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St. Croix Refinery Could Play Key Role in Supplying U.S. With Oil, Bryan Says as He Calls on Biden to Consider Option

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Ernice Gilbert **April 13, 2022**

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The Limetree Bay Refinery on St. Croix. By. ERNICE GILBERT/ V.I. CONSORTIUM

Governor Albert Bryan in a statement Wednesday said the oil refinery on St. Croix could play an important role in the Biden administration's efforts to manage the cost of fuel. Gas prices have been rising because of Russia's war against Ukraine and inflation in the U.S. propelled by the Federal Reserve's easy money policy that only changed [last month](#).

In his statement, the territory's governor said the new owners of the oil refinery on St. Croix's south shore are ready to start refining at the facility, whose capacity is over 200,000 barrels of oil or nearly 4 million gallons of gasoline daily.

“The United States faces unprecedented challenges on the energy front. Supply chain issues associated with the pandemic, the Russian invasion of Ukraine, and general inflationary pressures in the economy have all contributed to roil turmoil in energy supplies and markets,” Mr. Bryan said. “As a result, gas prices have hit record highs in the United States.”

He said while the Biden administration is doing its part to manage the problem by releasing up to one million barrels of oil per day from the national reserve — a record-setting amount that is equivalent to a wartime action — Mr. Bryan said more could be done, specifically utilizing the refinery on St. Croix which he says is strategically positioned to readily supply shipments to the U.S.'s East Coast.

“The United States Virgin Islands, a Territory of the U.S., is home to a major oil refinery on St. Croix which could process more than 200,000 barrels per day of petroleum into much needed gasoline and other fuels. The refinery’s convenient strategic location on St. Croix would make delivery to the East Coast of the United States simple and fast,” the governor said. “The refinery has new owners that are anxious to make the necessary investments and efforts to restart it. They are working with the United States Environmental Protection Agency [EPA] on the necessary steps to ensure that the refinery can operate safely and without threats to public health and the environment in St. Croix.”

He added, “I urge the Biden Administration to prioritize this effort and to take every step possible to reopen the St. Croix refinery as soon as possible. The United States Virgin Islands can be an important part of the solution to high gasoline prices. This is an economic issue and a strategic national security issue.”

Mr. Bryan called on the EPA to work with the new owners of the refinery, namely West Indies Petroleum and Port Hamilton Refining and Transportation to ascertain a path forward.

“The US EPA must work to ensure that the refinery does not endanger public health, but it should not put unnecessary roadblocks in the way of restarting this important asset,” he said. “The refinery is a key element to the economic sustainability of the Territory and that element should be part of environmental justice considerations for the US Citizens resident in the Territory. The St. Croix refinery can produce nearly four million gallons of gasoline every day, as well as much needed jobs and economic development in the Virgin Islands.

“We want to work with EPA to ensure that the refinery restarts safely and promptly, and we need the Administration’s help to do that.”

[Last month](#), the EPA sent a letter to WIPL and Port Hamilton informing them that based on the information currently available to the EPA, there are strong indicators to suggest that the refinery must obtain a Prevention of Significant Deterioration (PSD) permit prior to any potential startup of refinery operations.

In the letter, seen [here](#), the EPA asks for additional information regarding past and future changes to processes and emission units at the refinery. The information will enable the EPA to evaluate this issue further, before making a final determination regarding the need for a PSD permit, the agency said.

According to the EPA, a PSD permit applies to new major air pollution sources or major modifications at existing sources that result in an increase of certain pollutant emissions (for example, particulate matter, sulfur dioxide, or nitrogen oxide) where the area in which the source

is located attains or meets EPA's national air quality health standards.

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