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Violet Calls on Bryan to Ensure That Sale Transaction of Refinery is Legally Binding; Gov't House Issues Statement

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The Limetree Bay site on the south shore of St. Croix, USVI. By. ERNICE GILBERT/ V.I. CONSORTIUM

Senator Kurt Violet on Wednesday called on the Bryan administration to ensure that the sale transaction of the Limetree Bay Refinery — in light of a statement from West Indies Petroleum claiming that it does not have a stake in the refinery — is legally binding. WIPL said Port Hamilton Refining and Transportation is the sole owner.

Mr. Violet said the government should seek to learn which entity the refinery was awarded to according to bankruptcy proceedings; which entity established environmental liability with the

Environment Protection Agency; disclosure of owners, partners, and investors of Port Hamilton Refining and Transportation; and whether PHRT has the financial resources to restart and maintain the refinery. The governor should also seek to learn whether the withdrawal of WIPL creates a legal issue, said Mr. Violet, the powerful Senate Committee on Finance chair.

"Coupled with Limetree Bay Terminals' announcement of [breach in payments](#) by the new owners for electricity, etc., it is troubling," the senator and gubernatorial candidate told the Consortium Wednesday.

West Indies Petroleum [took control of the refinery late January](#) after the company and Port Hamilton Refining and Transportation made the final \$11.4 million of the \$62 million sale price for the [auction-sold](#) south shore facility, [which WIPL won mid-December](#). In fact, Judge David Jones, the chief bankruptcy judge for the Southern District in Houston, Texas [in early December](#) ordered the auction for the Limetree Bay Refinery be reopened to allow West Indies Petroleum to participate. The order essentially snatched the refinery from St. Croix Energy, which on [Nov. 18 had won the auction](#).

On Wednesday, however, WIPL said it has no ownership stake in the Limetree Bay Refinery and that it was prohibited from clarifying its position because of certain legalities.

"West Indies Petroleum Limited wishes to clarify that contrary to media reports it is not a stakeholder in the Limetree Bay Refinery in St. Croix in the U.S. Virgin Islands and was not the entity which purchased the refinery," the company said in a statement.

WIPL further stated, "Although an initial participant in the early bidding process, due to legal factors WIPL elected not to further pursue the initiative. Those factors also constrained WIPL from commenting sooner about the inaccurate reports in the media.

"The sale of the Limetree Bay Refinery was successfully closed earlier this year by Port Hamilton Refining and Transportation which is a consortium of United States and Caribbean based investors."

Governor Albert Bryan on Wednesday told the Consortium that following West Indies Petroleum's shock announcement, he held a number of meetings with stakeholders of the south shore facility. Among the meetings was one with the chief principal of Port Hamilton Refining and Transportation, Charles Chambers, who the governor said reassured him that while the announcement from WIPL may have been badly handled, there was nothing to worry about.

In a statement Thursday morning, Government House said, "The Government of the Virgin Islands takes very seriously the stewardship of the Limetree Bay refinery. The sale of the refinery was conducted pursuant to the legal procedures and processes of the U.S. Bankruptcy Code. The details of that sale are publicly available in the docket of the U.S. Bankruptcy Court for the Southern District of Texas, Houston Division, Case 21-32351.

"By public order dated December 21, 2021, the Court approved the sale of the refinery pursuant to the terms of the Asset Purchase Agreement attached to the order. West Indies Petroleum Limited (WIPL) together with Port Hamilton Refining and Transportation LLLP (PHRT), were designated as the winning bidder under the order and are parties to the Asset Purchase Agreement as purchaser.

"Title to the Purchased Assets was transferred to Port Hamilton at the time of closing, per the bill of sale attached to the Asset Purchase Agreement. So while both WIPL and Port Hamilton were

Purchasers under the Agreement, the court filings indicate that title to the assets and contracts was in Port Hamilton from the onset. All of this information has been and continues to be public record.

“As usual, the Government will continue to monitor developments at the refinery.”

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