

'Aggressive' moves planned to open 2nd N.L. refinery

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A company attempting to build a refinery in southern Newfoundland says it plans to start clearing land early next year, and to be in production within four years.

Brian Dalton, director of Newfoundland and Labrador Refining Corp., told an offshore oil convention in St. John's that the company remains optimistic that its bid to build a refinery in Placentia Bay will proceed, despite similar projects organizing in other jurisdictions.

Dalton told delegates to the Newfoundland Ocean Industries Association that there is a huge market demand to handle heavy, sour crude pumped in Russia, Latin America and the Middle East.

"There is risk but we do see this as a race [with] this hole that the market is presenting right now," Dalton said.

"It won't be around forever and it's there for those who move ... aggressively and entrepreneurially, and we think that we've got a really good shot at this."

Among companies worldwide competing to open a refinery soon is New Brunswick refining giant Irving Oil, which is aiming to open a new facility in Saint John.

To get into the marketplace quickly, Newfoundland and Labrador Refining Corp. intends to start construction on its \$5-billion project next year.

The company will need to recruit about 3,000 people to build the refinery — a tall order, given a marked shortage in the Newfoundland and Labrador labour pool for skilled trades.

"Like a lot of other projects, we're counting on the fact that many of the skills that we need are currently housed in Alberta," said Dalton.

"But there is a sense that a project like this will attract the workforce to it."

The refinery expects it will need a permanent workforce of about 900.

The refinery would come on stream just as Voisey's Bay Nickel hopes to complete a processing facility at Long Harbour, another Placentia Bay community.

Project director Joe Shirley acknowledges his company will also be competing for skilled labour, as it also aims for a 2011 completion date.

"We want to make our site the site of choice in Canada to come and work," Shirley said.

"We want to maximize local capacity, not only with labour, but also with fabrication and contracting."

Both projects are now in the final stages of environmental assessment. The proponents are hoping for a green light from government regulators by the end of the year.



'There is risk but we do see this as a race,' says Brian Dalton, of his company's bid to build a refinery in southern Newfoundland. (CBC)