Texas Petrochemicals LP

The Leading Producer of C_4 Based Chemicals

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Company Information

TPC has the largest butadiene and butene -1 extraction capacity in North America. In addition, TPC is one of North America's largest producers of isobutylene and derivatives of isobutylene such as polyisobutylene, di-isobutylene, and isobutylene concentrate.

Manufacturing

- 257 acres along the Houston Ship Channel built in mid-40s
- Rated capacity of 1.2 billion lbs/year of BD
- 5 Fired Boilers with steam generation capacity of 1.8 MMPPH
- 3 Waste Heat Boilers with capacity of 700 MPPH
- Fuel Gas requirements of about 40,000 MMBTU/Day
- Power production capacity of 36 MW

Facilities & Assets

- Houston Production Facility
- Port Neches Production Facility
- Baytown Production Facility and Terminal
- Lake Charles Terminal

Products

- The family of products made by TPC are generally known as C4 olefins

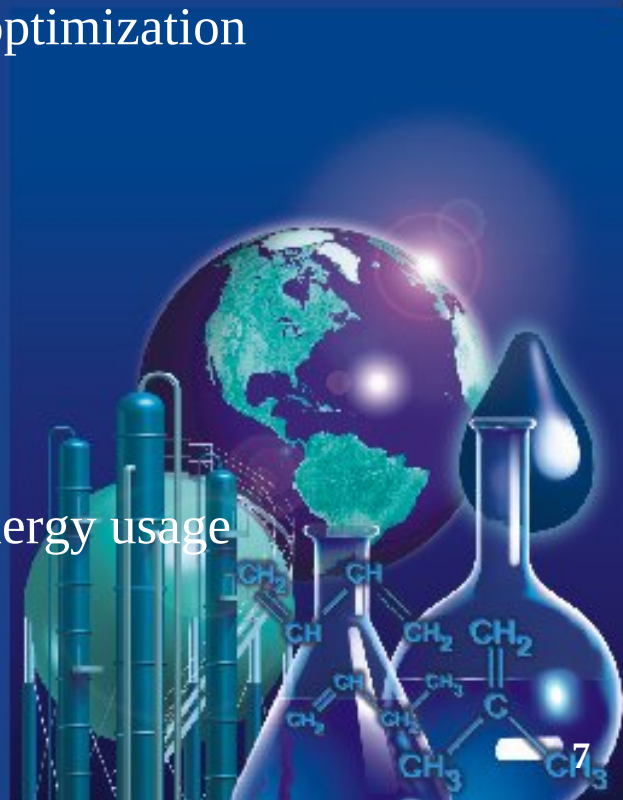
- These products are produced at TPC by various processes including
  - Fractionation
  - Absorption
  - Reaction
  - Extractive Distillation

Products

- Butadiene (BD)
- Butene-1 (B1)
- Isobutylene (IC4)
- Di-isobutylene (DIB)
- Polyisobutylene (PIB)
- Alkylate
- Methyl Tertiary Butyl Ether (MTBE)

Energy Management Strategy

- Energy Management System
  - Personnel
    - Created Mfg Optimization group with a manager and two engineers; rolled process control group into this group as well
    - Focus of this group is energy and process optimization
    - Direct accountability to SVP of Operations
  - Reporting
    - Daily Energy Report with Steam Balance
    - Daily Review of KPIs and Process Targets
    - Multi-variant regression model for plant energy usage



Energy Certification Program

- What characteristics of the proposed program would advance TPC's Energy Management Program?
  - Needs to emphasize continuous improvement vs. absolute performance
  - Companies need to be re-certified over time

Energy Certification Program

- What would be potentially problematic?
  - If the auditing process were so cumbersome and the benefits were not worth the costs of certification
  - If the program lost site of its intent which is to lower energy intensity
  - If data were used in a way other than for this certification program (i.e. if data were used in a negative way by regulatory agencies)

Energy Certification Program

- What incentives would make the proposed program attractive to your company and widespread among industry?
  - Favorable press releases through local, state and national media regarding companies reaching certain levels
  - Tax credits for documented energy efficiency expenditures