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It's Over, For Now, For Limetree Bay Refining

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Limetree Bay's logo on facility's main office on the south shore of St. Croix. By. ERNICE GILBERT FOR VI CONSORTIUM

Come September 19, Limetree Bay will let go its remaining employees, idle the refinery and proceed with its bankruptcy filing. The company is also hopeful that an investor will be interested in purchasing the refinery, but even if that were to happen, the process to restart would most likely take years.

That's according to Limetree Bay Refining CEO Jeffrey Rinker, who spoke during a press conference Limetree Bay held Tuesday, the first of its kind. Speaking briefly then taking questions from the media, Mr. Rinker was forthcoming, and he apologized for the two incidents at the Coker unit and the refinery following its restart in February, which ultimately led to the shutdown in May.

The CEO told the Consortium that Limetree Bay has been in discussions with the Environmental Protection Agency about removing oil currently in the units as it looks to completely shutdown the facility. He said he was hopeful that an agreement will be reached in the coming weeks.

The refinery's shutdown is already affecting livelihoods and local businesses, as employees once earning middle class income have been let go, and businesses take a hit as laid off employees pull back on spending.

"I'm hopeful by nature so I'm going to say that I am hopeful that the refinery will run again," Mr. Rinker said in response to Consortium questions. "Billions of dollars were invested in refurbishing and renovating and restarting this refinery. And the refinery works, we saw it run in January through May. We had incidents, but the refinery ran and I'm hopeful that there will be an investor that looks at that and sees that it does have potential and will want to come in and buy the refining assets and make them run again."

Even so, Mr. Rinker cautioned that any restart would take time. "I'm realistic about the timing that's going to take," he said. "If somebody does want to come in and do that, they will certainly have quite a long conversation with the EPA about what would be required to start the refinery up again. There may be additional modification that the EPA would like to see. So I'm hopeful that it will happen, but I think it's likely to be a long process if it does happen."

Relative to timeline, the CEO indicated a year or years, and tempered his comments to suggest no one knows what will happen. "It's not a few months, it's more like a year or years, I would expect. And the real answer is we just don't know, but it will take time. And if we thought there was a possibility for a fast restart of the refinery, we wouldn't have taken the step of releasing the employees."

Asked whether he believed the EPA has been more hostile to Limetree Bay than other operations on the mainland, Mr. Rinker stated, "I think that's probably a question for the EPA. I think the EPA is doing their job, and it's unfortunate that we weren't able to comply with what the EPA was causing us to do and still keep on going and funding the business. That's unfortunate, but I think that's probably more a question for the EPA."

Mr. Rinker also spoke on the need for a healthy community both environmentally and economically, and said he believed the refinery, given an opportunity, could have achieved the balance. "I think everybody has a right to live in a clean environment, there's no question about that," he said. "And everybody also have the right to live in a healthy economy as well. The shame is I believe that there really was a chance that this refinery could have been a force for good and development in the economy and also not harming the environment, and we just never got a chance to prove that we can do that."

On the future of Limetree Bay Refining and its employees, the CEO stated, "Unfortunately [Sept. 19] will be the last day of employment for virtually all the employees of Limetree Bay Refinery. And we'll have to see if there is work yet to be done at the refinery at that point to remove the oil from the refinery. If there is work to do, we'll have to find a solution for doing that potentially with contractors."

Relative to the Limetree Bay Oil Storage Terminal and its roughly 115 employees, that operation is expected to continue, Mr. Rinker said.

During opening remarks, the CEO spoke on the monumental effort to restart a refinery that had been mothballed since 2012, and praised the many workers who made it possible. "The past few

years here at Limetree Bay have been eventful as we tried to rebuild, and commission and restart the Limetree Bay refinery. This is a challenging undertaking and it's almost unprecedented in the history of the industry."

He added, "Ultimately, despite the extraordinary efforts by hundreds of talented and hardworking and dedicated workers and employees, we were unsuccessful."

Mr. Rinker said the refinery was a responsible member of the community and that it always tried to be a good neighbor. He highlighted that Limetree Bay has provided "good, safe jobs" to people in the local community, and that "over 90 percent of the employees of the refinery are U.S. Virgin Islands residents."

He said despite the refinery's best efforts, there were some operational incidents such as detectable smells and unusually loud noises. "And on two occasions we had upsets at the Coker and the refinery that released an oily mist that put particles of oil onto the properties downwind of the refinery."

The CEO made no excuses for those incidents, stating bluntly, "They shouldn't have happened. They're unacceptable." However, in each case Limetree Bay went into the community "to address the impacts and try to make things right with the neighbors that we affected, along with taking corrective action inside the refinery to correct the cause of the incidents," he said.

Governor Albert Bryan said he told Limetree Bay to shutdown the facility after the [May 12 flare incident](#) or have "hell to pay" with him. Thereafter, the EPA initiated a seldom-used action and [ordered a 60-day halt on refining operations](#). Following that action, investors became wary about pouring more money into the beleaguered facility, leading to [an indefinite shutdown](#) announcement by Limetree and [bankruptcy filing](#) soon after.