GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

July 19, 2022

Dr. Shannon Allen
Superintendent
Beaumont Independent School District
3395 Harrison Ave.
Beaumont, Texas 77706

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Beaumont Independent School District and OCI Fuels USA Inc., Application 1742

Dear Superintendent Allen:

On April 29, 2022, the Comptroller issued written notice that OCI Fuels USA Inc. (applicant) submitted a completed application (Application 1742) for a limitation on appraised value under the provisions of Tax Code Chapter 313.[1] This application was originally submitted on March 24, 2022, to the Beaumont Independent School District (school district) by the applicant.

This presents the results of the Comptroller's review of the application and determinations required:

1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

Sec. 313.024(a) Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b) Applicant is proposing to use the property for an eligible project.

[1] All Statutory references are to the Texas Tax Code, unless otherwise noted.

Sec. 313.024(d)	Applicant has committed to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.
Sec. 313.024(d-2)	Not applicable to Application 1742.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state, see Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement by **December 31, 2022**.

Note that any building or improvement existing as of the application review start date of April 29, 2022, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

DocuSigned by:
Lisa Craven
11EA6DEF0EC441E...

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller's economic impact analysis of OCI Fuels USA Inc. (project) applying to Beaumont Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of OCI Fuels USA Inc.

Applicant	OCI Fuels USA Inc.
Tax Code, 313.024 Eligibility Category	Manufacturing
School District	Beaumont ISD
2020-2021 Average Daily Attendance	14,744
County	Jefferson
Proposed Total Investment in District	$2,075,000,000
Proposed Qualified Investment	$2,075,000,000
Limitation Amount	$30,000,000
Qualifying Time Period (Full Years)	2026-2027
Number of new qualifying jobs committed to by applicant	10
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	$1,211.54
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	$1,204.86
Minimum annual wage committed to by applicant for qualified jobs	$63,000.00
Minimum weekly wage required for non-qualifying jobs	$1,140.25
Minimum annual wage required for non-qualifying jobs	$59,293.00
Investment per Qualifying Job	$207,500,000
Estimated M&O levy without any limit (15 years)	$219,030,840
Estimated M&O levy with Limitation (15 years)	$64,941,179
Estimated gross M&O tax benefit (15 years)	$154,089,662

Table 2 is the estimated statewide economic impact of OCI Fuels USA Inc. (modeled).

	Employment			Personal Income		
Year	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2025	600	711	1,311	$37,800,000	$77,943,742	$115,743,742
2026	1200	1,442	2642	$75,600,000	$171,414,147	$247,014,147
2027	1800	2,167	3967	$113,400,000	$276,806,795	$390,206,795
2028	10	253	263	$630,000	$65,953,342	$66,583,342
2029	10	124	134	$630,000	$44,084,003	$44,714,003
2030	10	2	12	$630,000	$25,842,420	$26,472,420
2031	10	(45)	-35	$630,000	$15,813,823	$16,443,823
2032	10	(46)	-36	$630,000	$11,407,693	$12,037,693
2033	10	(25)	-15	$630,000	$10,763,497	$11,393,497
2034	10	7	17	$630,000	$12,495,978	$13,125,978
2035	10	41	51	$630,000	$15,490,917	$16,120,917
2036	10	70	80	$630,000	$18,724,957	$19,354,957
2037	10	93	103	$630,000	$21,901,208	$22,531,208
2038	10	87	97	$630,000	$21,857,104	$22,487,104
2039	10	92	102	$630,000	$23,065,404	$23,695,404
2040	10	95	105	$630,000	$24,072,754	$24,702,754
2041	10	95	105	$630,000	$24,734,102	$25,364,102
2042	10	92	102	$630,000	$25,032,068	$25,662,068

Source: CPA REMI, OCI Fuels USA Inc.

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Beaumont ISD I&S Tax Levy	Beaumont ISD M&O Tax Levy	Beaumont ISD M&O and I&S Tax Levies	Jefferson County Tax Levy	City of Beaumont ETJ Tax Levy	Port of Beaumont Tax Levy	Sabine Neches Navigation District Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.2526	0.9089		0.3632	0.7050	0.1090	0.0921	
2028	$1,971,250,000	$1,971,250,000		$4,979,575	$17,916,691	$22,896,266	$7,159,265	$13,897,313	$2,148,663	$1,814,871	$47,916,376
2029	$1,912,112,500	$1,912,112,500		$4,830,187	$17,379,191	$22,209,378	$6,944,487	$13,480,393	$2,084,203	$1,760,425	$46,478,885
2030	$1,854,749,125	$1,854,749,125		$4,685,282	$16,857,815	$21,543,097	$6,736,152	$13,075,981	$2,021,677	$1,707,612	$45,084,518
2031	$1,799,106,651	$1,799,106,651		$4,544,723	$16,352,080	$20,896,804	$6,534,068	$12,683,702	$1,961,026	$1,656,384	$43,731,983
2032	$1,745,133,452	$1,745,133,452		$4,408,382	$15,861,518	$20,269,900	$6,338,045	$12,303,191	$1,902,195	$1,606,692	$42,420,023
2033	$1,692,779,448	$1,692,779,448		$4,276,130	$15,385,672	$19,661,803	$6,147,904	$11,934,095	$1,845,130	$1,558,491	$41,147,423
2034	$1,641,996,065	$1,641,996,065		$4,147,846	$14,924,102	$19,071,948	$5,963,467	$11,576,072	$1,789,776	$1,511,737	$39,913,000
2035	$1,592,736,183	$1,592,736,183		$4,023,411	$14,476,379	$18,499,790	$5,784,563	$11,228,790	$1,736,082	$1,466,384	$38,715,610
2036	$1,544,954,097	$1,544,954,097		$3,902,709	$14,042,088	$17,944,796	$5,611,026	$10,891,926	$1,684,000	$1,422,393	$37,554,142
2037	$1,498,605,474	$1,498,605,474		$3,785,627	$13,620,825	$17,406,452	$5,442,695	$10,565,169	$1,633,480	$1,379,721	$36,427,517
2038	$1,453,647,310	$1,453,647,310		$3,672,058	$13,212,200	$16,884,259	$5,279,414	$10,248,214	$1,584,476	$1,338,329	$35,334,692
2039	$1,410,037,891	$1,410,037,891		$3,561,897	$12,815,834	$16,377,731	$5,121,032	$9,940,767	$1,536,941	$1,298,180	$34,274,651
2040	$1,367,736,754	$1,367,736,754		$3,455,040	$12,431,359	$15,886,399	$4,967,401	$9,642,544	$1,490,833	$1,259,234	$33,246,412
2041	$1,326,704,651	$1,326,704,651		$3,351,389	$12,058,419	$15,409,807	$4,818,379	$9,353,268	$1,446,108	$1,221,457	$32,249,019
2042	$1,286,903,512	$1,286,903,512		$3,250,847	$11,696,666	$14,947,513	$4,673,828	$9,072,670	$1,402,725	$1,184,813	$31,281,549
			Total	$60,875,102	$219,030,840	$279,905,943	$87,521,726	$169,894,094	$26,267,314	$22,186,723	$585,775,800

Source: CPA, OCI Fuels USA Inc.
*Tax Rate per $100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district, Jefferson County, city of Beaumont ETJ, Port of Beaumont and Sabine Neches Navigation District, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Beaumont ISD I&S Tax Levy	Beaumont ISD M&O Tax Levy	Beaumont ISD M&O and I&S Tax Levies	Jefferson County Tax Levy	City of Beaumont ETJ Tax Levy	Port of Beaumont Tax Levy	Sabine Neches Navigation District Tax Levy	Estimated Total Property Taxes
			Tax Rate*	**0.2526**	**0.9089**		**0.3632**	**0.7050**	**0.1090**	**0.0921**	
2028	$1,971,250,000	$30,000,000		$4,979,575	$272,670	$5,252,245	$7,159,265	$13,897,313	$2,148,663	$1,814,871	$30,272,355
2029	$1,912,112,500	$30,000,000		$4,830,187	$272,670	$5,102,857	$6,944,487	$13,480,393	$2,084,203	$1,760,425	$29,372,364
2030	$1,854,749,125	$30,000,000		$4,685,282	$272,670	$4,957,952	$6,736,152	$13,075,981	$2,021,677	$1,707,612	$28,499,374
2031	$1,799,106,651	$30,000,000		$4,544,723	$272,670	$4,817,393	$6,534,068	$12,683,702	$1,961,026	$1,656,384	$27,652,572
2032	$1,745,133,452	$30,000,000		$4,408,382	$272,670	$4,681,052	$6,338,045	$12,303,191	$1,902,195	$1,606,692	$26,831,175
2033	$1,692,779,448	$30,000,000		$4,276,130	$272,670	$4,548,800	$6,147,904	$11,934,095	$1,845,130	$1,558,491	$26,034,420
2034	$1,641,996,065	$30,000,000		$4,147,846	$272,670	$4,420,516	$5,963,467	$11,576,072	$1,789,776	$1,511,737	$25,261,568
2035	$1,592,736,183	$30,000,000		$4,023,411	$272,670	$4,296,081	$5,784,563	$11,228,790	$1,736,082	$1,466,384	$24,511,901
2036	$1,544,954,097	$30,000,000		$3,902,709	$272,670	$4,175,379	$5,611,026	$10,891,926	$1,684,000	$1,422,393	$23,784,724
2037	$1,498,605,474	$30,000,000		$3,785,627	$272,670	$4,058,297	$5,442,695	$10,565,169	$1,633,480	$1,379,721	$23,079,362
2038	$1,453,647,310	$1,453,647,310		$3,672,058	$13,212,200	$16,884,259	$5,279,414	$10,248,214	$1,584,476	$1,338,329	$35,334,692
2039	$1,410,037,891	$1,410,037,891		$3,561,897	$12,815,834	$16,377,731	$5,121,032	$9,940,767	$1,536,941	$1,298,180	$34,274,651
2040	$1,367,736,754	$1,367,736,754		$3,455,040	$12,431,359	$15,886,399	$4,967,401	$9,642,544	$1,490,833	$1,259,234	$33,246,412
2041	$1,326,704,651	$1,326,704,651		$3,351,389	$12,058,419	$15,409,807	$4,818,379	$9,353,268	$1,446,108	$1,221,457	$32,249,019
2042	$1,286,903,512	$1,286,903,512		$3,250,847	$11,696,666	$14,947,513	$4,673,828	$9,072,670	$1,402,725	$1,184,813	$31,281,549
			Total	**$60,875,102**	**$64,941,179**	**$125,816,281**	**$87,521,726**	**$169,894,094**	**$26,267,314**	**$22,186,723**	**$431,686,138**
			Diff	**$0**	**$154,089,662**	**$154,089,662**	**$0**	**$0**	**$0**	**$0**	**$154,089,662**
Assumes School Value Limitation.											

Source: CPA, OCI Fuels USA Inc.
*Tax Rate per $100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller's determination that OCI Fuels USA Inc. (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2025	$849,964	$849,964	$0	$0
	2026	$5,288,662	$6,138,625	$0	$0
	2027	$11,645,849	$17,784,475	$0	$0
Limitation Period (10 Years)	2028	$272,670	$18,057,145	$17,644,021	$17,644,021
	2029	$272,670	$18,329,815	$17,106,521	$34,750,542
	2030	$272,670	$18,602,485	$16,585,145	$51,335,687
	2031	$272,670	$18,875,155	$16,079,410	$67,415,097
	2032	$272,670	$19,147,825	$15,588,848	$83,003,945
	2033	$272,670	$19,420,495	$15,113,002	$98,116,947
	2034	$272,670	$19,693,165	$14,651,432	$112,768,379
	2035	$272,670	$19,965,835	$14,203,709	$126,972,089
	2036	$272,670	$20,238,505	$13,769,418	$140,741,506
	2037	$272,670	$20,511,175	$13,348,155	$154,089,662
Maintain Viable Presence (5 Years)	2038	$13,212,200	$33,723,375	$0	$154,089,662
	2039	$12,815,834	$46,539,209	$0	$154,089,662
	2040	$12,431,359	$58,970,569	$0	$154,089,662
	2041	$12,058,419	$71,028,987	$0	$154,089,662
	2042	$11,696,666	$82,725,653	$0	$154,089,662
Additional Years as Required by 313.026(c)(1) (10 Years)	2043	$11,345,766	$94,071,419	$0	$154,089,662
	2044	$11,005,393	$105,076,813	$0	$154,089,662
	2045	$10,675,231	$115,752,044	$0	$154,089,662
	2046	$10,354,974	$126,107,018	$0	$154,089,662
	2047	$10,044,325	$136,151,343	$0	$154,089,662
	2048	$9,742,995	$145,894,339	$0	$154,089,662
	2049	$9,450,705	$155,345,044	$0	$154,089,662
	2050	$9,167,184	$164,512,228	$0	$154,089,662
	2051	$8,892,169	$173,404,397	$0	$154,089,662
	2052	$8,625,404	$182,029,801	$0	$154,089,662
		$182,029,801	is greater than	**$154,089,662**	

Analysis Summary	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	**Yes**

NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, OCI Fuels USA Inc.

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that "the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state." This represents the basis for the Comptroller's determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller **has determined** that the limitation on appraised value is a determining factor in the OCI Fuels USA Inc.'s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Per OCI Fuels USA Inc. in Tab 5 of their Application for a Limitation on Appraised Value:
  A. "Company continuously evaluates long-term investment opportunities across all of its sites. This evaluation weighs a number of factors, including return on investment. Return on investment is directly impacted by cost of operations. A locale's property tax burden represents a significant operational cost. As the Company weighs these factors in evaluating a project's viability, economic development incentives will directly impact the economics of the project. Without them, the project will be less competitive with projects in other locales. Because of this, based on Company's economic modeling, incentives will be significant factors in a final investment decision."
  B. "[One] of the determining factors that renewable energy developers face when selecting an area for development is where they can achieve the greatest return on the Applicant's investment. An appraised value limitation on qualified property will allow these developers to significantly diminish the property tax liability that comprises a substantial ongoing cost of operation that directly impacts the economic rate of return for the project. As such, securing a Chapter 313 appraised value limitation is critical to establish a rate of return competitive with other investment opportunities, and is a determining factor affecting Applicant's final investment decision to construct and operate the proposed project in Texas."
  C. "A comparison of Beaumont ISD M&O ad valorem taxes with and without the Chapter 313 appraised value limitation through the 25th anniversary of the beginning of the limitation period using the 2021 Beaumont ISD M&O ad valorem tax rate of $.9089 per $100 of the estimated M&O taxable values on Schedule B is shown below. The Chapter 313 appraised value limitation is projected to result in $154,089,662 of tax savings. These savings have a material impact on the rate of return and discounted cash flow projections for the proposed project and are equivalent to 7% of the projected qualified investment, and consequently are a significant and determining factor in Applicant's decision to invest in the proposed project in Texas."

- Per OCI Fuels USA Inc. in Tab 4 of the Application the applicant is seeking to construct the following: a methanol-to-gasoline facility (MTG); two renewable syngas facilities using syngas production equipment to convert biomass to bio synthesis gas; and two methanol synthesis facilities capable of producing green bio-methanol.
- Per OCI Fuels USA Inc. in Tab 3 of the Application, "OCI Beaumont [LLC] and OCI Fuels USA [Inc.] are affiliates, with OCI NV as the parent controlling both OCI Beaumont and OCI Clean Ammonia. OCI NV is a Netherlands corporation…."
- Per OCI Fuels USA Inc. in Tab 10 of the Application:
  A. "The project will be located adjacent to assets of Applicant's affiliate OCI Beaumont LLC, an integrated methanol and ammonia production facility depicted at Tab 11(e). Though the existing facilities are not owned or operated by Applicant, this project will interconnect with affiliate assets and will include a new Methanol to Gasoline (MTG) facility, a 1,000 MTPD Gasification complex, a 4,000 MTPD Gasification complex and two Methanol Synthesis plants with production capacity of up to 2,500 MTPD each. While OCI Fuels USA and OCI Beaumont are affiliate entities, this project will be separate and distinct manufacturing facilities. The proposed facilities to be owned by OCI Fuels USA will produce a renewable syngas derived from biomass as well as a low carbon, bio-gasoline product, neither of which are currently produced at OCI Beaumont."
  B. "The operations, maintenance and reliability personnel required to support the manufacturing processes of each facility will be composed of separate teams (with each reporting to the respective leadership of either OCI Fuels USA or OCI Beaumont). Meaning that each facility will be capable of operating independently of one another on an ongoing basis."
  C. "The project will have new interconnections to these existing shared services, including hydrogen, nitrogen, CO2 and natural gas pipeline connections, power infrastructure, rail, storage facilities, distribution/loading facilities and high pressure steam. The project will also include new interconnections between the MTG facility, the 1,000 MTPD Gasification complex, the 4,000 MTPD Gasification complex, and two Methanol Synthesis plants and the existing affiliate-owned OCI Beaumont facility (utilities, pipeline for feedstock). These new interconnections with existing facilities is NOT a requirement for this project. Applicant is simply taking advantage of the economies of sharing resources between affiliates and building in redundancies."
- An April 12, 2022 *Houston Chronicle* article reported on the proposed project:
  A. "A chemical plant outside Beaumont could be getting a $2 billion expansion as its owner, Amsterdam-based OCI, plans to expand into renewable methanol-to-gasoline and methanol biofuel production. The new facility would put wood chips through a gasifier system, applying oxygen and superheated steam to yield renewable natural gas, the company said in an application with Beaumont Independent School District reduce its tax burden. The renewable natural gas would then be used in OCI's bio-its methanol production."
  B. "Bio-methanol generated at the new facilities would be converted into gasoline and be shipped to European markets, which give out generous incentives to biofuels makers. The company's ambition is to create a system of interconnected facilities that complement each other, generating renewable natural gas to fuel OCI's existing operations in Beaumont and use methanol created at its existing facility — as well as bio-methanol from the planned operation — to create gasoline.
  C. "The new facilities could generate about 1 million tons per year of bio-methanol and produce 100,000 tons of gasoline per year, the company said."
- An April 19, 2022 *Houston Business Journal* also featured the proposed project:
  A. "Amsterdam-based chemicals manufacturer OCI NV is considering investing just shy of $5 billion to expand its Beaumont complex, according to documents filed with the Texas comptroller's office. The company is looking to add nitrogen-based fertilizer production and a renewable fuels plant to its existing ammonia and methanol plant east of Houston, OCI said. If the plans are finalized, OCI would spend $2.8 billion on the additional fertilizer production units and $2.075 billion on the proposed lumber waste-to-fuels project, both of which would start operating in 2027, the documents said. OCI's proposal for the renewable fuels plant is the third such facility announced for East Texas, bringing the total proposed investments to roughly $5 billion."

B. “Employees in OCI’s Houston office are developing the projects, for which construction is expected to start in 2023 and wrap up within 2.5 years, according to the applications. The renewable fuels plans call for a unit that turns wood waste into synthesis gas, creating renewable natural gas, OCI said. Another new unit would turn some of the synthesis gas into up to 1 million tons per year of methanol, which in turn would be processed into renewable gasoline in a third new unit. Overall, the facility would have the capacity to make 100,000 tons of gasoline per year, according to the application.”

Supporting Information

a) Section 8 of the Application for a Limitation on Appraised Value
b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
c) Attachments provided in Tab 4 of the Application for a Limitation on Appraised Value
d) Additional information provided by the Applicant or located by the Comptroller

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Supporting Information

Section 8 of the Application for a Limitation on Appraised Value

SECTION 8: Limitation as Determining Factor

1.	Does the applicant currently own the land on which the proposed project will occur?	☐ Yes	☑ No
2.	Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?	☑ Yes	☐ No
3.	Does the applicant have current business activities at the location where the proposed project will occur?	☐ Yes	☑ No
4.	Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location?	☐ Yes	☑ No
5.	Has the applicant received any local or state permits for activities on the proposed project site?	☐ Yes	☑ No
6.	Has the applicant received commitments for state or local incentives for activities at the proposed project site?	☐ Yes	☑ No
7.	Is the applicant evaluating other locations not in Texas for the proposed project?	☑ Yes	☐ No
8.	Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities?	☐ Yes	☑ No
9.	Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project?	☐ Yes	☑ No
10.	Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas?	☑ Yes	☐ No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

SECTION 9: Projected Timeline

NOTE: Only construction beginning after the application review start date (the date the Texas Comptroller of Public Accounts deems the application complete) can be considered qualified property and/or qualified investment.

1. Estimated school board ratification of final agreement: October 2022
2. Estimated commencement of construction: 2023
3. Beginning of qualifying time period (MM/DD/YYYY): 01/2/2025
4. First year of limitation (YYYY): 2028

4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):

☐ A. January 1 following the application date ☐ B. January 1 following the end of QTP

☑ C. January 1 following the commencement of commercial operations

5. Commencement of commercial operations: 2027

SECTION 10: The Property

1. County or counties in which the proposed project will be located: Jefferson
2. Central Appraisal District (CAD) that will be responsible for appraising the property: Jefferson
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☑ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

M&O (ISD): Beaumont ISD, .9089, 100%
(Name, tax rate and percent of project)

I&S (ISD): Beaumont ISD, .25261, 100%
(Name, tax rate and percent of project)

County: Jefferson County, .363184, 100%
(Name, tax rate and percent of project)

City: City of Beaumont ETJ, .705, 100%
(Name, tax rate and percent of project)

Hospital District: n/a
(Name, tax rate and percent of project)

Water District: n/a
(Name, tax rate and percent of project)

Other *(describe)*: Sabine Neches Nav,0.092067, 100%
(Name, tax rate and percent of project)

Other *(describe)*: Port of Beaumont, .109, 100%
(Name, tax rate and percent of project)

Supporting Information

Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value

TAB 5

DOCUMENTATION TO ASSIST IN DETERMINING OF LIMITATION IS A DETERMINING FACTOR

Section 8, No. 2 – Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?

Yes. Applicant has entered into a basic engineering agreement that can be adapted for whichever site is selected.

Section 8, No. 7 – Is the applicant evaluating other locations not in Texas for the proposed project?

Yes, including elsewhere on the U.S. Gulf Coast, or at affiliate entity ongoing operations in the Middle East, North Africa or Europe, Company continuously evaluates long-term investment opportunities across all of its sites. This evaluation weighs a number of factors, including return on investment. Return on investment is directly impacted by cost of operations. A locale's property tax burden represents a significant operational cost.

As the Company weighs these factors in evaluating a project's viability, economic development incentives will directly impact the economics of the project. Without them, the project will be less competitive with projects in other locales. Because of this, based on Company's economic modeling, incentives will be significant factors in a final investment decision.

Section 8, No. 10 – Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas?

Yes, one of the determining factors that renewable energy developers face when selecting an area for development is where they can achieve the greatest return on the Applicant's investment. An appraised value limitation on qualified property will allow these developers to significantly diminish the property tax liability that comprises a substantial ongoing cost of operation that directly impacts the economic rate of return for the project.

As such, securing a Chapter 313 appraised value limitation is critical to establish a rate of return competitive with other investment opportunities, and is a determining factor affecting Applicant's final investment decision to construct and operate the proposed project in Texas.

A comparison of Beaumont ISD M&O ad valorem taxes with and without the Chapter 313 appraised value limitation through the 25th anniversary of the beginning of the limitation period using the 2021 Beaumont ISD M&O ad valorem tax rate of $.9089 per $100 of the estimated M&O taxable values on Schedule B is shown below. The Chapter 313 appraised value limitation is projected to result in $154,089,662 of tax savings. These savings have a material impact on the rate of return and discounted cash flow projections for the proposed project and are equivalent to 7% of the projected qualified investment, and consequently are a significant and determining factor in Applicant's decision to invest in the proposed project in Texas.

Section 8, No. 10 – Continued:

Year	Beaumont ISD M&O Taxes Without 313	Beaumont ISD M&O Taxes With 313
2022	$ -	$ -
2023	$ -	$ -
2024	$ -	$ -
2025	$ 849,964	$ 849,964
2026	$ 5,288,662	$ 5,288,662
2027	$ 11,645,849	$ 11,645,849
2028	$ 17,916,691	$ 272,670
2029	$ 17,379,191	$ 272,670
2030	$ 16,857,815	$ 272,670
2031	$ 16,352,080	$ 272,670
2032	$ 15,861,518	$ 272,670
2033	$ 15,385,672	$ 272,670
2034	$ 14,924,102	$ 272,670
2035	$ 14,476,379	$ 272,670
2036	$ 14,042,088	$ 272,670
2037	$ 13,620,825	$ 272,670
2038	$ 13,212,200	$ 13,212,200
2039	$ 12,815,834	$ 12,815,834
2040	$ 12,431,359	$ 12,431,359
2041	$ 12,058,419	$ 12,058,419
2042	$ 11,696,666	$ 11,696,666
2043	$ 11,345,766	$ 11,345,766
2044	$ 11,005,393	$ 11,005,393
2045	$ 10,675,231	$ 10,675,231
2046	$ 10,354,974	$ 10,354,974
2047	$ 10,044,325	$ 10,044,325
2048	$ 9,742,995	$ 9,742,995
2049	$ 9,450,705	$ 9,450,705
2050	$ 9,167,184	$ 9,167,184
2051	$ 8,892,169	$ 8,892,169
2052	$ 8,625,404	$ 8,625,404
TOTAL	**$ 336,119,463**	**$ 182,029,801**
DIFFERENCE		**$ (154,089,662)**

OCI NV, OCI Beaumont and OCI Fuels USA are affiliates, with OCI NV as the parent controlling both OCI Beaumont and OCI Fuels USA. OCI NV is a Netherlands corporation and is organized under Dutch law. OCI Beaumont LLC is a Texas limited liability company and OCI Fuels USA is a Delaware corporation registered to do business in Texas. OCI Beaumont LLC is the franchise tax reporting entity for OCI Fuels USA and other OCI affiliates. More information on interconnections between applicant and OCI Beaumont LLC can be found at Tab 10 of this application.

Supporting Information

Attachments provided in Tab 4 of the Application for a Limitation on Appraised Value

TAB 4

DETAILED DESCRIPTION OF THE PROJECT

The Company is currently evaluating the construction of a renewable methanol-to-gasoline (MTG) facility and a renewable syngas facility, which will feed methanol synthesis loops to make green/bio-methanol, either adjacent to an existing affiliate methanol/ammonia production facility in Beaumont, Texas or elsewhere on the U.S. Gulf Coast, or at its ongoing operations in the Middle East, North Africa or Europe.

Construction is expected to take 24 to 30 months, with commissioning and start up to follow. The facilities are expected to be fully operational in 2027.

Maps at Tab 11 label the projects QP1, QP2, QP3, QP4 and QP5. The "QP" is a reference to Qualified Property addressed at Tab 8. We use the QP reference throughout the application for consistency in referring to the five major project components.

MTG FACILITY

The proposed facility would convert bio-methanol into bio-gasoline for shipment into European markets. Once operating, the MTG facility production capacity will be 100,000 ton/year. The feedstock for the bio-methanol is produced from the renewable syngas facilities, below.

RENEWABLE SYNGAS FACILITIES

The proposed renewable syngas facilities would use syngas production equipment to convert biomass to bio synthesis gas. Dried biomass feedstock (local woodchips) is gasified in gasifier system in the presence of oxygen and superheated steam. The renewable syngas produced from these proposed facilities will be used as a feedstock for the production of green/bio-methanol. Once operating, the green syngas facilities will produce renewable natural gas (RNG).

METHANOL SYNTHESIS FACILITIES

Using syngas produced by the gasification facilities described above, Company proposes to construct methanol synthesis loop(s) capable of producing at least 2,500 MTPD (~1 million tons per annum) of green bio-methanol.

Immediately below is a list of new property that will serve the entire project (all five units, QP1, QP2, QP3, QP4 and QP5), followed by lists of new property unique to each unit:

- Site development
  - Includes removal of existing foliage (trees, shrubs or other vegetation)
  - Grading and leveling of land
  - Remediation of any wetlands in accordance with environmental regulations
  - Installation of access roads and entry into the site
  - Installation of civil supports (pilings, concrete slabs or other infrastructure)
  - Fencing
  - Lighting
- Utilities and offsite systems
  - Certain equipment or systems may be fabricated off-site (e.g. not at the proposed Beaumont location) to minimize capex or streamline the construction process
  - Equipment such as skid mounted valves, regulators, boilers, reactors, vessels, pipe-skids may be fabricated in a closed environment (such as a fabrication shop) and shipped to the site for final installation

- Electrical equipment
    - Electrical equipment responsible for supplying electrical power, and instrumentation for monitoring and operating the various systems within the proposed facility, including the following major components:
        - 69 kV power station with transformers to 12.47 kV
        - Electrical substation with transformers to 4 kV and lower, with various electrical switch gear
        - Emergency power diesel generator
        - Electrical systems / electric control centers
        - Instrumentation I/O connections and wire runs
        - Underground Piping/conduit
- Interconnecting piping with natural gas, hydrogen, carbon dioxide and nitrogen providers
    - Connections to existing natural gas, hydrogen or nitrogen pipeline networks through subterraneous pipelines
    - Connection to the river for water intake
    - Connection to municipal potable water system
- Process and final storage tanks and loading infrastructure for finished product
- Process control buildings
- Warehouse buildings
- Maintenance buildings

New property unique to each unit:

QP1 Methanol to Gasoline (MTG Facility)

New property necessary for the production of bio-gasoline includes:

- MTG reactor systems
- Synthesis loops
- MTG product separation and recovery system
- Heavy gasoline treatment systems
- Cooling and separation system
- Electrical substation
- MTG reactors
- Air coolers
- Pumps & valves
- Compressors (recycle)
- Heat exchangers
- Cooling water towers
- Condensers
- Distillation refining unit
- Flare
- Package boiler
- Reboilers
- Process control systems
- Steam system
- Demineralized water unit
- Demineralized water tank
- Boiler feedwater system
- Instrument air system
- Pollution control equipment
- Small MTG tank
- Potable water
- Ancillary and eligible equipment necessary for operations

QP2 1,000 MTPD Gasification Complex (Renewable Syngas Facilities)

New property necessary for the production of syngas includes:

- Biomass feeding systems
- Bed material feeding system
- Gasification reactor
- Cooling and separation system
- Electrical substation
- Compressors (syngas)

- Syngas tar removal systems
- Syngas cooler systems
- Syngas filter systems
- Syngas scrubber systems
- Ash removal systems
- Valves
- Pumps
- Heat exchangers
- Ancillary and eligible equipment necessary for operations
- Gasifier systems
- Torrefaction and purification unit
- Biomass storage facility
- Flare
- Waste heat boiler
- Steam system
- Instrument air system
- Potable water

QP3 4,000 MTPD Gasification Complex (Renewable Syngas Facilities)

New property necessary for the production of syngas includes:

- Biomass feeding systems
- Bed material feeding system
- Gasification reactor
- Cooling and separation system
- Electrical substation
- Compressors (syngas)
- Syngas tar removal systems
- Syngas cooler systems
- Syngas filter systems
- Syngas scrubber systems
- Ash removal systems
- Valves
- Pumps
- Heat exchangers
- Torrefaction and purification unit
- Biomass storage facility
- Ancillary and eligible equipment necessary for operations
- Flare
- Waste heat boiler
- Steam system
- Instrument air system
- Potable water
- Reactors (catalytic chemical reactors to facilitate methanol synthesis from syngas)
- Heat exchangers
- Flare
- Package boiler
- Cooling water tower
- Demineralized water unit
- Demineralized water tank
- Instrument air system
- Potable water

QP4 Methanol Synthesis Plant 1 (Methanol Synthesis Facilities)

New property necessary for the production of bio-methanol includes:

- 2,500 – 5,000 MTPD methanol synthesis unit
- Methanol reactor
- Electrical substation
- Pumps
- Compressors (syngas, recycle)
- Scrubbers
- PSA/Membranes (Nitrogen generators)
- Distillation column/tower (clean-up/distillation of end product)
- Heat exchangers
- Ancillary and eligible equipment necessary for operations
- Methanol tank
- Flare
- Waste heat boiler
- Steam system
- Cooling water tower
- Boiler feedwater system
- Instrument air system
- Methanol refining system
- Methanol crude tank
- Potable water

QP5 Methanol Synthesis Plant 2 (Methanol Synthesis Facilities)

New property necessary for the production of bio-methanol includes:

- 2,500 – 5,000 MTPD methanol synthesis unit
- Methanol reactor
- Electrical substation
- Pumps
- Compressors (syngas, recycle)
- Scrubbers
- PSA/Membranes (Nitrogen generators)
- Distillation column/tower (clean-up/distillation of end product)
- Heat exchangers
- Ancillary and eligible equipment necessary for operations
- Methanol tank
- Flare
- Waste heat boiler
- Steam system
- Cooling water tower
- Boiler feedwater system
- Instrument air system
- Methanol refining system
- Methanol crude tank
- Potable water

The exact number and location of real and personal property improvements remains to be determined based ongoing siting analysis. All qualified property would be located in the project boundary.

For depiction of proposed facilities within the project boundaries see Tab 11.

Supporting Information

Additional information provided by the Applicant or located by the Comptroller

TAB 3

DOCUMENTATION OF COMBINED GROUP MEMBERSHIP UNDER TEXAS TAX CODE 171.001(7), HISTORY OF TAX DEFAULT, DELINQUENCIES AND/OR MATERIAL LITIGATION (IF APPLICABLE)

Applicant is listed on the combined group Texas franchise tax form. We have included OCI Beaumont LLC's most recent TFTR.

Applicant has no history of tax default, delinquencies and/or material litigation.

Please note that the preparer of the form included the Applicants EIN instead of the Texas taxpayer number. This will be changed on the next annual form.

This application is one of two submitted to Beaumont ISD at the same time by related entities OCI Fuels USA Inc. (this application) and OCI Clean Ammonia LLC. Both projects will be developed simultaneously and will be adjacent to a third related entity OCI Beaumont LLC. The two projects will share project boundaries. This is discussed in more detail at Tab 16.

OCI NV, OCI Beaumont and OCI Fuels USA are affiliates, with OCI NV as the parent controlling both OCI Beaumont and OCI Fuels USA. OCI NV is a Netherlands corporation and is organized under Dutch law. OCI Beaumont LLC is a Texas limited liability company and OCI Fuels USA is a Delaware corporation registered to do business in Texas. OCI Beaumont LLC is the franchise tax reporting entity for OCI Fuels USA and other OCI affiliates. More information on interconnections between applicant and OCI Beaumont LLC can be found at Tab 10 of this application.

TAB 10

The entire project area is currently undeveloped with no improvements. There is no existing property within the project boundary.

The project will be located adjacent to assets of Applicant's affiliate OCI Beaumont LLC, an integrated methanol and ammonia production facility depicted at Tab 11(e). Though the existing facilities are not owned or operated by Applicant, this project will interconnect with affiliate assets and will include a new Methanol to Gasoline (MTG) facility, a 1,000 MTPD Gasification complex, a 4,000 MTPD Gasification complex and two Methanol Synthesis plants with production capacity of up to 2,500 MTPD each.

While OCI Fuels USA and OCI Beaumont are affiliate entities, this project will be separate and distinct manufacturing facilities. The proposed facilities to be owned by OCI Fuels USA will produce a renewable syngas derived from biomass as well as a low carbon, bio-gasoline product, neither of which are currently produced at OCI Beaumont.

The operations, maintenance and reliability personnel required to support the manufacturing processes of each facility will be composed of separate teams (with each reporting to the respective leadership of either OCI Fuels USA or OCI Beaumont). Meaning that each facility will be capable of operating independently of one another on an ongoing basis.

The project is sited partially on the site of a large industrial complex (formerly the DuPont Beaumont Works chemical complex). DuPont, now known as Chemours, no longer has a presence on the site, but the shared services utilities have been maintained to serve other facilities that are still on the site, including OCI Beaumont and others.

The project will have new interconnections to these existing shared services, including hydrogen, nitrogen, CO2 and natural gas pipeline connections, power infrastructure, rail, storage facilities, distribution/loading facilities and high pressure steam.

The project will also include new interconnections between the MTG facility, the 1,000 MTPD Gasification complex, the 4,000 MTPD Gasification complex, and two Methanol Synthesis plants and the existing affiliate-owned OCI Beaumont facility (utilities, pipeline for feedstock). These new interconnections with existing facilities is NOT a requirement for this project. Applicant is simply taking advantage of the economies of sharing resources between affiliates and building in redundancies.

Applicant is not requesting existing property to be part of the 313 limitation.

These new interconnections include:

Bio-syngas from the new bio-gasification unit to new Methanol Synthesis Facility

OCI Fuels USA intends to build a gasification unit that converts woody biomass into a low-carbon, renewable bio-syngas. Woody biomass would consist of waste wood products such as tops and limbs, mill residuals, saw dust and commercial thinnings, all of which have limited commercial applications today.

The primary use of bio-syngas produced by the gasification unit will be to supply the feedstock for a newly constructed methanol synthesis facility. The purpose of this new interconnection is to provide the methanol synthesis facility with its primary feedstock source (bio-syngas) for green methanol production.

Bio-syngas from the new bio gasification unit to current OCI Beaumont facility

The bio-syngas produced from the gasification unit can be combined with over-the-fence hydrogen (purchased from industrial gas suppliers) to produce green methanol. The purpose of this new interconnection is to allow the existing OCI Beaumont facility (which has a conventional methanol synthesis unit in-place) to use bio-syngas from the new gasification unit to produce green methanol.

This new interconnection will also serve as a secondary or redundant connection, allowing OCI to continue producing green methanol in the event the new Methanol Synthesis facility is temporarily out of service.

Bio-Methanol from new methanol Synthesis facility to new MTG facility

The purpose of this new interconnection is to provide the MTG facility with its primary feedstock source (green methanol) to produce bio-gasoline.

Bio-Methanol from current OCI Beaumont facility to new MTG facility

The proposed Methanol-to-Gasoline (MTG) facility utilizes green methanol as the feedstock to produce bio-gasoline. With the ability to produce green methanol outlined above, this new interconnection will enable OCI Beaumont to serve as a secondary or redundant feedstock source (green methanol) to produce bio-gasoline.

BUSINESS // ENERGY

Wood chips would be a fuel feedstock at a new $2B biofuels facility that could come to Beaumont

Amanda Drane

April 12, 2022 | Updated: April 12, 2022 5:43 p.m.

The new facilities could generate around 1 million tons per year of bio-methanol, or biofuels, which are growing more popular as an alternat to fossil fuels.
BRANDON THIBODEAUX, STR / NYT

A chemical plant outside Beaumont could be getting a $2 billion expansion as its owner, Amsterdam-based OCI, plans to expand into renewable methanol-

to-gasoline and methanol biofuel production.

The new facility would put wood chips through a gasifier system, applying oxygen and superheated steam to yield renewable natural gas, the company said in an application with Beaumont Independent School District to reduce its tax burden. The renewable natural gas would then be used in OCI's bio-methanol production.

Bio-methanol generated at the new facilities would be converted into gasoline and be shipped to European markets, which give out generous incentives to biofuels makers.

The company's ambition is to create a system of interconnected facilities that complement each other, generating renewable natural gas to fuel OCI's existing operations in Beaumont and use methanol created at its existing facility – as well as bio-methanol from the planned operation – to create gasoline.

Biofuels have become a popular alternative to fossil fuels during the energy transition, but biofuel-makers using sources such as wheat and soy have faced challenges getting the agricultural feedstocks because of storms, droughts and shortages.

There are plenty of sources for wood chips along the Houston Ship Channel, said Ed Hirs, an energy fellow for the University of Houston, pointing to paper plants, sawmills and other industrial sources.

"It should be relatively easy to obtain without stripping forests," he said, noting that European markets will likely pay handsomely for the trouble of shipping biofuels from the Gulf Coast.

Energy facilities such as that proposed by OCI can be energy-intensive, raising questions about whether the production of alternative fuels is worse than burning fossil fuels, Hirs said. "The question is what's the net energy return?"

The new facilities could generate about 1 million tons per year of bio-methanol and produce 100,000 tons of gasoline per year, the company said.

Construction is expected take two to three years and the facilities are expected to be operational in 2027. OCI committed to creating at least 10 jobs with an annual salary of $63,000 or more in exchange for a tax break of $154 million over the next 30 years.

amanda.drane@chron.com

VIEW COMMENTS

HOUSTON BUSINESS JOURNAL

Fertilizer co. OCI considers nearly $5B Beaumont expansion with renewable fuels

Emily Burleson
603 words
19 April 2022
Houston Business Journal
HOBJ
English

Amsterdam-based chemicals manufacturer OCI NV is considering investing just shy of $5 billion to expand its Beaumont complex, according to documents filed with the Texas comptroller's office.

The company is looking to add nitrogen-based fertilizer production and a renewable fuels plant to its existing ammonia and methanol plant east of Houston, OCI said.

If the plans are finalized, OCI would spend $2.8 billion on the additional fertilizer production units and $2.075 billion on the proposed lumber waste-to-fuels project, both of which would start operating in 2027, the documents said.

OCI's proposal for the renewable fuels plant is the third such facility announced for East Texas, bringing the total proposed investments to roughly $5 billion.

The plans come to light from OCI's applications for Chapter 313 tax incentives. Under that section of the state tax code, companies hoping to build certain industrial projects can make agreements with the local school district to lessen their tax burdens.

Employees in OCI's Houston office are developing the projects, for which construction is expected to start in 2023 and wrap up within 2.5 years, according to the applications.

The renewable fuels plans call for a unit that turns wood waste into synthesis gas, creating renewable natural gas, OCI said. Another new unit would turn some of the synthesis gas into up to 1 million tons per year of methanol, which in turn would be processed into renewable gasoline in a third new unit.

Overall, the facility would have the capacity to make 100,000 tons of gasoline per year, according to the application.

OCI's renewable fuels production would be less than 2 miles from a competing project being developed by Houston-based Arbor Renewable Fuels.

Beaumont is an ideal place to build a renewable fuels plant because of its proximity to the southern yellow pine forest plantations, which provide feedstock, as well as ample industrial infrastructure and access to markets, Arbor CEO Tim Vail said.

OCI said it plans to ship all of its renewable gasoline to Europe, which incentivizes the import of such fuel with lucrative credits. Meanwhile, Vail said Arbor plans to certify its fuels for sale in California as well as Europe.

OCI is also part-owner and operator of Natgasoline LLC in Beaumont, one of the largest methanol-manufacturing plants in the world, according to its developers.

For the fertilizer project, OCI said it wants to add two ammonia production units, each of which would have the capacity to make 3,000 metric tons of ammonia per day using imported hydrogen and nitrogen.

The company also wants to add a plant that uses ammonia and carbon dioxide to make 2,200 metric tons per day of urea. Some of that urea would be converted to diesel exhaust fluid, while the rest would be turned into urea ammonium nitrate, a type of fertilizer, in another new facility with the capacity to make 1,530 metric tons of UAN per day.

OCI said it would also need to build more storage tanks and connections between the new and existing units in Beaumont. The company is also considering building the fertilizer project in Wever, Iowa, instead of Beaumont, according to the application.

If the Beaumont Independent School District strikes a Chapter 313 agreement with OCI on both projects, it could save the company more than $350 million over the life of the deal, according to the application.

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