

NEWS

INEOS Oligomers to build world scale LAO unit at Chocolate Bayou, TX

🕒 Monday, 16 May 2016

🔗 [INEOS Home](#), [INEOS Oligomers](#)

Today, INEOS Oligomers confirmed it had made a Final Investment Decision (FID) to build a new world scale Linear Alpha Olefin (LAO) unit at the INEOS site at Chocolate Bayou, TX. The LAO unit capacity will be 420 thousand metric tons per annum (ktpa), 20% larger than when the project was originally announced. The new unit represents a major step forward in the ambitious growth plans for the LAO business, complementing existing units in Joffre, Alberta, Canada and Feluy, Belgium respectively. Once the unit comes on-stream in November, 2018 the global LAO production capacity of INEOS Oligomers will reach approximately one million metric tons per annum.

“The new unit will be based on our own proprietary and differentiated INEOS Oligomers “broad-based” LAO technology. Therefore, the plant’s product distribution and product specifications will be very familiar to our customers. In addition, the unit will also include process technology improvements that will also reduce our variable costs” stated Joe Walton, INEOS Oligomers Business Director. **“We continue to believe our market and technology focus, combined with our access to USGC ethylene economics, make this a very attractive opportunity. Hence, our ultimate decision to build a unit larger than the 350 ktpa originally envisioned and fully exploit available economies of scale”** he added.



next several years. In addition, the unit will also provide the feedstock that will enable our long term PAO capacity growth to support the demand for high performance synthetic lubricants. For example, our new high viscosity PAO unit will come on-stream in 1Q2017 and engineering has begun on a new world scale low viscosity PAO train. Furthermore, our LAO drilling fluids can be readily exported to offshore fields in the Gulf Coast, Caribbean and Latin America” concluded Walton.

“The Chocolate Bayou site represents an excellent location for our new unit” declared Peter Steylaerts, Project General Manager. “The site already boasts two world scale ethylene crackers and offers ready access to the US Gulf Coast ethylene pipeline distribution network. The location has ample space for our new unit, including potential for future expansions” he added. “Our project team has been working to advance the various elements associated with the accommodation of our new unit, such as: plot location and preparation, tie-ins to major utilities, the layout of rail infrastructure and a potential upgrade to the existing barge dock”.

“The unit will also bring benefits to the local economy, initially in the form of construction jobs and then jobs related to the operation of the new unit in the longer term. We would like to thank the local authorities and governing agencies who have supported the location of our unit here at Chocolate Bayou” said Bob Sokol, INEOS Oligomers Chief Financial Officer.

“We are now firmly in the implementation phase of our long term growth strategy for this key business” declared Bob Learman, INEOS Oligomers CEO. “We continue to enjoy the support of our INEOS Group Chairman Jim Ratcliffe, who views these investment plans as a key component of the company’s vision for growth in North America. The scale of this new capacity addition underlines our commitment to keep pace with our customers’ expanding need for these products.” He concluded.

ENDS

Media contacts

Jan Vermeersch, INEOS Oligomers, jan.vermeersch@ineos.com

Kevin Ratliff, INEOS Oligomers, kevin.ratliff@ineos.com



Note to editors:

INEOS is a global manufacturer of petrochemicals, specialty chemicals and oil products. It comprises 18 businesses each with a major chemical company heritage. Its production network spans 65 manufacturing facilities in 16 countries throughout the world. INEOS products make a significant contribution to saving life, improving health and enhancing standards of living for people around the world. Its businesses produce the raw materials that are essential in the manufacture of a wide variety of goods: from paints to plastics, textiles to technology, medicines to mobile phones - chemicals manufactured by INEOS enhance almost every aspect of modern life.

INEOS Oligomers produces a comprehensive range of specialty and intermediate chemicals including Polybutene, Linear Alpha Olefins, Polyalphaolefins, and specialty Oligomers. As an industry leader, INEOS Oligomers has a strong track record of product quality, engineering excellence, and innovation.



Inch Magazine

Investors

[Legal](#)

[Privacy Policy](#)

[Cookie Policy](#)

[Login](#)

Copyright © 2015. All rights reserved. This website is published by INEOS on behalf of its businesses.

Headquarters: Avenue des Uttins 3. 1180 Rolle. Switzerland. INEOS is a Registered Trademark, the property of INEOS Capital Limited.

Site designed and developed by MTM