

PetroLogistics Announces 1.2 Billion Pound Propylene Project

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PL Propylene LLC, a PetroLogistics company, announced today the commencement of a project to construct a 1.2 billion pound capacity propane dehydrogenation plant to produce propylene. The facility will be located in the vicinity of the Houston Ship Channel at the site of the former Houston Olefins Plant recently acquired by PL Propylene from ExxonMobil Oil Corporation (ExxonMobil). The infrastructure, logistics and certain of the processing units of the former ExxonMobil plant will be used as the platform for the project, which will utilize the CATOFIN® technology licensed by Lummus Technology, a CB&I company. When completed in mid-2010, the plant will produce both chemical grade and polymer grade propylene, and will have extensive pipeline connectivity to propylene consumers. The plant will also produce commercial quantities of hydrogen and other co-products. S & B Engineers and Constructors will serve as the principal EPC contractor. PL Propylene president Nathan Ticatch stated, “This project will take advantage of the unique attributes of the Houston Olefins Plant that make it ideally suited for conversion to propane dehydrogenation to make propylene. The resulting facility will be the largest propane dehydrogenation plant in the world, coming at a time when the U.S. market has a need for new sources of propylene.”

PL Propylene LLC and its affiliate PetroLogistics LLC both operate under the name PetroLogistics. PL Propylene LLC is the owner and developer of the above described propane dehydrogenation project. PetroLogistics LLC owns and operates salt dome storage, pipeline transportation and other logistics assets serving the petrochemical industry principally in Louisiana. Both companies are headquartered in Houston.

Contact

PetroLogistics
Nathan Ticatch
713-789-0380