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New Ocean Point Rule Barring Access to PHRT Employees Who Refuse to Sign Waiver is Challenged in Court

PHRT warns of severe damage to refinery and environment if Ocean Point bars employees who refuse to sign new access agreements

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Refinery and Oil Terminal on the south shore of St. Croix. By. ERNICE GILBERT, V.I. CONSORTIUM

In the newest front in the legal battle Port Hamilton Refining and Ocean Point Terminals, PHRT is seeking a restraining order against Ocean Point Terminal's attempt to impose new requirements for access to its property.

According to court documents, PHRT on Thursday filed a civil complaint against [Ocean Point Terminals](#), the owner of the oil terminal and storage facility on St. Croix's south shore. The lawsuit alleges that Ocean Point's decision to require employees and contractors of PHRT to sign "individual access agreements" is illegal, and forces the workers to waive key legal rights. Among other things, the individual access agreement would absolve Ocean Point and the government of the Virgin Islands from liability in all claims except for those arising through "the sole gross negligence" of Ocean Point.

Failure to sign the agreement, PHRT claims, will result in refinery employees and contractors being denied access to the facility starting next Monday, January 1 2024. This eventuality would result in "severe damage to the refinery, terminal, personnel and the environment," according to PHRT's lawsuit.

PHRT attorneys say that 22 of the 31 employees who work for main contractor Pinnacle Services have refused to sign Ocean Point's individual access agreement, and eight more have said that they will reluctantly sign only to avoid losing their jobs. The language in the agreement has proven objectionable to at least two other contractors working for PHRT at the refinery.

Upon being notified of contractors' reluctance and refusal to sign the agreement, an Ocean Point representative is alleged to have told Port Hamilton that the agreement was being put in place because of the money Port Hamilton reportedly owes. That matter is currently the [subject of a lawsuit](#), which is currently wending its way through the local court system, and PHRT is disputing the sum owed, claiming that Ocean Point's delays and obstruction have caused PHRT almost \$4 million in damages. Despite the disputed sums, PHRT says that it remits \$150,000 every week to Ocean Point to pay for the shared services it utilizes while the lawsuit works its way through court.

As it stands, security badges issued by Ocean Point to all personnel accessing the terminal and refinery must be renewed by December 31st. PHRT claims that Ocean Point will refuse to issue new badges to those who decline to sign the individual access agreement, resulting in them being denied entry to the refinery where they work. According to PHRT lawyers, this is an abuse of Ocean Point's authority under the Facility Security Plan, overseen by the U.S. Coast Guard. Control over access to the refinery is being leveraged "to coerce Port Hamilton's contractors' employees to sign" the individual access agreements, PHRT argues.

Should Ocean Point make good on its threat to bar access on January 1 to anyone who has not signed the agreement, PHRT says the refinery, and surrounding communities, will be placed at elevated risk, since nobody will be around to monitor refinery process units, respond to any fire, oil spill or release, and keep materials and equipment in a state to reduce the risk of combustion or explosion.

"There is a substantial likelihood that there will be damage to Port Hamilton's equipment, unauthorized releases of regulated pollutants to the atmosphere, and the potential for catastrophic damage from explosion with resulting personal injuries, property damage, and widespread environmental damage," PHRT's lawyers claim. With the oil terminal downwind of the refinery, PHRT claims that Ocean Point's intransigence is placing its own facility at risk.

As such, PHRT has petitioned the court to grant a temporary restraining order barring Ocean Point from enforcing the access restrictions, and is also seeking a permanent injunction against the enforcement of the individual access agreements. Ocean Point Terminals has not yet responded to Thursday's lawsuit.

