-18-DE-78-0001

July 1, 2025 thru September 30, 2025 Performance

Grant Number: B-18-DE-78-0001	Obligation Date:	Award Date:
Grantee Name: Virgin Islands	Contract End Date: 06/06/2029	Review by HUD: Submitted - Await for Review
Grant Award Amount: \$67,653,000.00	Grant Status: Active	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$67,653,000.00	Estimated PI/RL Funds: \$0.00	
Total Budget: \$67,653,000.00		

Disasters:

Declaration Number

FEMA-4340-VI

Narratives

Disaster Damage:

Hurricane Irma impacted the USVI on September 6 as a powerful windstorm that directly passed over St. Thomas and St. John, tearing roofs off many buildings while also dropping rain at unprecedented levels while the hurricane slowly crossed the Territory. On September 20, 2017, Hurricane Maria came behind with similar characteristics on a parallel path, causing considerable water damage to the many unprotected structures already without roofs in the St. Thomas and St. John district, while also still inflicting even more severe damage on St. Croix just a few days after Irma had left the area. Catastrophic hurricane rains from Maria fell on already saturated ground from the prior category 5 hurricane, which led to additional flooding and landslides, dramatically impacting already damaged infrastructure systems in the Territory. From the perspective of electric utility systems, these two storms placed considerable additional pressure on the Territory’s aging infrastructure, washed out roadways, created debris, caused mudslides, and downed most power lines in the USVI. Damage to the Territory’s infrastructure had farreaching effects, starting with how long it took for heavy equipment to get up onto the roads to begin rebuilding homes and restoring power and other essential services. Even though Hurricanes Irma and Maria arrived in the Territory more than five (5) years ago, power instability from these storms continue to hamper its economic recovery, impeding efforts to complete the Territory’s much-needed recovery cycle. Frequent blackouts occur in the USVI due to insufficient generation or instability within existing systems. Unpredictable power outages continue to be common in the Territory, even as already high electricity prices continue to rise. Energy remains the single most comprehensive and critical factor to be addressed for the Territory’s future, as systemic energy instability negatively impacts daily life in so many ways. Residents in the USVI need power to have access to water, healthcare, communication, refrigeration, fuel, cooling, and security.

Electrical Power System Recovery Needs:

Hurricanes Irma and Maria significantly damaged key elements of the electrical systems in both Puerto Rico and the U.S. Virgin Islands. At its peak 95% of the Territory was without power, with repairs taking five months before power could be restored. Most residents in the Territory had no potable water for weeks, and some for many months. In the Territory 90% of customers lost internet access due to damage from the hurricanes to telecommunications infrastructure. These effects following Hurricanes Irma and Maria are all linked to power infrastructure failures. Total needs for infrastructure improvements – to energy infrastructure, but to a broader infrastructure as well, following the hurricanes were set at \$6.93 billion, including the costs for estimated emergency recovery measures, permanent repair, and reconstruction work, as well as planned resilience and mitigation efforts. The Territory has previously identified multiple disaster-related infrastructure priorities to be addressed using available funding resources. The storms’ impact on infrastructure and its systems has affected many systems, which has informed prior project decisions and priorities addressed within previously approved CDBG Action Plans including particularly prioritizing funds to initiatives that benefit low- and moderate-income individuals and households.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$53,000,000.00	\$67,653,000.00
Total Budget	\$53,000,000.00	\$67,653,000.00
Total Obligated	(\$47,505,050.00)	\$20,147,950.00

Total Funds Drawdown	\$677,226.55	\$708,297.06
Program Funds Drawdown	\$677,226.55	\$708,297.06
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$677,226.55	\$677,226.55
HUD Identified Most Impacted and Distressed	\$0.00	\$0.00
Other Funds	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

Funds Expended

Overall	This Period	To Date
V.I. Housing Finance Authority (VIHFA)	\$ 677,226.55	\$ 677,226.55
VI Housing Finance Authority	\$ 0.00	\$ 0.00
Virgin Islands Water and Power Authority (WAPA)	\$ 0.00	\$ 0.00

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	70.00%	66.94%	.00%
Overall Benefit Amount	\$40,253,535.00	\$38,494,557.00	\$.00
Limit on Public Services	\$10,147,950.00	\$.00	\$.00
Limit on Admin/Planning	\$13,530,600.00	\$10,147,950.00	\$708,297.06
Limit on Admin	\$3,382,650.00	\$3,382,650.00	\$539,606.57
Most Impacted and Distressed	\$67,653,000.00	\$57,505,050.00	\$.00

Overall Progress Narrative:

During Q3 2025, VIEO made notable strides in the beneficiary application process and program challenges. In July, VIEO and VIHFA held a webinar for applicants before closing applications on July 30, receiving 38 submissions. An application review committee began eligibility assessments, while an updated Subrecipient Agreement was signed in August. Application reviews continue, especially for cases previously denied due to insurance issues; some insurers now offer coverage for entire properties rather than installations alone, which affects low- and moderate-income households facing high costs. Resolution is targeted by mid-October, with VIEO set to submit a record of all applications next quarter.

VIWAPA progressed grid resiliency via infrastructure applications, with two out of four—Distribution Automated Devices and the St. Thomas Substation Battery Energy Storage System—approved in September. Remaining applications are pending review.

The Solarization Program for vulnerable households initiated project management and drafted a Notice of Funding Availability, focusing on operational frameworks and identifying eligible populations. These actions lay the foundation for transparent, equitable outreach and targeted policy updates, prioritising low- and moderate-income households in future quarters.

There were no staff members on board.

Technical assistance has been provided to both subrecipients and applicants this quarter.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
EPSI-Admin, Electrical Power System Improvements	\$508,536.06	\$3,382,650.00	\$539,606.57
EPSI-Planning, Electrical Power System Improvements:	\$168,690.49	\$6,765,300.00	\$168,690.49
PR1-GridRes, PR1-Grid Resiliency	\$0.00	\$35,788,437.00	\$0.00
PR2- Community Innovation, Community Innovations	\$0.00	\$21,716,613.00	\$0.00

Activities

Project # / EPSI-2- Community Innovation / Electric Power Systems

Grantee Activity Number: CIAP-672-SolHub-LMI

Activity Title: CIAP-PR2-SolarizeHub

Activity Type:	Activity Status:
Electrical power system improvements	Under Way
Project Number:	Project Title:
EPSI-2- Community Innovation	Electric Power Systems Improvement: Community
Projected Start Date:	Projected End Date:
10/01/2025	01/13/2029
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
Low/Mod	V.I. Housing Finance Authority (VIHFA)

Overall	Jul 1 thru Sep 30, 2025	To Date
Total Projected Budget from All Sources	\$2,706,120.00	\$2,706,120.00
Total Budget	\$2,706,120.00	\$2,706,120.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
V.I. Housing Finance Authority (VIHFA)	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

To address larger scaled installations on various sites in the territory. Selected sites will serve as community resilience hubs during emergencies, offering public services such as charging stations for small electrical equipment, cooling centers, and communications access, while supporting grid stability during peak demand periods. Installations must meet hurricane-rated wind load standards, use corrosion-resistant materials suited to the marine climate, and comply with all applicable USVI building and electrical codes.

Location Description:

Activity Progress Narrative:

During the third quarter of 2025, the Solarization Hubs Program for energy vulnerable communities targeted for large scale installations made foundational progress in preparing for launch. Key activities included the formal initiation of project management processes and the development of a Notice of Funding Availability (NOFA) to guide future subrecipient engagement. From July through August, program staff focused on establishing operational frameworks, identifying eligible populations, and drafting the NOFA to define funding criteria, application procedures, and program goals. These efforts are intended to promote transparency, ensure equitable access, and align with both federal and local energy resilience priorities. The groundwork laid this quarter sets the stage for targeted outreach, policy revisions, and program mapping in the upcoming months, with a focus on serving established low and moderate income communities across the territory.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents:	None
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Grantee Activity Number: EGR-672-Ene-Vul-UN

Activity Title: EPSI-PR2-CIAP-Energy Vulnerable

Activity Type:	Activity Status:
Electrical power system improvements	Under Way
Project Number:	Project Title:
EPSI-2- Community Innovation	Electric Power Systems Improvement: Community
Projected Start Date:	Projected End Date:
04/01/2025	08/31/2026
Benefit Type:	Completed Activity Actual End Date:
Area (Census)	
National Objective:	Responsible Organization:
Urgent Need	V.I. Housing Finance Authority (VIHFA)

Overall	Jul 1 thru Sep 30, 2025	To Date
Total Projected Budget from All Sources	\$9,010,493.00	\$19,010,493.00
Total Budget	\$9,010,493.00	\$19,010,493.00
Total Obligated	\$0.00	\$10,000,000.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
V.I. Housing Finance Authority (VIHFA)	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

The Community Electrical Innovation Program was created to mitigate electric power supply interruptions to entities that assist vulnerable populations in low- and moderate-income areas. Specifically, this initiative targets entities that provide daycare services, afterschool programs, homeless shelters and the elderly. The Virgin Islands Energy Office is responsible for the following:

1. a) program guideline development
2. b) vetting beneficiary applications
3. c) determining beneficiary eligibility
4. d) assessing site feasibility
5. e) ensuring national objective compliance
6. f) furnishing list of eligible applicants
7. g) creating an RFQ for qualified installers
8. h) vetting installer qualifications
9. i) establishing a pool of qualified installers
10. j) furnishing list of qualified installers
11. k) project implementation and management

- 12. l) technical oversight (includes technology, system sizing, warranties, and capabilities)
- 13. m) quality assurance and control (construction management, site inspections, etc.)

As part of the project implementation, VIEO is expected to:

- Determine eligible beneficiary
- Acquire qualified installers
- Maintain competitive bidding for each individual beneficiary
- Review & approve installers proposed drawings for beneficiaries
- Project manage site and installers throughout construction period
- Monitor beneficiary system after installation is completed

Installed systems will be rooftop solar and battery on existing structures. No masonry construction is allowed as part of this program. Solar panels will be fastened to non-compromised roofs using a metal (usually aluminium) racking system with various fasteners (nuts & bolts). Systems will consist of wiring and conduits from the electrical panel to the solar panels and the battery storage system. The battery storage systems will be fastened to interior or exterior walls (depending on the most cost effective option).

Location Description:

Activity Progress Narrative:

During the third quarter of 2025, VIEO made significant progress in advancing the beneficiary application process and addressing key programmatic challenges. In July, VIEO, in collaboration with VIHFA, hosted a beneficiary application webinar on July 29 to provide guidance and support to potential applicants. The application window officially closed on July 30, with a total of 38 applications received. An application review committee was established to begin the eligibility assessment process. On August 11, VIEO and VIHFA executed an updated Subrecipient Agreement (SRA) outlining the full Scope of Services. Application reviews are currently underway, with the Program actively working to resolve cases previously deemed ineligible due to insurance-related concerns. Several insurance providers have indicated that while they cannot insure the installation alone, they may be able to provide coverage for the entire property, including the installation. This issue is particularly impactful for low- and moderate-income households, as rising insurance costs continue to pose financial barriers. In some cases, the cost of insurance may exceed the cost of the installation itself, further complicating access. The Program is working toward a resolution by mid-October to ensure equitable access and reduce financial strain for affected applicants. In the meantime, the Program is expecting a submission from VIEO to VIHFA next quarter that includes all eligible and ineligible (or decided) applications for recordkeeping and next-step coordination.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents:

None

Project # / EPSI-Admin / Electrical Power System Improvements



Grantee Activity Number: EPSI-Admin-VIHFA

Activity Title: EPSI-Admin

Activity Type:	Activity Status:
Administration	Under Way
Project Number:	Project Title:
EPSI-Admin	Electrical Power System Improvements
Projected Start Date:	Projected End Date:
06/06/2023	09/28/2029
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
N/A	V.I. Housing Finance Authority (VIHFA)

Overall	Jul 1 thru Sep 30, 2025	To Date
Total Projected Budget from All Sources	\$0.00	\$3,382,650.00
Total Budget	\$0.00	\$3,382,650.00
Total Obligated	\$0.00	\$3,382,650.00
Total Funds Drawdown	\$508,536.06	\$539,606.57
Program Funds Drawdown	\$508,536.06	\$539,606.57
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$508,536.06	\$508,536.06
V.I. Housing Finance Authority (VIHFA)	\$508,536.06	\$508,536.06
VI Housing Finance Authority	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

Program administration entails activities related to the overall administration and execution of the Electrical Grid Grant. Eligible program administration costs include but are not limited to costs associated with staffing and general management oversight and coordination.

Adjusted activity end date from 06.06.2023 to 09.28.2029 on 08.12.2025

Location Description:

Activity Progress Narrative:

Administrative functions such as policy updates and financial processing were performed this quarter. No contracts were executed or procurement actions, nor were there any new hires.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / EPSI-Planning / Electrical Power System Improvements:

Grantee Activity Number: EPSI-Planning-VIHFA

Activity Title: EPSI-Planning

Activity Type:	Activity Status:
Planning	Under Way
Project Number:	Project Title:
EPSI-Planning	Electrical Power System Improvements: Planning
Projected Start Date:	Projected End Date:
06/06/2023	06/06/2029
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
N/A	V.I. Housing Finance Authority (VIHFA)

Overall	Jul 1 thru Sep 30, 2025	To Date
Total Projected Budget from All Sources	\$5,494,950.00	\$6,765,300.00
Total Budget	\$5,494,950.00	\$6,765,300.00
Total Obligated	\$5,494,950.00	\$6,765,300.00
Total Funds Drawdown	\$168,690.49	\$168,690.49
Program Funds Drawdown	\$168,690.49	\$168,690.49
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$168,690.49	\$168,690.49
V.I. Housing Finance Authority (VIHFA)	\$168,690.49	\$168,690.49
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

Planning funds will be used for activities such as Action Plan development, public outreach, and coordination, and VIHFA understands that planning studies may be beneficial to identify solutions to promote the use of renewable energy and storage and to reduce emissions of greenhouse gas emitting sources by efficiency measures

Location Description:

Activity Progress Narrative:

This quarter the team worked with WAPA on submitting four applications. Of those applications, 2 has been approved thus far. Technical assistance and training were provided to WAPA on the application process and to VIEO regarding the workflow and next steps for the Energy Vulnerable activity.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / PR1-GridRes / PR1-Grid Resiliency

Grantee Activity Number: EGR-674-GRES-LMI

Activity Title: Grid Resiliency

Activity Type:	Activity Status:
Electrical power system improvements	Under Way
Project Number:	Project Title:
PR1-GridRes	PR1-Grid Resiliency
Projected Start Date:	Projected End Date:
10/01/2025	12/28/2028
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
Low/Mod	Virgin Islands Water and Power Authority (WAPA)

Overall	Jul 1 thru Sep 30, 2025	To Date
Total Projected Budget from All Sources	\$35,788,437.00	\$35,788,437.00
Total Budget	\$35,788,437.00	\$35,788,437.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
Virgin Islands Water and Power Authority (WAPA)	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

Project should assist in lowering the base electricity costs, improve operational efficiency, and reduce air pollution for the territory grid system. These activities will support redundancy at critical substations, the ability to isolate faults from the central location, remove vegetation hazardous, and remove and upgrade grid capacitors, and transformers in the territory.

Location Description:

Activity Progress Narrative:

During the third quarter of 2025, VIWAPA advanced its grid resiliency efforts through the submission and review of key infrastructure applications. Out of the four applications submitted, two were reviewed and approved for concurrent program evaluation:

- Distribution Automated Devices – Approved on September 11, 2025
- St. Thomas Substation Battery Energy Storage System (BESS) – Approved on September 15, 2025

These approvals mark a critical step toward enhancing system reliability and energy storage capacity across the territory. The remaining applications are still under review and will be addressed in the upcoming quarter

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents:	None
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