

KOCH METHANOL OPTIMIZATION PROJECT

The Optimization Project is a collection of projects planned for Koch Methanol St. James intended to achieve a 25% increase of the facility design production rate from approximately 4,950 to 6,200 metric tons per day of refined methanol, primarily by further optimizing existing plant equipment.

- Raw material feed upgrade add ethane into the natural gas feed stream
- Improvements to plant cooling capabilities upgrade air cooled heat exchangers and cooling tower equipment
- Other upgrades such as changing piping configurations and improved process monitoring

Koch is investing approximately \$150 million in the Optimization Project (\$50 million in equipment and \$100 million in non-capital expenditures, including labor, providing up to approximately 400 temporary jobs), which will provide additional property tax revenue as well as additional sales and use tax benefits, and will generate 2-5 new permanent jobs.

Koch Methanol Optimization Project Related Air and Water Permits and Land Use Authorization

The site has received air permits and land use authorization for the Optimization Project. Renewal of the wastewater discharge permit is not required prior to starting construction or operation of the Optimization Project, as the site will continue to comply with the current, active permit.

- **Air Permits**: The air permits for the Optimization project (Title V Permit 2560-00295-V6 and PSD Permit PSD-LA-851) were issued by the Louisiana Department of Environmental Quality (LDEQ) on 12/20/23.
- Land Use Approval: The St. James Parish Planning Commission voted to approve Koch's land use application for the Optimization Project and a separate reliability improvement project on 7/31/23. The St. James Parish Council unanimously upheld the Planning Commission's decision on 9/27/2023.
- Wastewater Discharge Permit Application: On 5/18/2023, Koch submitted an application to LDEQ to renew its wastewater discharge permit. The application requests updates to the permit to reflect the as-built operation of the plant and reflects revisions associated with the Optimization Project.

See the <u>Koch Methanol St. James website</u> for the latest updates regarding permitting and other happenings at the site.