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Bryan to Give 190 Percent Effort for Refinery Restart, Expresses Concern Related to Funding Needed

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The Limetree Bay Refinery on the south shore of St. Croix now belongs to St. Croix Energy, which on Thursday, Nov. 18 won the auction in bankruptcy court in Texas. By. ERNICE GILBERT, VI CONSORTIUM

Governor Albert Bryan on Monday said the new owners of the Limetree Bay Refinery, namely St. Croix Energy has the full backing of his administration as the nascent company works to restart the facility. Mr. Bryan also said his administration would exert 190 percent effort to that end, including the signing of an agreement with the Environmental Protection Agency for a safe restart.

But the governor has expressed concern relative to whether St. Croix Energy has the funds needed for restart. "I'm pretty happy that local people own it now," Mr. Bryan said while speaking during

his administration's weekly press briefing. "I know these guys who make up St. Croix Energy and I'm pretty proud about that fact. However, I am a little concerned I must say about the resources needed to get it up and in operations." Mr. Bryan made known that a meeting has been scheduled for later this week with St. Croix Energy.

A meeting is also planned for today with EPA Deputy Director Janet McCabe, Mr. Bryan said, where the refinery and other matters will be discussed. "We're going to be giving 190 percent of our effort to get this [restart of the refinery] move through the EPA safely. We want to see a restart of the refinery — it's a priority of my administration. But we want to do so in a safe manner. We don't want to have the kinds of things that we had before with residents experiencing smells or sprays, or any kind of residue coming off the refinery," the chief executive said.

"So just a little concern in terms of the money it's going to take in order to get it up and going, but they have our full support, and they have our full support in terms of getting this EPA agreement signed," Mr. Bryan concluded on the matter.

St. Croix Energy [on Thursday afternoon](#) won the bankruptcy court auction for Limetree Bay Refinery, a major development in the history of the south shore facility and an outcome that is likely to see the refinery restart if the company can get past environmental and regulatory hurdles it must overcome.

In a [statement](#) provided to the media following the successful outcome, St. Croix Energy Director of Communications and Public Relations, Ashley Scotland, said, "Emerging as the top bidder for the LBR asset is a good thing, however SCE continues to remain focused and steadfast on accomplishing the other milestones necessary for our company and the US Virgin Islands community to see a safe and environmentally conscious restart of the LBR facility."

A number of scrapers — groups that intended to purchase the facility to dismantle and sell all of its useful parts — were part of the Thursday auction. Goldman Sachs was also part of the bidding, but in the end, St. Croix Energy, which had raised its bid to \$29 million — a \$9 million increase from its [stalking horse offering](#) of \$20 million — was elected the winning bidder. The additional \$9 million is funding from St. Croix Energy to cover professional fees of the debtor through a transitional service agreement which will have the debtors (current Limetree Bay) operate the refinery on behalf of SCE, the company said.

While it was making moves behind the scenes, St. Croix Energy's presence as part of the auction was [exclusively announced](#) by the Consortium on Sept. 15, the same day the company entered what is called a Notice of Appearance in the bankruptcy proceedings.

The process was overseen by Judge David Jones, the chief bankruptcy judge for the Southern District in Houston, Texas.

Environmental Protection Agency hurdles

With St. Croix Energy being elected the bid winner, it is expected to turn its focus on addressing a number of challenges. From agreements signed with St. Croix residents affected by [the massive May 12 flare incident](#) that resulted in an [indefinite halt of refining](#), to [hardened oil still sitting in pipelines](#), and navigating [substantial Environmental Protection Agency obstacles](#).

Brief backstory

Limetree Bay Refinery had [commenced oil refining on February 1](#) after a costly yearlong delay exacerbated by the global Covid-19 pandemic. The refinery was shutdown since 2012 prior to the February restart, and was revived after investors aligned with EIG and [ArcLight Capital](#) poured about \$4.1 billion into the restart effort.

If St. Croix Energy is successful in restarting the facility, it would be the second restart attempt following the 2012 closure. In a release issued early Oct., St. Croix Energy said, "We are 100 percent committed — not just to the sustainable, economic growth of St. Croix — but also to the environment and to the Virgin Islands as a whole, since most of the partners live here."

"The St. Croix Energy team firmly believes that we can develop the appropriate strategic partnerships to operate the refinery in an EPA-compliant way, and in a manner that will protect the community and provide employment for many of our neighbors here in the Virgin Islands. While others may be driven solely by profit, our partners live on St. Croix and are therefore interested in what is best for the territory and being good fiduciaries of the natural resources of the Virgin Islands, which is ultimately an environmentally safe restart," the company further stated.

The firm said it is comprised of "businessmen with deep roots in the Virgin Islands, along with industry professionals that have decades of experience in the refining, marketing, and renewable fuels sectors."