

# SHOWCASE PLANTS

## Chevron Phillips Chemical Company LP Cedar Bayou Plant Baytown, Texas



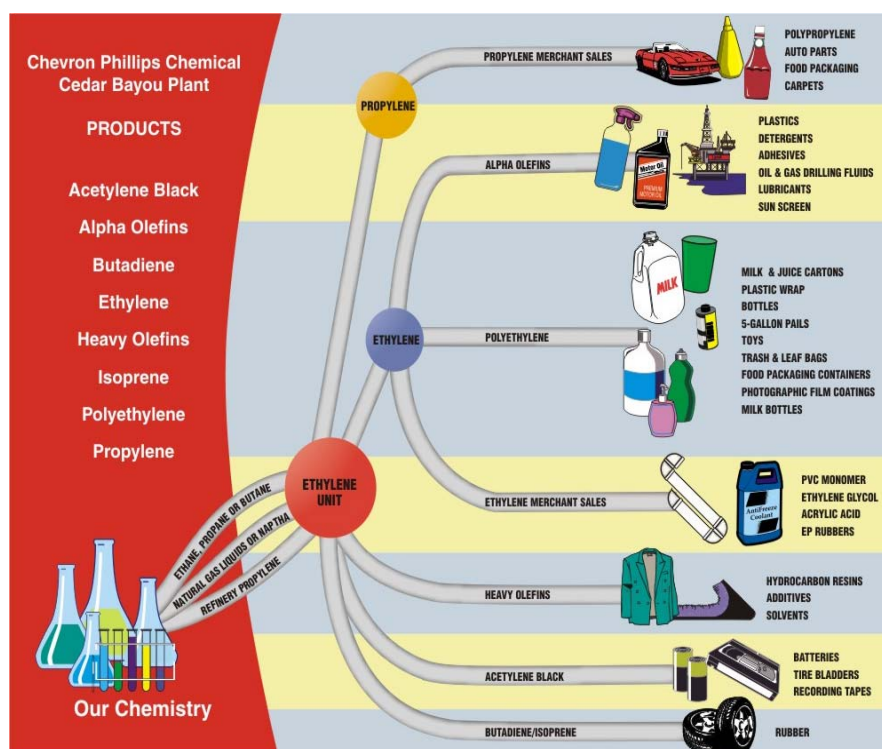
Chevron Phillips Chemical Company LP (CPChem) is one of the world's top producers of olefins and polyolefins and is the leading supplier of aromatics, alpha olefins, styrenics, and specialty chemicals. The company has approximately \$6 billion in assets and is owned equally by ChevronTexaco Corporation and ConocoPhillips.

The Cedar Bayou Plant is the largest of 34 manufacturing facilities owned by CPChem. Located in Baytown, Texas, the Cedar Bayou facility is situated on 1,200 acres close to feedstock and product pipelines as well as rail access. The plant was established in 1963 by Gulf Oil Corporation and became part of Chevron Corporation with the merger of Gulf Oil and Chevron in 1985. It became part of the joint chemical business venture by Chevron Corporation and Phillips Petroleum Company in 2000.

The facility manufactures ethylene and propylene from light hydrocarbons, natural gas liquids, and refinery feedstock, and upgrades its ethylene product into alpha olefins and polyethylene resins. End-use applications for these chemicals include greases, lubricants, coatings, adhesives, plastics, fibers, paints, detergents, and antifreeze.

The plant consists of eight process units—olefins, alpha olefins (2 units), polyalphaolefins, polyethylene (3 units), and acetylene black—plus central utilities and support facilities. The newest unit, a high-density polyethylene unit, was just completed in February 2003.

The facility plays an important role in the economic vitality of Baytown by directly employing more than 600 people along with approximately 350 contracted skilled tradespeople. Through the efforts of these employees and contractors, the plant has reduced its energy consumption by approximately 11% over the past four years (based on MMBtu consumed per unit of production).



CPChem has integrated environmental, health, and safety values into every aspect of its business, including the operations at the Cedar Bayou Plant. For its efforts, the plant has been honored with the following awards:

- OSHA Voluntary Protection Program (VPP) (1995 - present).
- VPP STAR certification (1997, recertification 2000).
- Texas Chemical Council's Occupational Safety Distinguished Service award (2001).
- U.S. Environmental Protection Agency's National Environmental Achievement Track Program (2001).
- Texas Chemical Council's "Excellence in Caring for Texas" award (one of four chosen out of two hundred Texas chemical facilities) (2002, 2001).