

Louisiana Considered For \$3 Billion Ethane Plant

Associated Press

BATON ROUGE, La. (AP) — Axiall Corp. is considering building a \$3 billion ethane cracker and chemical plant somewhere in Louisiana.

The Atlanta-based chemical manufacturer said it could make a decision sometime early next year. Axiall would invest \$1 billion of its own money, while an unnamed partner would put in \$2 billion.

The plant could open in 2018, creating 225 permanent jobs. An estimated 2,000 to 3,000 construction would be created over four to five years.

Louisiana Economic Development officials said they've offered Axiall a "competitive, performance-based incentive package," but did not provide details.

Axiall says it wants to make at least half its own ethane-based chemicals that it uses to make vinyls instead of buying them from others.

The company currently has Louisiana plants in Lake Charles and Plaquemines where it employs 1,600. Axiall was formed earlier this year when Georgia Gulf merged with part of PPG's chemicals business.

"While we are still considering a number of options and potential partners for the project, and we have not yet received final investment approval from our board of directors, we have narrowed our siting choices to Louisiana," CEO Paul Carrico said in a statement. "We are excited about the prospect of expanding our footprint in the state and continuing to invest in Louisiana and its talented workforce."

The company says it plans to pursue permits and begin engineering work while awaiting a final decision.

If built, the plant would be another in a wave of tens of billions of dollars in chemical investments in Louisiana, driven largely by the cheap and abundant natural gas that's being drilled out of formations including the Haynesville Shale by hydraulic fracturing.

Sasol North America, for example, plans a similar ethane cracker and derivatives plant in Lake Charles, with plans to spend more than \$5 billion. Westlake Chemical Corp. plans an expansion of its own ethane cracker in Lake Charles. And Dow Chemicals restarted its shuttered ethane cracker in Hahnville late last year.

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