

The Virgin Islands Consortium

De Jongh & ABR VI Sign Refinery Operating Agreement, Now Awaits Senate Approval

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Two days after Governor de Jongh announced the Government of the Virgin Islands and Atlantic Basin Refining (ABR VI) had reached a \$1 billion agreement to operate the HOVENSA oil refinery, Wednesday de Jongh and the principals of ABR VI signed the Operating Agreement, making the deal official. It now heads to the 30th Legislature for review and approval.

"Today's signing is an important step towards finalizing the Operating Agreement that has been negotiated between the buyers of the refinery and the Government of the Virgin Islands prior to its submission for the Senate's review and consent," de Jongh said Wednesday afternoon.

The deal sees ABR VI agreeing to rebuild and restart the refinery, and pay upwards of \$1.6 billion throughout the lifetime of the agreement, which lasts for 22 years.

"This agreement is a critical step towards getting the refinery back as an economic generator providing jobs and business activity on St. Croix," the Governor continued. "It has been two-and-a-half years of a focused process to achieve this objective. The time is now for us to evaluate this opportunity, understand what it can achieve, and then work with the prospective buyers to bring the refinery and the economy of St. Croix back to life."

De Jongh is hoping the Senate acts soon, saying the Agreement will give St. Croix a much-needed boost by making available hundreds of jobs.

"The buyers have committed to employing over more than 500 full-time staff at the refinery, 75% of whom either need to be Virgin Islands residents, or current or former HOVENSA employees," he said.

Not all senators are on board with the deal just yet, however, and Senator Nellie Rivera-O'Reilly told the *VI Consortium* on Monday she would reserve her opinion until after reading the full Operating Agreement.

"It turned out to be not as accurate in what was originally presented," she said though, after the Senate was briefed on key contents of the deal.

"It is truly my hope that this administration, buyers and sellers take the role of the Legislature seriously," O'Reilly added. "Our role is to review the document and ask questions."

She continued: "It needs to be vetted and have public hearings. If the Governor expects to have a vote on this within a week, I think it's disrespectful. I'm really hoping that does not happen."