The Virgin Islands Consortium

De Jongh Puts Pressure On Senate To Ratify ABR VI Deal, Says Time Factor Is "Critical"

VIC News / **Published On November 13, 2014 09:43 AM /**

Ernice Gilbert November 13, 2014

Following the 30th Legislature's decision Wednesday to send the Operating Agreement between Atlantic Basin Refining (ABR VI) and the Government of the Virgin Islands into committee for further review and also to Senate counsel to be better examined, Governor John de Jongh, Jr. released a statement Wednesday night making known that, while he understands the Senate's decision to hold the Agreement for further consideration, he said, "I trust that they and the community understand how critical the time factor is, especially now that we have been more fully informed of HOVENSA's timetable."

De Jongh said he called the Special Session on Wednesday because he believes HOVENSA's best use is still as an oil refinery, and reopening as such would put Virgin

Islanders back to work.

"This agreement was consistent with my long-held belief that the best use of the facility was as an oil refinery and that once a buyer was identified and agreements negotiated, we could look to the day for the refinery to be operational and once again provide employment for hundreds of Virgin Islands residents," he said.

De Jongh highlighted a Bloomberg report indicating the positive reaction in the markets when the HOVENSA deal with ABR VI was announced, and said his Administration had done all it could to secure the sale, and that now the weight rested upon the 30th Legislature to act.

"Notwithstanding today's vote, the public can rest assured that my administration has done its part," de Jongh said. "We moved the owners of HOVENSA away from a position of shutdown in January 2012 to one of agreeing to sell. They hired an investment firm to manage the sales process as was required by the Fourth Amendment Agreement; that firm brought forward a company that can purchase and restart the refinery and we pursued the requisite agreements through the Senate."

In closing, de Jongh noted a recent announcement by HOVENSA that revealed the company have decided to shut down all operations by mid-December if the ABR VI sale does not go through, adding even more pressure on the Senate to move quickly on ratifying the Operating Agreement, which the lawmakers received for consideration on October 30.

"There are approximately two months left before a new Legislature is seated and it is my hope that the members of the 30th Legislature will give serious priority to taking action on this agreement," the Governor said. "I look forward to working with the Chairman of the Senate Finance Committee and the other lawmakers towards the full Senate's consideration and approval of the proposed agreement."

A special session will be held on November 19; however it is not yet clear if the Senate will add the Operating Agreement to its agenda, as it now sits in the Finance Committee, chaired by Senator Clifford Graham of St. Thomas.