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September 6, 2019

Ms. Tanowa M. Troupe  
Secretary  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, Ohio 43215

**RE: Case No. 19-1753-GA-EDP**  
Columbia Gas of Ohio, Inc.  
Application for Approval of an Economic Development Project:  
Lawrence Economic Development Corporation, Southern Ohio Industrial  
District

Dear Ms. Troupe:

Columbia Gas of Ohio, Inc. ("Columbia") submits this Application for Approval of an Economic Development Project pursuant to Revised Code § 4929.163 and Ohio Admin. Code 4901:1-43-03(A). The project which is the subject of this Application is a proposed project known as the Lawrence Economic Development Corporation, Southern Ohio Industrial District (the "Project").

The Project is located in Lawrence County, in the former Dow Chemical property, which is known as the Southern Ohio Industrial District. As required by Revised Code § 4929.163 and Ohio Admin. Code 4901:1-43-03(A), Columbia is filing this application prior to beginning construction on the Project, and advises the Commission of the following:

**(A) The notice shall contain the following information:**

**(1) The name and location of the project.**

Lawrence Economic Development Corporation, Southern Ohio Industrial District involves a new customer, PureCycle Technologies, starting a business on the previously owned Dow Chemical plant site near Hanging Rock, Ohio, known

as the Southern Ohio Industrial District. Southern Ohio Industrial District was purchased by Lawrence County Economic Development Corporation.

To serve the Project, Columbia is required to install Columbia owned distribution facilities. This includes the installation of 1,800 feet of mainline, a tap off an existing transmission line, a regulator, point of delivery (POD) and installation setting, and service line.

**(2) A background of the subject company of the economic development project.**

PureCycle Technologies was founded in 2015. In partnership with the consumer goods company, Proctor and Gamble, PureCycle Technologies produces the only recycled polypropylene with properties equal to virgin polymer. The patented technology removes color, odor, and other containments from recycled feedstock resulting in virgin-like polypropylene suitable for a broad range of applications. Polypropylene is used in automobile interiors, food and beverage packaging, consumer good packaging, electronics, construction materials, home furnishings, and many other products. The new plant in Ironton, Ohio will enable consumers to purchase more products made from recycled plastic, resulting in a positive impact on the environment.<sup>1</sup>

**3) The level of total investment and capital expenditure by the subject company and the economic development impact.**

The required contribution for Project investment and capital expenditure for the new Columbia distribution facilities is \$[REDACTED], which is comprised of the following funding:

\$[REDACTED] from Lawrence Economic Development Corporation  
\$3,807,820 from this Application

**This description shall contain the following information:**

**(a) Estimated state and local taxable base increase.**

Columbia currently does not have an estimate for state and local taxable base increase because this information is not available to Columbia.

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<sup>1</sup> Please see <https://purecycletech.com/>. See also <https://www.cbsnews.com/news/why-americas-recycling-industry-is-in-the-dumps/>.

**(b) Anticipated number of new jobs created and jobs retained by the project.**

Lawrence Economic Development Corporation, Southern Ohio Industrial District estimates PureCycle Technologies will create 75 new full-time jobs.

**(c) Description of the community served and the benefits to that community.**

The Southern Ohio Industrial District currently has the \$16,000,000 PureCycle Technologies feedstock evaluation unit, FEU, installed and is testing the unit throughout 2019. PureCycle also purchased additional acreage to construct a commercial unit that will require investment exceeding \$150,000,000 provided that necessary infrastructure and other final details can be completed. Columbia distribution service is critical and must be completed for PureCycle to make this investment in southern Ohio. This new investment by PureCycle would result in employment for approximately 75 local residents at yearly compensation packages averaging over \$65,000 each. These jobs are extremely valuable as the former Dow Styrofoam plant closed on this site and, six miles away, AK Steel has been idled for three years, laying off nearly 500 employees. Additionally, the area still suffers from the downturn in coal as logistics companies, barge employees, and other support industries have furloughed hundreds of workers in that area. PureCycle Technologies, and other plants that will follow on the remaining 400 acres and in the two former industrial buildings that have recently been refurbished, set a base for the potential for several hundreds of family wage jobs to this Appalachian region.

**(4) To the maximum extent practicable, a description of other potential locations that may compete with the proposed location, including the type, location, and time frame of potentially competing projects.**

When considering the expansion, the Project considered a potential location in Kentucky.

**(5) The level of infrastructure investment anticipated by the natural gas company. This description shall contain the following information:**

**(a) A description of how the infrastructure development costs are projected to generate a return less than the most recently authorized rate of return.**

The total cost of the project is \$[REDACTED]. With Columbia's authorized rate of return, Columbia required a contribution of \$[REDACTED]. With the total dollars invested by Columbia and Lawrence Economic Development Corporation, Southern Ohio Industrial District, there is a \$3,807,820 gap in funding. Without this additional funding, the Project may not be financially viable.

As noted in Columbia's Motion for a Protective Order filed in this docket, the total project cost, the required contribution and the calculations to determine that contribution are highly confidential and proprietary.

**(b) A description of how the utility will not exceed the \$1.50 per month rate limitation.**

In 2019, Columbia has applied for one project receiving Infrastructure Development Rider-eligible funding. Here, and with the application for North Central Ohio Business Park, Columbia is filing its second application in calendar year 2019 for approval pursuant to Revised Code § 4929.163 and Ohio Admin. Code 4901:1-43-03(A). The application proposes approval of dollars well below the annual recovery limitation of \$1.50 per month, per customer provide in Revised Code § 4929.162(A) with Columbia's approximately 1.4 million customers. In the event this application is approved, the resulting rate is approximately less than \$0.30.

Finally, pursuant to Revised Code § 4929.163(C)(4), attached hereto as Appendix A is the support for the project by an economic development entity or chamber of commerce.

Should the Commission desire further information or discussion of this application, please do not hesitate to reach out to me at the information listed above.

Respectfully submitted,

**COLUMBIA GAS OF OHIO, INC.**

/s/ Joseph M. Clark

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Attorneys for

**COLUMBIA GAS OF OHIO, INC.**



July 31, 2018

To: Tommy Young, Columbia Gas of Ohio  
From: Katy Farber, VP Business Development, APEG  
Re: Support for PureCycle ED Project in Lawrence County

Tommy-This letter will confirm that APEG is working with LEDC to continue the project development and support for the proposed PureCycle project. This project, located at the Southern Ohio Industrial District in Ironton, has a proposed fixed asset investment of over \$150,000,000, with 76 well-paying jobs at the end of the second phase of operation. This investment in new technology will not only provide an area of higher than average unemployment with good jobs, but will also put the area on the map for future investments in the redeveloped industrial area.

The support from Columbia Gas of Ohio to increase the capacity to service large gas users is an important part of the overall regional and local economic development strategy. We appreciate the proposed investment from the company and look forward to partnering on additional economic development projects in the area.

**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 19-1753-GA-EDP**

Summary: Application for Approval of an Economic Development Project electronically filed by Cheryl A MacDonald on behalf of Columbia Gas of Ohio, Inc.