

LEGAL NOTICE NO. 333

REPUBLIC OF TRINIDAD AND TOBAGO

THE FISCAL INCENTIVES ACT, CHAP. 85:01

ORDER

MADE BY THE PRESIDENT UNDER SECTION 10 OF
THE FISCAL INCENTIVES ACT

THE FISCAL INCENTIVES (PETROLEUM COMPANY OF TRINIDAD
AND TOBAGO LIMITED) ORDER, 2006

1. This Order may be cited as the Fiscal Incentives (Petroleum Company of Trinidad and Tobago Limited) Order, 2006. Citation

2. In this Order “the Act” means the Fiscal Incentives Act. Interpretation
Chap. 85:01

3. Liquefied Petroleum Gas (LPG), gasoline, kerosene, gas oil/diesel, fuel oil and sulphur are declared approved products. Declaration of
approved
products

4. For the purposes of the Gasoline Optimization Programme, the Petroleum Company of Trinidad and Tobago Limited, a company incorporated in Trinidad and Tobago (hereinafter referred to as “the Company”), is declared an approved enterprise in respect of the products LPG, gasoline, kerosene, gas oil/diesel, fuel oil and sulphur (hereinafter referred to as “the approved products”) to be manufactured at the Pointe-a-Pierre refinery with effect from March, 2008 (hereinafter referred to as “the production day”). Declaration of
approved
enterprise

5. The Company, classified as a highly capital intensive enterprise under section 9(2) of the Act, is granted total relief from customs duty in respect of the approved products, for a period of ten years commencing from the production day. Classification
and benefits

6. The Company shall— Conditions
imposed on
approved
enterprise
Schedule

(a) undertake locally, the minimum manufacturing process set out in the Schedule to this Order;

(b) maintain to the satisfaction of the Board of Inland Revenue, accounts in respect of its business and the accounts so maintained shall allow for the transactions relating to the manufacture of the approved products to be clearly identifiable from the transactions relating to any other business of the Company;

- (c) observe the practice and policy prevailing in Trinidad and Tobago as regards labour relations and conditions of employment;
- (d) comply with the requirements of the Environmental Management Authority on the environmental codes of conduct for the industry and obtain the Certificate of Environmental Clearance; and
- (e) obtain all statutory approvals from the Town and Country Planning Division, Ministry of Planning and Development.

SCHEDULE

[Paragraph 6(a)]

MINIMUM MANUFACTURING PROCESS

The following is a summary of the process descriptions of the plants to be built/revamped in the Gasoline Optimization Programme (GOP):

(1) Isomerization Complex

Full range naphtha from crude distillation is split into a light and heavy fraction. The heavy fraction will be one of the several feeds to the new Continuous Catalyst Regeneration (CCR) Platformer. The light fraction which is the feed to the isomerization complex, is treated with hydrogen sourced from the CCR Platformer Complex, to remove impurities/poisons which will otherwise impair the performance of the isomerization catalyst.

The treated light naphtha is dried and mixed with dried compressed makeup hydrogen. The combined feed is then routed into the isomerization reaction system where the chemical makeup is altered to produce higher octane isomerate. The reaction effluent is cooled and then routed to the Stabilizer Section where primarily all light ends and unused hydrogen are stripped off. The isomerized light naphtha is routed to storage for gasoline blending.

(2) CCR Platformer Complex

The feed to the CCR Platformer Complex consists of several heavy naphtha streams produced elsewhere in the Refinery. The combined feed is treated with hydrogen, produced in the Platforming Section, to remove impurities/poisons which will otherwise impair the performance of the platforming catalyst. This hydrotreated heavy naphtha (also called "Platfeed") is then fed to the Stripper Section where primarily all light ends and unused hydrogen are stripped off prior to being routed to the Platforming Unit.

In the Platforming Unit, the Platfeed is routed through the reaction system in which the chemical makeup is altered by contacting with platinum catalyst to produce higher octane Platformate. The reaction effluent is routed through a product recovery and Stabilizer Section where light ends are stripped off. The stabilized Platformate is then routed to storage for blending into high octane gasoline. Hydrogen is also a major by-product of the Platforming process.

Spent catalyst from the platformer reactors is routed to the CCR section, where it is regenerated and recycled to the platformer reaction system.

(3) Fluidized Catalytic Cracking Unit (FCCU)/Gas Concentration Unit (GCX)

The FCCU converts desulphurised heavy gas and vacuum gas oil into LPG, gasoline and gas oil, through the UOP Riser Cracking process at high temperature in the presence of catalyst. The catalyst is continuously regenerated through the combustion of entrained coke with air. The FCCU consists of an integrated feed preheat, reaction and catalyst regeneration and product separation sections. Cycle Oil and Main Column Bottoms are sent to storage to be blended into diesel while Wet Gas, Compressed Gasoline and Catalytic Distillate are sent to the GCX.

At the GCX, the Propane/Propylene (PP) product will be routed to the new C₃"/C₄" Alkylation Unit or LPG sales; the Butane/Butylene (BB) product is routed to the MTBE and then to the new C₃"/C₄" Alkylation Unit and the gasoline product is sent to the refinery gasoline pool.

(4) C₃"/C₄" Alkylation Unit

In the Alkylation Unit, propylene (C₃"), and butylenes (C₄") from the FCCU are reacted with isobutane (iC₄) from Phoenix Park Gas Processors Limited in the presence of a sulphuric acid catalyst to form alkylate. The unit consists of integrated feed chilling, reaction, refrigeration and product separation sections. C₃" and C₄" are combined with iC₄, cooled via heat exchange and sent to the reaction zones to produce alkylate. Fresh sulphuric acid is continuously added to the C₃" reaction zone and a slipstream of spent lower strength acid is continuously withdrawn after the C₄" reaction zone and thence to the Acid plant for regeneration. The reaction effluent (after treating) is sent to the product separation section to recover unused iC₄, butane for sales and whole alkylate for blending. Alkylate is blended with the refinery gasoline pool to increase the octane and reduce vapour pressure, sulphur and benzene. When aviation alkylate is required for the production of aviation gasoline, whole alkylate is further processed in an alkylate splitter.

(5) Sulphuric Acid Regeneration Unit

In the sulphuric acid regeneration unit fresh sulphuric acid (H₂ SO₄) is produced from spent Alkylation acid. Spent acid is sent to the combustion chamber where it is decomposed by heat via the combustion of H₂S to form sulphur dioxide and water vapour. Hot gases from the combustion chamber are cooled and passed through gas purification equipment where ash particulate and trace levels of SO₃ are removed. The gas is then dried via a drying tower, compressed and forced through the remainder of the plant by the main compressor. The conversion of SO₂ to SO₃ occurs in a converter in the presence of a catalyst. SO₃ gas is absorbed in 98.5% H₂ SO₄ and combines with free water in the acid to form 99% H₂ SO₄ for the Alkylation process or for sales.

Made this 27th day of December, 2006.

L. RODRIGUEZ
Acting Secretary to Cabinet