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Kemaya Advances Elastomers Project With FEED & Technology Contracts

Jubail—Al-Jubail

Petrochemical Co. (Kemaya) said front end engineering design (FEED) contracts have been awarded and technology agreements have been signed for its proposed elastomers project in Jubail, Saudi Arabia (PCN, 7 Mar 2011, p 1).

Kemaya, an equally-owned joint venture of Saudi Basic Industries Corp. and ExxonMobil, expects the project to establish a domestic supply of more than 400,000 t/y of carbon black, thermoplastic specialty polymers and rubber, including ethylene propylene diene monomer, butyl, styrene butadiene and polybutadiene rubber.

FEED contracts have been awarded to Jacobs Engineering and Mitsui Engineering & Shipbuilding for process units and to Fluor Transworld Services for associated support facilities. All components of the planned elastomers project are now in FEED phase, Kemaya noted.

The joint venture has signed a long-term technology licensing agreement with Continental Carbon Co. for production technology related to the construction and operation of a “greenfield” carbon black plant. License agreements have also been signed with Goodyear Tire & Rubber Co. for the use of its styrene butadiene and polybutadiene technology.

Sunoco Signs Agreement with Honeywell For Sale of Phenol & Acetone Facility

Philadelphia—

Sunoco said it has reached a definitive agreement to sell its 1-billion-lb/yr phenol and acetone production facility in Philadelphia, Pa., to Honeywell for about \$85-million.

The sale, subject to regulatory approval and customary closing conditions, is expected to be completed in the third quarter of this year.

Sunoco last year completed the sale of its polypropylene production facilities, with a combined capacity of 2.1-billion lbs/yr, as well as inventory to Braskem for about \$350-million (PCN, 29 Mar 2010, p 2).

This sale of the phenol manufacturing facility “is another step in our efforts to unlock value for shareholders by divesting certain non-core assets and focusing on our retail and logistics businesses,” noted Lynn L. Elsenhans, chairman and chief executive of Sunoco.

Indorama Okays Brownfield Expansion Of Rotterdam PTA Production Facility

Bangkok—

The board of directors of Indorama Ventures has approved a brownfield expansion of the company’s Rotterdam purified terephthalic acid (PTA) production capacity.

The project, due to be completed in 2014, will increase the company’s PTA capacity at the site to 600,000 t/y from 350,000 t/y and its PTA capacity in Europe to 792,000 t/y.

Last year, Indorama announced plans to add a 190,000-t/y polyethylene terephthalate (PET) line at Rotterdam, increasing its PET capacity there to 390,000 t/y (PCN, 17 May 2010, p 1). That project is expected to be completed and begin operations in the first quarter of 2012.

Indian Oil Revives Plan to Build Paradip Polypropylene Project

New Delhi—Indian Oil

Corp. (IOC) has revived plans to build a new Rs 4,500 crore polypropylene (PP) plant at its Paradip refinery in India, according to a report on the company’s website.

Last year IOC disclosed that it was reevaluating plans for the production of petrochemicals at the 15-million-t/y refinery being built in Paradip (PCN, 11 Oct 2010, p 4). IOC’s original plans called for construction of an 800,000-t/y naphtha cracker and downstream production of 1.2-million t/y of paraxylene, 600,000 t/y of PP and 600,000 t/y of styrene. The company said it would undertake a feasibility study that would look at building the plants in a “piecemeal manner.”

IOC currently has 600,000 t/y of PP capacity at Panipat and is considering a 1.2-million-t/y PP plant at Paradip. “At present, there is a surplus situation in PP, which will vanish in the next three to four years,” noted B. N. Bankapur, IOC’s refineries director. “We wish to make our plant operational by then.”

The PP plant is not included in the Rs 29,777 crore Paradip project cost, so it will require board approval.

Pandora Methanol Finalizes Acquisition Of Eastman Ammonia/Methanol Plant

Beaumont—

Pandora Methanol LLC, a joint venture of OCI Nitrogen and Janus Methanol, has completed the acquisition of an integrated ammonia and methanol plant in Beaumont, Texas, most recently owned by Eastman Chemical Co. (PCN, 17 Jan 2011, p 2).

The acquisition includes a plant designed to produce 250,000 t/y of ammonia and 750,000 t/y of methanol, an 18,000-ton ammonia storage tank and two 22,000-ton methanol storage tanks.

Eastman acquired the idled ammonia and methanol facilities from Terra Industries in 2007 and had planned to implement an industrial gasification project at the site using petroleum coke as the primary feedstock. That plan was abandoned in 2009 because of “high capital costs.”

Pandora Methanol plans to rehabilitate and operate the facility. Ammonia production is expected to begin by the end of this year and methanol production is scheduled for 2012. Pandora is also considering increasing both production and storage capacity.

LSB Divests San Roque PET Facility

Barcelona—La

Seda de Barcelona (LSB) has completed the divestment of its Artenius San Roque polyethylene terephthalate (PET) production plant in Spain to Cepsa Quimica for an undisclosed amount (PCN, 29 Nov 2010, p 1).

In recent months, LSB has reduced its stake in Artenius Sines to 41%, sold its Industrias Quimicas Asociadas subsidiary and reached an agreement to sell its Artenius Portugal PET plant in Portalegre to Control PET SGPS SA (PCN, 9 May 2011, p 1).

Odfjell Partnering with Lindsay Goldberg For European, North American Business

Bergen—

Odfjell said it has signed a letter of intent with US-based equity firm Lindsay Goldberg LLC, to form a strategic partnership to expand Odfjell's tank terminal business in Europe and North America.

As part of the proposed transaction, Lindsay Goldberg will acquire a 49% interest in each of Odfjell's tank terminals in Rotterdam, the Netherlands, and Houston, Texas, and in its Greenfield project in Charleston, South Carolina. Furthermore, Lindsay Goldberg would become Odfjell's partner in developing new business in the European and North American tank terminal markets through a €25-million investment in Odfjell Terminals (Rotterdam).

"Lindsay Goldberg is a strong financial investor with a long-term approach to developing businesses and creating value," said Odfjell President and Chief Executive Jan A. Hammer. "The firm has extensive experience within the energy infrastructure industry in addition to strong financial backing. Odfjell believes that the proposed partnership will be well positioned to secure further growth."

Asahi Kasei Unveils 'For Tomorrow 2015' As New Mid-Term Strategic Initiative

*Tokyo—*The

Asahi Group has launched "For Tomorrow 2015" as its new mid-term strategic management initiative covering the five year period from fiscal 2010 through fiscal 2015.

The initiative provides a clear vision, "with a focus not only on the proactive expansion of our globally competitive businesses, but also on the expansion of operations in fields related to the environment and energy, residential living and health care from the perspectives of living in health and comfort and harmony with the natural environment," Asahi Kasei explained.

The company noted that its previous mid-term initiative, which ended in March 2011, resulted in an expansion of Asahi Kasei's global businesses, including acrylonitrile and solution-polymerized styrene butadiene rubber, and an alliance with Mitsubishi Chemical for the joint operation of their respective Mizushima naphtha crackers (PCN, 28 Feb 2011, p 1).

For the new five-year plan, the company anticipates investments of about ¥1-trillion, with consolidated net sales of ¥2-trillion and operating income of ¥200-billion targeted for fiscal 2015.

Aramco Awards First Major Project Under GES+ Contract with Jacobs

Ras Tanura—

Saudi Aramco has awarded the Ras Tanura Refinery Clean Fuels and Aromatics Project to Jacobs Engineering, marking the first major project awarded under the Saudi Aramco general engineering and project management services (GES+) contract (PCN, 11 Apr 2011, p 2).

Jacobs' services include pre-front end engineering design services. The project involves modifications to the refinery to comply with future environmental regulations.

"We are delighted that Saudi Aramco has chosen Jacobs for this major undertaking that has such environmental significance to the Kingdom of Saudi Arabia," noted Mike Coyle, Jacobs group vice president. "We are proud to support Saudi Aramco's environmental efforts and to further our relationship with them."

IVL Completes Chinese Acquisition; Increases Capacity to 5.4-MM T/Y

*Bangkok—*Indorama

Ventures (IVL), in announcing its results for the first quarter, said it has completed the acquisition of a Chinese polyethylene terephthalate (PET) production facility (PCN, 15 Nov 2010, p 4).

Last year, IVL received board approval for the acquisition of Guangdong Shinda UHMWPE Co.'s PET and polyester polymers plant, which is located in Kaiping, China, and has an installed capacity of about 406,000 t/y.

IVL noted that the Chinese acquisition, along with other PET and polyester acquisitions in the first quarter, has resulted in a total capacity of about 5.40-million t/y at the end of the first quarter of this year, compared to a capacity of around 3.65-million t/y at the end the fourth quarter of 2010.

Those acquisitions include Invista's PET facilities in the U.S. and Mexico and SK Chemical Co.'s Polish and Indonesian PET and polyester assets (PCN, 7 Mar 2011, p 1).

Sasol Names S & B as EPCm Contractor For Ethylene Tetramerization Project

Lake Charles—

Sasol said it has selected S & B Engineers and Constructors as the engineering, procurement and construction management contractor for its new ethylene tetramerization plant in Lake Charles, La. (PCN, 6 Dec 2010, p 1).

The project, earlier identified as "the world's first commercial ethylene tetramerization unit," will use Sasol's proprietary technology to convert ethylene to over 100,000 t/y of 1-octene and 1-hexene. The technology selectively produces alpha olefins required for high growth polymer markets.

Andre de Ruyter, Sasol's senior group executive responsible for operations, said the project is targeted for start up in mid-2013.

Braskem Opens Singapore Office

*Singapore—*Bras-

kem has opened a new office in Singapore to be closer to its clients in the region and "prospect new opportunities" (PCN, 11 Oct 2010, p 3).

The company said it chose Singapore because it is Asia's commercial operations center and "most important" logistics center. The new office, which will initially focus on basic petrochemicals, is expected to account for 60% of the petrochemical market by 2014.

"Having a physical presence in Asia will allow us to get to know the players in the region better and to learn more about the dynamics of the local market, while also helping us identify opportunities for Braskem's future growth," explained Rodrigo Carnauba, head of international business in the basic petrochemicals segment.

BASF Plans Durban Dispersions Plant

Durban—

BASF is strengthening its presence in South Africa with plans for construction of a new acrylic dispersions plant in Durban.

Scheduled to begin production in the second half of 2012, the facility will "benefit from local availability of raw materials and proximity to key customers," the company noted. Capacity was not disclosed.

Sabco & Sinopec Plan Joint Investment In Chinese Polycarbonate Production

Tianjin—Saudi Basic Industries Corp. (Sabic) and China Petroleum & Chemical Corp. (Sinopec) have signed a memorandum of understanding to collaborate on polycarbonate production in China.

The partners plan to build a 260,000-t/y polycarbonate plant that will add to their existing Sinopec Sabic Tianjin Petrochemical Co. joint venture (SSTPC).

Expected to begin operations by 2015, the plant will utilize Sabic's advanced polycarbonate technology using the phosgene and dichloromethane free process.

SSTPC last year started production at its Tianjin complex, which includes a 1-million-t/y ethylene cracker and plants to produce 600,000 t/y of polyethylene, 450,000 t/y of polypropylene, 360,000 t/y of ethylene glycol and 40,000 t/y of ethylene oxide, as well as unspecified amounts of butadiene, phenol and butene-1 (PCN, 17 May 2010, p 1).

BP & Davy Collaborating with Jacobs To Deploy Fischer Tropsch Process

Pasadena—Jacobs Engineering said it has been selected by both BP and Davy Process Technology to help seek deployment opportunities for the BP/Davy Fischer Tropsch technology on a non-exclusive basis.

Under the agreement, Jacobs will provide engineering resources to potential licensees of the process, which transforms syngas into liquid hydrocarbons, and is a low technology risk process for producing naphtha, diesel and jet fuel from natural gas, bio-mass or coal derived syngas.

BP and Davy have successfully demonstrated the fixed bed technology at a semi-commercial scale in Nikiski, Alaska, with full scale fixed bed reaction tubes where the nominal 300-b/d complex met or exceeded all of its performance tests, Jacobs explained. The process is now available for license to third parties.

BASF Awards Contract to Technip For Chemical, PC Project Services

Dusseldorf—BASF has awarded an engineering partner umbrella service contract to Technip for chemical and petrochemical projects.

Technip's scope of work includes studies, basic and detail engineering and project implementation services. Technip will coordinate the performance of the services through its operating center in Dusseldorf, Germany, and several other operating centers across the world will provide their expertise and management skills.

The companies are also discussing a long-term partnership, which will provide BASF access to Technip's engineering resources for its capital investments, mainly in Europe.

Clariant Pursues Rest of Sud-Chemie

Munich—Clariant, now holding 96.15% of Sud-Chemie's shares, has published its mandatory public takeover offer for the remaining shares of the company (PCN, 2 May 2011, p 2).

The offer, which has been reviewed and approved by the German Federal Financial Supervisory Board, proposes purchasing the remaining shares for €126.38 per share. The offer period ends on 14 June 2011.

EC Clears PetroChina's Acquisition Of Stake in Selected Ineos Assets

Brussels—The European Commission (EC) has approved PetroChina's acquisition of a 50% interest in Ineos' refining business and the establishment by PetroChina and Ineos of trading and refining joint ventures (PCN, 16 May 2011, p 2).

Ineos' refining business includes the 210,000-b/d refinery in Grangemouth, Scotland, and the 210,000-b/d Lavera refinery in France, which Ineos noted are integrated with its petrochemical production and remain strategic to its long-term business.

The new joint ventures will be operated independently of the Ineos Group.

Vopak & Bohai Embark on 2nd Phase Of Tianjin Lingang Storage Terminal

Tianjin—Vopak and its joint venture partner Tianjin Bohai Chemical Industry Group (Bohai) are going ahead with the second phase of development of Vopak Terminal Tianjin Lingang in China, adding 240,000 cubic meters (cu m) of propane storage capacity.

The equally-owned joint venture of Vopak and Bohai expects to commission the first phase, 95,300 cu m of bulk liquid chemical storage capacity, in the third quarter of this year (PCN, 14 June 2010, p 2).

Vopak said three 80,000 cu m tanks will be added in the second phase, which is expected to be completed in the second quarter of 2013. This phase also includes a new pipeline connection to Tianjin Bohai Petrochemical Co.'s plant in the Lingang Industry Park.

Huntsman Advancing Green Chemistry In Natural Alcohol Deal with Wilmar

Rotterdam—Huntsman will further grow its green chemistry business as a result of an agreement with Wilmar International Ltd. for a natural alcohol plant.

Subsidiaries of Huntsman and Wilmar have signed a memorandum of understanding for Wilmar to build a natural alcohol plant at Huntsman's Rozenburg chemical complex in Rotterdam, the Netherlands. The agreement includes the supply of natural alcohols to Huntsman. The plant, for which capacity was not disclosed, is scheduled to come on stream by 2013.

"We look forward to being more involved in the local chemical community and strengthening our foothold in Europe, including for bio-based chemicals, with a brand new natural alcohol plant," said Wilmar Chairman and Chief Executive Kuok Khoon Hong.

DuPont Completes Danisco Tender

Copenhagen—DuPont has successfully completed its tender offer for all outstanding shares of Danisco's common stock for 700 Danish krone per share (PCN, 16 May 2011, p 4).

DuPont said it estimates that approximately 92.2% of the outstanding shares had been tendered as of the expiration of the offer on 13 May.

"We are delighted that the tender has been successful and we can move on to the process of integrating Danisco into DuPont," stated DuPont Chair and Chief Executive Ellen Kullman.

Mitsubishi Restarts Kashima Cracker; Updates Status of Other Operations

Tokyo—Mitsubishi Chemical said that as of 20 May, its No. 2 Kashima ethylene cracker, as well as some of the polyethylene (PE) and polypropylene lines, have been restarted.

The Kashima complex, which has two crackers with a combined ethylene capacity of 828,000 t/y, was shut down following the 11 Mar. earthquake and tsunami (PCN, 18-25 Apr 2011, p 2).

The No. 1 Kashima cracker went into regular maintenance on 14 May, and Mitsubishi's 500,000-t/y ethylene cracker started maintenance on 16 May, as scheduled.

Mitsubishi has decided to postpone regular maintenance at the No. 2 Kashima ethylene facility and some of the PE and PP units until the end of August. It had been planned for the end of June.

BASF and Ineos Offering Sale of Plant To Gain EC Approval for Styrolution

Leverkusen—BASF and Ineos Industries Holdings have offered to sell a production facility in order to receive European Commission approval for their planned Styrolution joint venture (PCN, 6 Dec 2010, p 1).

BASF and Ineos expect to establish Styrolution as a new "leading global" styrenics venture. It will combine BASF's styrenics activities and those of Ineos, including Nova Chemicals' interest in the Ineos Nova styrenics joint venture, which Ineos has agreed to acquire.

The plant the two partners have agreed to divest was not identified.

GlycosBio Evaluating EPC Contractors For Malaysian Biochemical Project

Kuala Lumpur—Glycos Biotechnologies (GlycosBio) is in the process of selecting an engineering, procurement and construction firm for an industrial biochemical plant and research and development facility in Malaysia (PCN, 8 Nov 2010, p 3).

Last year, GlycosBio signed definitive agreements with Bio-XCell for construction of the project at Bio-XCell's industrial park in Nusajaya, Johor, Malaysia. At that time, GlycosBio said much of the initial research and development efforts would be on creating isoprene to support the country's rubber industry.

The facility is due to be fully operational by the end of next year, GlycosBio said without providing further details.

Lanxess Renames Basic Chemicals Unit; Relocating Headquarters to Cologne

Leverkusen—Lanxess has renamed its Basic Chemicals business unit Advanced Industrial Intermediates (AII) to establish a direct link to the units product portfolio.

"Successful developments have occurred over the last two years," noted Hubert Fink, head of AII. "Acquisitions in India and China have changed the face of our business unit. Inside the company, (the) adipic acid business has been shifted . . . to us."

Separately, Lanxess announced that it will relocate its corporate headquarters to Cologne, Germany, from Leverkusen, with more than 1,000 employees moving in 2013.

Axel C. Heitmann, chairman of Lanxess' board of management, noted that Cologne not only has an infrastructure unique in North Rhine-Westphalia with excellent transport connections, it also has a renowned academic and research center and, as such, is an attraction for top talent.

Metabolix Receives \$6-MM DOE Grant For Development of Bio-Based Chems

Cambridge—Metabolix has been awarded a \$6-million grant from the U.S. Dept. of Energy (DOE) for continued research of switchgrass as an alternative to petroleum feedstocks.

The grant is part of the Obama administration's \$42-million research and development project fund to support the production of biofuels, bioenergy and high-value bio-based products.

Under the new grant agreement, Metabolix plans to attempt to further enhance expression of polyhydroxyalkanoates (PHA) in switchgrass to allow co-production of chemicals and densified biomass, the company explained.

Metabolix also plans to further develop and scale-up its selective thermolysis process, which utilizes moderate temperature to recover a new platform chemical directly from PHA containing switchgrass.

This platform chemical, crotonic acid, can be readily converted through simple known chemical conversion steps to a range of commodity chemical intermediates including butanol and propylene, the company added.

PetroChemical News Briefs

- Dow Chemical has targeted 1 June for the start of commercial production at the recently completed specialty elastomers plant, built in Rayong, Thailand, as a joint venture with Siam Cement Group (PCN, 2 May 2011, p 2).

- Motiva Enterprises has selected KBR to build a petroleum coker material handling system for the delayed expansion of its Port Arthur refinery to 600,000 b/d (PCN, 23 Mar 09, p 3). The expansion was postponed in 2009 due to "bleak" markets and a "cloudy industry outlook." It is due for completion in 2012.

- Shaw has renewed a contract to provide maintenance, engineering, construction and other services to Albemarle's plants in Arkansas, Louisiana, Pennsylvania, South Carolina and Texas, and extended it to include Albemarle's plant in Michigan.



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