

The Virgin Islands Consortium

Even After HOVENSA Shutdown Announcement, Gas Prices Fall On St. Croix

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Gas prices on St. Croix continue to drop as merchants are moving away from purchasing gasoline from HOVENSA and are instead doing business with Puerto Rico.

For most merchants, however, the move was not one of choice but rather of necessity, as HOVENSA made known that if the ABR ratification deal did not go through, it would begin the shutdown process due to the depletion of operating cash. [The 30th Legislature rejected the Operating Agreement](#) on Dec. 19.

In response to the rejection, Alex Moorhead, HOVENSA's spokesman, told *VI Consortium* that shutdown plans are moving on as planned.

"It is unfortunate that the Legislature of the Virgin Islands chose to reject the Operating Agreement between the Government of the Virgin Islands and ABR, which means the sale of HOVENSA cannot move forward," Moorhead said. "Due to the impending depletion of its operating cash, HOVENSA is proceeding with the shutdown of its operations, which was announced prior to the Legislature's rejection of the Operating Agreement."

Some had feared if the senate failed to approve the ABR agreement that gas prices would skyrocket, making life even more difficult for an already struggling territory. Yet the opposite happened as we've seen gas prices on St. Croix fall from \$4.19 to as low as \$3.65 -- and it's projected to slide even further.

VI Consortium drove around the Island of St. Croix searching for the lowest gas prices. We also spoke to co-owner of One Love Gas Station, Senator-elect Novelle Francis, and asked why were the gas prices falling when so many had surmised that St. Croix in particular would see an increase.

"We just got gas from Puerto Rico at a cheaper rate than we were paying at HOVENSA and obviously we wanted to pass those savings unto our customers," Francis, who has One Love Gas Station locations In La Grande Princess and Frederiksted, said. "HOVENSA has been indicating that it's had this fuel stored at its facility at a higher rate for sometime now, and that's why the prices continue to remain the same."

The same response [was given](#) to *VI Consortium* from Department of Licensing and Consumer Affairs (DLCA) Commissioner Wayne Biggs, who had [written a letter](#) to the company demanding answers concerning why its gas prices remained high when the price of oil continued to drop.

In its response, HOVENSA said until Friday, Oct. 24, it had been selling gas to local gas station owners using fuel purchased in June 2014, "when the cost of this fuel was higher than it has been recently."

Residents are already feeling the ease at the pump, but persons *VI Consortium* spoke to said the prices needed to slide below \$3 a gallon for St. Croix to realize tangible economic impact.

"[At \$3.65], it's still too expensive," said one resident.

In our quick Island tour, we took pictures of gas stations with the cheapest gas and also those where the prices were higher, and have compiled them for viewing in the collage below.







A & H S

UNLEADED 9
399
PREMIUM UNLEADED
449

**SELF
SERVICE**
★ ★ ★
**NO SMOKING
STOP ENGINES**

POWER
WAX
SAVES CAR





5 FIVE CORNER SERVICE STATION



NO
SMOKING



GATEWAY









