

Indorama on track for Q4 restart of Louisiana ethylene plant

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Indorama Ventures is on track for a fourth-quarter restart of a dormant ethane cracker near Lake Charles, Louisiana, the company said in an earnings release Wednesday.

"Approximately 90% of the output produced will be used as a feedstock at [Indorama's] Texas EO/EG facility," the company said in a statement.

The currently dormant cracker, which Indorama acquired in September 2015, can to produce 420,000 mt/year of ethylene and 20,000 mt/year of propylene.

The site was previously owned by Equistar Chemicals and was taken out of service on February 17, 2001 as a result of reduced demand for petrochemical derivatives and escalating oil, natural gas and utility prices.

Indorama has signed a long-term agreement with Targa Resources for ethane and propane feedstock supply, along with an agreement with Boardwalk Louisiana Midstream, for pipeline transportation and storage of ethylene.

Boardwalk's Evangeline Pipeline will enable Indorama to supply ethylene to its petrochemical sites in Louisiana and Texas.

Indorama has an ethylene oxide and monoethylene glycol plant at Clear Lake, Texas, with a capacity of 550,000 mt/year of EO and MEG, according to the company's website.