

The Virgin Islands Consortium

Limetree Bay Refining Reaches Agreement In Principle On Restart Of St. Croix Refinery

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ST. CROIX -- Limetree Bay Refining, LLC announced Sunday that it has reached an agreement in principle with the supply and trading arm of a major international oil company on the restart of the idled refinery located at Limetree Bay on St. Croix, according to [PR NewsWire](#) report. Under the contemplated terms, the oil company would enter into a tolling agreement and serve as the refinery's supply and offtake counterparty, according to the report, citing Limetree Bay.

Details about the agreement will be made available in the next week to ten days, Limetree Bay said. Limetree Bay Refining anticipates completion of the restart by late 2019. The Consortium, citing Mapp administration and other government sources, has

reported that the unnamed partner is British Petroleum. Mr. Mapp has danced around the question on a number of occasions when asked to confirm or deny the multinational's involvement.

Limetree Bay Terminals, which is an affiliate of Limetree Bay Refining, purchased the refinery and associated terminal assets out of bankruptcy in 2016. Since that time, the company has returned over 25 million barrels of storage capacity to service and currently has more than 1,100 total workers at the refinery site.

Shortly after acquiring the idled refinery, which has a peak processing capacity of 650,000 barrels per day, Limetree Bay Refining began exploring opportunities for a restart, according to the release. Over the ensuing two years, the company advanced the project with strong support from the administration of Governor Kenneth Mapp. Earlier this year, the parties successfully negotiated a new operating agreement, which was ratified by the 32nd Legislature of the Virgin Islands on July 25, 2018 and signed into law by the governor soon thereafter.

"The refinery restart project is the product of a collaborative effort with many Virgin Islanders," added Brian Lever, president of Limetree Bay Refining. "I want to express my gratitude, first, to Governor Mapp, whose vision and support were instrumental in enabling us to attain this milestone. I am also grateful to the 32nd Legislature, led by Senate President Jackson, for its consideration and approval of the new refinery operating agreement. My team and I look forward to further advancing the refinery restart and the positive impact we hope to have on the local community through jobs, taxes, and economic activity."

Mr. Mapp is said to have applauded the announcement of the Limetree agreement. "I am happy that the refinery has taken a major step with this Agreement," he said. "The refinery will bring at least \$1.5 billion in outside investment over the next fourteen months. It has already created 1,100 construction jobs, and once the refinery reopens it will generate upwards of 700 permanent jobs. Over the next ten years, the restarted refinery will produce hundreds of millions of dollars in new direct revenues to the Government. I am grateful to our partners at Limetree Bay for creating this opportunity, and I look forward to a productive and collaborative relationship with both companies now and in the future."

The restart efforts will be completed by a skilled team led by Brian Lever, according to the release. Limetree Bay Terminals continues to be led by Darius Sweet, who serves as Chief Executive Officer. The company will provide storage and terminaling services for the Refinery and will continue to lease crude oil and petroleum product storage capacity to third-party customers.