Encina, Flint Hills to partner on $1B Corpus Christi chemical plant

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Houston-based Encina Development Group LLC and Wichita, Kansas-based Flint Hills Resources are considering partnering on a new specialty refinery in Corpus Christi, Texas.

The new facility would be sited at or near Flint Hills’ existing refinery complex in Corpus Christi. Encina would own the new facility, and Flint Hills — a subsidiary of Koch Industries — would market the resulting product, according to a press release. The facility itself would recycle waste plastics into renewable chemicals and fuels.

The Encina facility could break ground some time in 2023, depending on site allocation, permitting and other preparations, said David Schwedel, Encina’s founder and executive director.
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director. Encina is trying to follow Flint Hills’ lead on the precise timeline, Schwedel said.

“It’s in line with, 'measure twice, cut once,’” Schwedel said. “All of that work takes time, and it’s dictated by both of us, but ultimately Flint Hills wants to be responsive to their end customers that are looking for renewable fuels and renewable chemicals.”

Encina will outsource the operation of the facility through a contract with Australia-based Worley Ltd., but Schwedel said he would guess it will create at least 700 construction jobs and 100 permanent positions. Those numbers are still unclear and could change, he said.

The project will likely cost somewhere around $1 billion, Schwedel said. That’s a substantial amount for Encina, but not necessarily the biggest project on the company’s plate.

The development process on the Flint Hills project is moving in parallel to Encina’s first commercial-scale project, which is set to break ground by the end of 2021 in the U.S. Northeast, Schwedel said. During 2020, Encina awarded a $255 million engineering, procurement and construction deal for the Northeast project to Worley. The company’s original groundbreaking target was the fourth quarter of 2020, but the plans changed last year.

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