The Virgin Islands Consortium

Senate President Says If HOVENSA Deal Is In Place The Public Should Know

Business / **Published On June 10, 2015 12:58 AM /**

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ST. CROIX -- Recent news reports of a potential sale of the HOVENSA refinery has prompted the Senate President of the 31st Legislature to comment on the pending deal, expressing excitement that the refinery may well be on its way to reopening, while cautioning the parties involved to be forthcoming with the information so the deal could be received favorably by the community.

That's what Neville James said in a press release issued on Tuesday afternoon, adding that expenditures associated with the rehabilitation and reconstruction of the refinery could have a positive impact on the local economy. James said at a time when the local job market is at its most dismal state, a potential restart of the refinery could lead to the resurgence of much-needed financial injection into the government's coffers.

"The catastrophic blow to our manufacturing sector has led to the doubling of our unemployment rate and the erosion of our middle class, especially on St. Croix," said James."The shuttering of the refinery itself resulted in an additional $100 million annual tax revenue loss to the territory and has had a largely negative impact on our local healthcare and educational system."

He added: "Concerned citizens call my office every day and ask, what are we doing about jobs or will the refinery ever open again? It’s time we provide some answers to our people on this issue."

According to James, the recent energy upsurge in the U.S. could prove timely if the territory partners with a company that is willing to restructure the old model of “gasoline heavy”, and instead follow the current trend in demand that is steering refineries to higher quality fuels and ultra-low sulphur.

James then pointed to JP Energy, the company that has apparently partnered with ABR VI in a redoubled effort to acquire the HOVENSA refinery, and said the firm's strong financial standing "gives us hope that the plant is attractive enough for potential re-firing and job creation."

Even so, the senator said it would be in the best interest of the parties involved to share some details with the public, as opposed to moving in a clandestine manner and presenting an agreement at the latter stages of the process.

James said while the legislature is not in the negotiating business, whatever agreement is reached must be ratified by the senate, so it's indelible that information is released well before an operating agreement make its way to the legislative chambers.

"What we don’t want is to be force-fed an operating agreement that we haven’t had the time to vet and research ourselves, and then are forced to commit to a vote without necessary preparation," James said. "Historically, deals have died on the table in the Senate because of this."

He went on: "It would be wise if all the parties involved began taking the necessary measures of transparency, instead of leaking tidbits of information to the press.

"I am being told constantly by constituents, that if a deal is brought forth and it represents a clear and present opportunity for our economy, that they would be in support of it. Let’s do this, the right way this time, and not disappoint them," he concluded.