

Croda seeks Coastal Zone permit for plant work

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(Photo: DANIEL SATO/THE NEWS JOURNAL)

State environmental officials plan to open a several-week Coastal Zone Act review Sunday for Croda Inc.'s plan to build an on-site plant to make a required chemical using ethanol from corn instead of relying on petrochemical-based sources.

A Croda spokesman said that the project would end the need for long-distance rail shipments of hazardous ethylene oxide from the Gulf Coast to the company's Atlas Point plant near the Delaware Memorial Bridge. It also would move Delaware's subsidiary of the international specialty chemical company closer to its goal of environmentally sustainable operations.

Gov. Jack Markell welcomed the \$170 million plan Wednesday, saying the proposal capped a series of major investments by Croda that signaled the company's commitment to Delaware and environmental improvements.

Delaware Economic Development Office Director Alan Levin said the project would preserve and add to the company's advanced manufacturing workforce, creating about 200 temporary construction jobs and as many as 80 new plant positions.

Philip Cherry, director of the Department of Natural Resources and Environmental Control's Division of Energy and Climate, said the company's application would be posted on the agency's Coastal Zone Act web site. Details were available late Thursday at: dnrec.delaware.gov/Admin/CZA/Pages/default.aspx (<http://www.dnrec.delaware.gov/Admin/CZA/Pages/default.aspx>).

Delaware's Coastal Zone law, approved in 1971, bans new heavy industries from a 275,000-acre area bordering the Delaware River, Delaware Bay and Atlantic coast, and closely controls any changes or new light industrial activities. Any changes or new activities have to include features that more than offset any new pollution or environmental impacts.

"It's pretty clear they need a permit," Cherry said, noting the company had waived a step that would have required a formal "status" check and decision by DNREC's secretary before submission of an application.

"We will do an internal review of the application and take a look at the offset provision to make sure it's complete" before scheduling a public hearing, now likely to take place in early February, Cherry said.

The project would create an on-site production process to convert corn-based bio-ethanol, or alcohol, into ethylene oxide at Atlas Point, where the chemical is used to make Croda products sold nationally and internationally.

Documents filed with DNREC show that the company expects that the new activities will generate enough traditional pollution, such as nitrogen oxides and sulfur dioxide, to require 10.4 tons of air emission offsets.

Croda plans to take credits for 3.9 tons from already completed improvements at the plant, with another 7 tons of pollution credits supplied by DEDO, which maintains a bank of credits reflecting reductions at other sites statewide.

A document included with the other application records shows DEDO confirmed its plan to award the credits to Croda on Nov. 12. The letter, signed by Levin, also showed that Croda at one point estimated a need for three times more offsets, and was offered that total in a DEDO letter on Sept. 8.

Victor Singer, a former member of the Coastal Zone Industrial Control Board, said "I think it's a marvelous idea to expand heavy industry on designated sites with an appropriate response to the permitting requirements" and offset provisions.

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