



Limetree Bay PAL Permit Withdrawal

- On March 25, 2021, the U.S. Environmental Protection Agency (EPA) withdrew the Clean Air Act Plantwide Applicability Limit (PAL) permit for the Limetree Bay Terminals, LLC and Limetree Bay Refining, LLC (Limetree Bay) facility on St. Croix in the U.S. Virgin Islands.
 - The PAL permit established facility-wide air pollutant emission limits to be used for determining whether future modifications to the facility trigger Prevention of Significant Deterioration (PSD) permitting requirements under EPA regulations.
- While the PAL permit was issued on December 2, 2020, it never became effective under EPA regulations due to the appeals that were filed with EPA's Environmental Appeals Board (EAB). These appeals were filed by a consortium of environmental and community groups as well as Limetree Bay itself. In their appeals, both sides asked that the permit be sent back to EPA so the Agency could consider their objections to the permit. By withdrawing the permit, EPA can consult with affected parties, re-assess the permit, and review the legal requirements applicable to the facility under the Clean Air Act.
- EPA's withdrawal renders moot the appeals of the permit to the EAB. By withdrawing the PAL permit, EPA is not requiring the facility to discontinue operations. The withdrawal only impacts the PAL permit. The result of the withdrawal is that Limetree Bay, at this time, will not be afforded the operational flexibilities provided by the PAL provisions of EPA's PSD regulations.
- The withdrawal of the permit allows for EPA's evaluation of the issues outside of the EAB process. EPA's withdrawal of the permit also withdraws the Agency's responses to comments filed in support of the December 2020 permit.
- The Agency will soon begin a thorough technical and legal re-evaluation of the PAL permit and review of the regulatory requirements applicable to Limetree Bay under the Clean Air Act.
- This facility is located in a community considered to have Environmental Justice concerns, which is a priority for EPA.
- Such examination is consistent with President Biden's order that agencies review environmental actions taken during the previous administration and is warranted based on information received during the permitting process.
- EPA's withdrawal of the PAL permit does not affect Limetree Bay's obligation to comply with existing Clean Air Act requirements, including multiple federal pollution control standards under the New Source Performance Standard (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP)

programs, various PSD permits issued by EPA, and a title V permit and local air pollution control permit issued by the US Virgin Islands. The facility is also subject to a Clean Air Act Consent Decree.

- The Agency will undertake a thoughtful, timely technical and legal review of the regulatory requirements applicable to the facility under the Clean Air Act and engage with stakeholders.

Background on Limetree Bay Facility

- Limetree Bay is a complex, integrated petroleum refinery, consisting of refinery process units and various supporting operations including sulfur recovery plants, steam and electric power generation, wastewater treatment, and a storage and marine loading terminal.
- The former owner of the facility, HOVENSA, had shut down the refinery operations in 2012 but continued to operate the oil storage and marine loading terminal prior to Limetree Bay's purchase of the facility in January 2016.
- On April 13, 2018, Limetree Bay applied to the Virgin Islands Department of Planning and Natural Resources (DPNR) for authorization to restart some of the refinery operations and begin producing low sulfur fuel for maritime use.
- On June 18, 2018, the DPNR issued a minor New Source Review preconstruction permit for the project.
- On November 28, 2018, Limetree Bay submitted a PAL permit application to EPA. The PAL permit was sought by Limetree Bay to facilitate future changes to the facility and was not necessary to restart the refinery operations.
- On September 20, 2019, EPA published a draft PAL permit and on December 2, 2020, EPA issued a final PAL permit. The permit never became effective under EPA regulations due to the appeals that were filed with EPA's Environmental Appeals Board.