

TPC moves up start-up date for on-demand Butadiene plant

RELEASED ON 29/04/13 (DD/MM/YY)

During the annual general meeting of the International Institute for Synthetic Rubber Producers, Mike Bloesch of butadiene (BD) company TPC disclosed that he expects the producer's US Gulf Coast on-demand BD plant to start production in late 2016. The earlier estimate was 2017, but greater cooperation between the Texas Commission on Environmental Quality and the US Environmental Protection Agency has contributed to an earlier date for the 270,000 tonnes/y on-demand BD facility. Bloesch explained that the investment, worth over \$300 M, was made because current projections estimate that global consumption of on-demand BD would reach around 2.8 M tonnes/y. Moreover, a drop of approximately 14% from current demand would have to occur before the need for the product was negated. Compounding the predicted shortage of BD around the world is the advent of shale gas in North America. With crackers utilizing lighter feedstocks, the BD shortage is being made worse because it produces less BD per pound of feedstock. As noted by Bloesch, ethylene production in North America has risen by around 30% while production of crude C4 has plummeted by around 20%. Crackers have traditionally derived around 15 lb of BD for each 100 lb of ethylene produced, but with lighter shale gas, the yield is now just 2 lb of BD for every 100 lb of ethylene, thereby reducing BD volume by around 80%. Since only around 10 lb of isobutylene is obtained per 100 lb of feedstocks, TPC has started again the on-demand dehydrogenation plant for isobutylene. Initial production at the on-demand BD plant of TPC will be around 270,000 tonnes/y. No price has been set yet for on-demand BD.

SOURCE *Icis News*