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EPA Consulting U.S. Dept. of Justice Following West Indies Petroleum's Announcement Stating it Has No Stake in Limetree Bay Refinery

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The Limetree Bay site on the south shore of St. Croix, USVI.

Federal lawyers are now mulling over this week's announcements, [first from West Indies Petroleum Limited](#), then [from Port Hamilton Refining & Transportation](#), that WIPL — although jointly awarded the winning bid with PHRT for the refinery on St. Croix — was not involved in the ownership structure of the facility.

After the news broke, Governor Albert Bryan suggested that although confusing, [there's nothing out of the ordinary about the current ownership structure](#) of the refinery on St. Croix. "Three of the people are principals in West Indies Petroleum," the governor told Consortium journalists,

referring to PHRT. “When they went to buy the company...they represented themselves as West Indies Petroleum, but really Port Hamilton is the name of the company,” Mr. Bryan continued.

A [statement from Government House followed](#) that same Thursday, saying that while both WIPL and Port Hamilton were purchasers under the agreement, and that the court filings indicate that title to the assets and contracts was in Port Hamilton from the outset. All this information has been and continues to be public record."

However, not everyone seems to be as reassured as the governor and his office about how the transaction was handled. Given that the federal agency had sent correspondence as recently as March 22 addressed to both WIPL and PHRT, the Consortium asked the Environmental Protection Agency for its understanding of the ownership structure of the refinery. “EPA is consulting the U.S. Department of Justice on this matter,” was the reply from Elias Rodriguez, deputy director of public affairs in the Office of EPA’s Region 2 Administrator.

As might be expected, St. Croix Energy, the company whose initial winning bid was upended after [the sudden re-opening of the auction](#) was initiated by WIPL, was not pleased about the disclosure that the company now has no stake in the refinery. SCE Counsel Greg Galardi says that the disclosures from WIPL and PHRT demonstrate the truth of what St. Croix Energy had alleged at the outset, that "the auction was improperly reopened for a bidder that should not have been permitted to bid at the reopened auction." WIPL had asked for the auction to be re-opened due to an alleged emergency circumstance regarding WIPL's principal, Galardi explained.

Meanwhile, PHRT and Limetree Bay Terminals are [engaged in a spat over a debt of at least \\$5.6 million](#) LBT says PHRT owes for its share of services provided by LBT and used by both the terminal and the refinery outfits. In a court filing last month, Limetree says they had to restrict access to key resources such as computer systems that contain essential accounting records.

Now, PHRT is selling off what Consortium journalists understand to be [over 850 pounds of an essential component in the refining process](#). A listing for an upcoming tender appears on Autco, a resource dedicated to facilitating the purchase and sale of surplus business assets. According to the International Group Metals Association, platinum catalysts have been used since the 1950 in a process called catalytic reforming, to turn low-octane naphtha into high-octane blending components for gasoline. The quantity being sold by PHRT might be worth north of \$18 million, based on the current price of platinum at \$22,000 per pound.

Even though over 800 pounds of the precious metal might appear to be a substantial amount, it is but a fraction of what is currently at the south shore facility.

St. Croix Energy responded to this week's events by saying that they were "disheartened to learn of the financial and physical condition that the refinery is currently in." The company is, it says, standing at the ready to help in any way they can in effecting an environmentally compliant restart of the refinery.