The Virgin Islands Consortium

Mapp Travels Out Of Territory With Owners Of Limetree Bay Terminals As Announcement Of Deal With BP Draws Closer

Economy / **Published On June 12, 2018 10:11 PM /**

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ST. CROIX -- Governor Kenneth Mapp is traveling out of the U.S. Virgin Islands on Tuesday with ArcLight Partners, LLC, the owners of Limetree Bay Terminals, to an undisclosed destination in a sign that an announcement of the agreement between British Petroleum, ArcLight Partners and the Government of the Virgin Islands -- as reported by The Consortium -- is drawing near.

Also on the trip are the owners of Island Global Yachting, which operates Yacht Haven Grand and American Yacht Harbor in St. Thomas, according to Government House. The governor did not give a reason for the latter firm's presence on the trip, but he told The Consortium recently that he would be making "two very beautiful" announcements soon.

On June 6 The Virgin Islands Consortium quoted three government officials with intimate knowledge of the dealings between the government, ArcLight Partners and British Petroleum, who told the publication that a deal had been struck between the parties that would see the eventual restart of oil refining on St. Croix — a development that would add well over a thousand jobs upon the already over 800 people currently employed at Limetree Bay.

All those who spoke with The Consortium expected anonymity from the publication to speak freely on highly sensitive and private dealings.

Among them was a senator who said lawmakers were told to expect legislation related to the deal this month, as any new agreement must go through the Senate. This senator, a St. Croix lawmaker, was leaning towards approving any measure "that produces jobs and protects the environment." During carnival activities in St. Thomas in April, two other St. Croix senators breezily told this publication that the restart of the oil refinery by British Petroleum would bring no less than 1,500 jobs to the Big Island, adding that it was not if the deal happens, but when.

Among the sources was a well placed Mapp administration person, who further verified the recent agreement by stating that a deal had been reached. This person said the actual restart of oil refining is projected to begin in late 2019 into 2020, and that the administration had outside firms working on the agreement.

Even at the oil storage terminal itself, a top official, who worked for years at HOVENSA, left when it shuttered and has since return to the south shore facility, said in a recent meeting that turnaround — a period that sees an influx of workers to prepare for refining — would include no less than 1,200 workers and was slated to begin anytime, according to someone who works at the refinery and was privy to the conversation. An oilfield housing camp, also known as a "man camp," is expected to be built near Limetree Bay to house workers. And people in the know on the south shore have been advising local food vendors to prepare their operations for the inevitable demand for food.

The restart of oil refining was not the only big development on the south shore. According to a St. Croix senator, Limetree Bay hopes to drastically increase its oil storage capacity — information already made known by the company. The additional storage capacity will be facilitated by the expansion of its marine terminal to accommodate very large crude carriers, known as VLCCs.

If Mr. Mapp is able to announce an oil-refining deal at the Limetree Bay facility with a venerable firm with deep pockets like British Petroleum, it would be boon for the U.S. Virgin Islands, which has long struggled to regain its footing following the U.S.'s Great Recession that began in December 2007 and lasted into 2010, and the closure of HOVENSA in 2012. The latter event damaged not only St. Croix's economy, but the entire territory's ability to sustain itself.

The announcement would also be a boost for the Mapp administration coming during an election year, and would bolster the governor's case for reelection. Yet, Mr. Mapp, although giving a lot of hints, has been tight-lipped about the developments. Earlier this year this reporter attempted to pry information from the governor related to the deal, but he said he didn’t want to hamper the agreement before it happened.

That was earlier this year. Now, according to multiple, well placed sources, a deal has been reached, and it’s only a matter of time before the territory’s leader divulge the information to the public.

Department of Finance Commissioner Valdamier Collens May also on the trip. Lieutenant Governor Osbert Potter is out of the territory as well, and according to law, Mr. Collens would be the next in line when neither leader is present. However, the Government House release says Office of Management and Budget Director, Julio Rhymer, will serve as acting governor until Mr. Potter returns to the territory on Thursday. The governor will be back on Friday, according to Government House.

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