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# West Indies Petroleum Wins Auction for Limetree Bay Refinery Over St. Croix Energy With \$62 Million Bid

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## Limetree Bay Refinery

The auction for the Limetree Bay Refinery located on the south shore of St. Croix was won by Jamaica-based West Indies Petroleum (WIP) Saturday evening after a two-day bidding battle that ended with WIP's \$62 million bid for the facility.

The auction, which started on Friday and resumed today at 1:00 p.m. AST, took place in U.S. Bankruptcy Court for the Southern District of Texas, and was presided over by Judge David Jones. The auction ended at 6:27 p.m. AST Saturday.

West Indies Petroleum will have until January 21, 2022 to close the sale. If the firm is unable to do so, St. Croix Energy becomes the default winner of the auction.

Tonight's outcome represents a striking turn of fortune for St. Croix Energy, which on November 18 had [won the bid for the refinery](#). However, Judge Jones [approved](#) a motion [filed by Limetree Bay Refinery](#) to reopen the auction. At the time, Limetree Bay attorney Elizabeth Green explained to the judge that WIP, a firm which specializes in bunker services and oil storage, was originally part of the auction, but its chief executive had fallen ill and needed emergency attention in the days before the auction was set to take place and that prevented the company from proceeding at the time.

At the time of the motion to reopen, WIP was offering \$30 million cash upfront, which was superior to St. Croix Energy's \$20 million in cash upfront.

This evening, St. Croix Energy bid \$57 million in cash, but the company was bested by WIP's \$62 million, at which point SCE dropped out.

During the motion to reopen on Dec. 6, St. Croix Energy attorney Gregg M. Galardi expressed disappointment in the filing to reopen the auction, noting that SCE had done everything by the books and Tuesday, Dec. 7 was supposed to be the final sale hearing. Notwithstanding West Indies Petroleum chief executive's illness, Mr. Galardi said St. Croix Energy had won the auction on Nov. 18 but the competing bidder waited until the last minute to state its intention.

The Environmental Protection Agency spoke as a neutral party during the Dec. 6 motion to reopen hearing, pointing to West Indies Petroleum's "clean break" plan that would see it seeking a new agreement with the EPA for restart of the refinery, a process that could take up to 24 months or more. The St. Croix Energy agreement would see it continuing operations under the Limetree Bay operating agreement while seeking to rectify compliance issues with the EPA.

### **Former ABR VI Execs Join West Indies Petroleum**

Jack Thomas, who was an executive of Atlantic Basin Refining (ABR VI) during the company's [unsuccessful attempt to operate the refinery](#), has joined WIP. Mr. Thomas is part of the St. Croix Renaissance Group. Thomas Eagan, who was an attorney for ABR VI, has also joined WIP.

During a Dec. 2014 session, senators came out strong against the ABR VI-HOVENSA deal, which had the backing of outgoing governor John P. de Jongh.

The 30th Legislature spoke with almost one voice against the agreement, making known their misgivings with the deal as it stood, and railed against ABR and HOVENSA for not being on the same page on some aspects of the agreement, yet expecting the 30th Legislature to ratify it.

"Why would we lock ourselves into this agreement with some individuals who seem least capable of carrying out what the proposal [says] and what they're saying on record?" asked then-Senator Positive Nelson. "Because when you compare what they are saying on record, to what the agreement actually says, I do not believe that it is in our best interest and the best interest of St. Croix or the entire Virgin Islands to pass this ABR agreement."

Messrs. Thomas and Eagan were part of a meeting at Gov't House last Sunday, Governor Albert Bryan has confirmed to the Consortium. "Whoever wins will be aided in their effort to get a permit," said Mr. Bryan. "The government has already begun the work in paving a road to a safe restart with the EPA."