

Refinery restart a done deal

Limetree announces it has secured \$1.25-billion to finance St. Croix project

Daily News Staff

A company with plans to restart the St. Croix refinery has completed a deal to finance the project, according to a press release.

Limetree Bay Ventures issued a press release Friday saying it had closed a \$1.25-billion deal to provide funding for the project. The company is affiliated with

Limetree Bay Refining, which previously negotiated the terms of a revenue-sharing agreement with the Virgin Islands government over the restart.

The deal is financed by \$550 million in preferred equity — meaning a preferred share of the company — and a \$700 million loan, according to the press release.

Limetree Bay Ventures is owned by ArcLight Capital Partners,

Freeport Commodities, and a leading sovereign wealth fund.

A sovereign wealth fund is a government-owned pool of money used for investments.

According to the Sovereign Wealth Fund Institute website, which publishes data and news about sovereign wealth funds, the largest belongs to Norway's Government Pension Fund, which manages about \$1.1 billion in assets.

Select U.S. states, including Alaska and Texas, also have multimillion-dollar sovereign wealth funds, according to the site.

Equity purchases were led by EIG Global Energy Partners LLC, a Washington, D.C.-based investment firm, joined by New-

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York based BlackRock Inc., and London-based Barclays, according to the press release.

Australia-based Westbourne Capital issued the loan, according to the release.

ArcLight also purchased “significant” common equity in the company, according to the release.

Debate over the revenue-sharing agreement, particularly a provision

granting the territorial government advance revenue payments worth \$70 million, dominated legislative discussion over the summer.

Legislators approved the revenue sharing agreement — potentially worth up to \$600 million in government revenues — in the early morning hours of July 26.

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