Future of Key Regional Industries

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Director, Shale Energy & Petrochemicals
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JobsOhio Overview

Mission Statement

JobsOhio is a private, non-profit corporation committed to driving job creation and new capital investment in Ohio through business attraction, retention and expansion efforts.

Client Focus

Key Partners

Private-Public

Results Oriented
Targeted Industry Sectors

- Advanced Manufacturing
- Financial Services
- Information Services & Software
- Automotive
- Aerospace & Aviation
- Agribusiness & Food Processing
- Biohealth
- Energy
- Polymers & Chemicals
JobsOhio Leadership

Select Executives

John Minor
President & CIO
Previously MD at Evercore

David Mustine
Senior Advisor
Previously Secretary ODNR, SVP – AEP Regulated

Kristi Tanner
Senior Managing Director
Previously COO – ODOD

Aaron Pitts
Senior Managing Director
Previously Strategy Executive, Cardinal Health

Glenn Richardson
Managing Director
Previously VP, Rolls-Royce Energy and Dana Holding

Ted Griffith
Managing Director
Previously H-P Executive

Dana Saucier
Managing Director
Previously Founded Accent Energy

Board of Directors

James Boland
Chairman
Ret. Vice Chair, E&Y

John Minor
President & CIO

Stephen Perry
Executive at Timken Steel

Gary Heminger
President & CEO, Marathon Petroleum

Lawrence Kidd
Principal & CEO, Reliable Staffing Services

Thomas L. Williams
Partner & President, North American Properties

John Bishop
Chairman, Motorists Insurance

Barbara Snyder
President, Case Western Reserve University

Stephen E. Markovich
Sr. Vice President OhioHealth
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Client Focus

JobsOhio’s model is centered around serving our clients – companies creating jobs in Ohio – and developing long-term relationships

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JobsOhio Overview

**Mission Statement**

JobsOhio brings together organizations and stakeholders from across the state – including our six regional network partners (JON), consultants, site selectors, local development offices, industry associations, government officials and others – to drive economic development activity in Ohio.
JobsOhio’s acquisition of a 25-year franchise on the state’s liquor business provides private funding that we utilize to fulfill a public purpose of creating jobs and improving the economic well-being for Ohio’s citizens.
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JobsOhio’s model is working. Since Q1 2011 – December 31, 2016, we have won over 1,450 projects and companies have committed to create over 104,000 new jobs, create nearly $4.7 billion in new payroll, and invest over $27 billion of new capital in Ohio.
Pre-2011 Energy/Petchem Presence in Ohio

- Attraction opportunity for Ohio
- Raw fossil fuels
- Complex chemicals
- Upstream extractors
- Ethane Steam Crackers
- On-purpose propylene plants
- Alkylation plants
- Methanol plants
- Ammonia plants
- Power generators
- Refineries

*Not Exhaustive
Pre-2011 Energy/Petchem Presence in Ohio

Attraction opportunity for Ohio

Raw fossil fuels

~$30 Billion Invested

Upstream extractors

Gas Pipelines

Liquids Pipelines

Fractionators/processors

Liquids Storage

Ammonia plants

Power generators

Refineries

Steam crackers

On-purpose propylene plants

Alkylation plants

Methanol plants

Industrial chemicals, coatings, and polymers companies

*Not Exhaustive
### Upstream Extraction
- Massive growth in natural gas, butane, ethane, propane, condensate – low price market
**Strategy:**
- Assist connecting industry with large end-users, Drilling investment tracking underway

### Midstream (Fractionation/Pipelines)
- Over $12 billion in processing investments, Over 40 pipelines under development in region
- M&A activity – MPLX/MarkWest, TransCanada/Columbia Pipeline, Enbridge/Spectra
**Strategy:**
- Expand and attract demand for feedstock
- Maximize follow-on asset build-out opportunities
- Maximize pipeline offtake points
- Proactive site development around new infrastructure

### Downstream - Power Generation
- $3.8bn 4 new natural gas power plants under construction
- Power costs trending down to a 10 year low - Use local low cost natural gas
**Strategy:**
- 4 additional plants under development approx. $4.1bn additional investment
- New infrastructure creating site synergies

### Downstream - Power Generation - Renewables
- Three new utility grade wind farms $400mn
- Of high interest to industries particularly high tech
**Strategy:**
- Opportunity to develop 4 additional wind farms $400mn investment
- Cross sector involvement with high tech industry seeking renewables

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**Continue Building On Ohio’s Global Energy and Chemical Lead Position**
## Continue Building On Ohio’s Global Energy and Chemical Lead Position

| Downstream – Ethane to Ethylene, HDPE, etc. | • Utica wet gas leading to significant regional ethane feed-stocks  
• Limited large river sites inventory in shale region for large scale projects  
**Strategy:**  
• Working with PTT Global Chemical to land a world scale cracker |
| --- | --- |
| **Downstream – Butane, Propane, Natural Gas** | • Significant cost advantaged regional butane, propane, and natural gas feed-stocks  
• Liquids processing and transportation build-out allow for additional development  
**Strategy:**  
• Efforts underway to develop uses for butane  
• Efforts underway to develop natural gas feed-stocks to methanol for use in plastics, pains, resins, adhesives, solvents etc.  
• Working to develop interest in Propane (PDH) to propylene |
| **Downstream – Chemicals, Adhesives, Coatings, Polymers, Plastics, etc.** | • Build on Ohio’s #1 position in polymer output, polyolefin demand, plastics output  
• 6th largest chemical producing state  
**Strategy:**  
• Leverage Ohio’s shale advantage and established chemical market to develop/attract additional market and additional supply chain  
• Outreach to specialty chemical players abroad |
PTTGCA Project Update

• PTTGCA continues to work with Fluor and Bechtel on project design

• Initial FID was expected in March 2017, but has been modified to Q4 2017

• JobsOhio continues to work closely with the company on key issues, including:
  • Permitting
  • Construction labor data
  • Talent acquisition/resource alignment
  • Site infrastructure service/upgrades

• All permits, with the exception of the Air Permit, have been issued

• The Air Permit will be issued once an EPC firm has been selected
PTTGCA Update – JobsOhio Assistance

- Worked closely with company on permitting for plant
- JobsOhio offered PTTGCA an incentive package for the Belmont County site
- At PTTGCA’s request, revitalization funds were diverted from the company to the property owners to make the site “shovel ready”
- To date, JobsOhio has provided nearly $20 million to property owners on site revitalization
- This revitalization included Phase II environmental studies, power plant demolition, environmental remediation, fly ash removal, and other related activities
- As a result, both sites are environmentally remediated and have received Covenant Not to Sue and No Further Action orders from OEPA
- **If the project moves forward, final site work and construction can begin immediately**
Site Assistance – Demolition & Remediation

Stack Demolition
July 29, 2016
Site Assistance – Demolition & Remediation Complete
Questions?