



THE JOINT VENTURE

In 2016, Jefferson Energy and Green Plains Inc. formed JGP Energy Partners, a joint venture focused on creating a world class intermodal export and import distribution hub for ethanol and other liquids. The project will provide customers unparalleled access to a deep water terminal with unmatched logistical optionality, service, reliability and lower overall cost. The two partners, combining the second largest producer of ethanol globally with the owner of a logistically advantaged and efficient rail/marine terminal, are committed to developing better solutions for customers where rail meets water. The JGP terminal location provides a sustainable competitive advantage for a host of potential clients looking for a better answer and improved flexibility.

RAIL ADVANTAGE

At the JGP Energy Terminal, there are no short-line railroad connections required to access any Class I railroad (UP, BNSF, KCS). The rail carriers have direct mainline access and will bring unit trains directly into the terminal without delay. The facility will be able to discharge up to 120 car unit trains of ethanol in under 24 hours, with the capacity to hold two full unit trains at any one time. In addition to ideal rail capability, the site has efficient marine docks to support a high flow ethanol export, import and domestic distribution operation.

Customer interest in the project has been very strong. We are in the process of contracting capacity in order to supply the market mid-2017.

PHASE I STORAGE

- JGP will construct 550,000 barrels of storage in four tanks. Three tanks (each at 150,000 bbls working capacity) will be used for various export grades on a commingled basis. One 100,000 barrel tank will be used for domestic (ASTM) ethanol.
- Each export tank will hold two full unit trains of 110 railcars, and will have drain-dry capability to facilitate changes in specifications as needed.

PHASE II EXPANSION

- The joint venture has the option to build up to two additional storage tanks of 150,000 barrels for Phase II expansion, as well as another ship dock and additional truck loading bays.

LOADING & UNLOADING

- The rail unloading system will have an offloading rack as well as a series of ladder tracks to receive unit trains.
- Ethanol loading rates will be 10,000 barrels per hour to ship and 5,000 barrels per hour to barge.
- Ethanol unloading rates will be 7,500 barrels per hour from unit train. Expected turn time is 13-15 hours from placement of unit train to release.

PERMITS

- The terminal will have a Denatured Spirits Permit (DSP) from the Alcohol & Tobacco Tax and Trade Bureau (TTB).
- It will also have Free Trade Zone (FTZ) status and ISCC certification.

COMMERCIAL CONTACTS

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DISTRIBUTION

- The ethanol tanks will provide flexibility to meet the demand for multiple export grades as well as domestic (ASTM) spec.
- Domestic ethanol will be distributed through a two-bay truck loading rack.
- The dock will accommodate a wide range of domestic and export marine vessels, including:
 - Brown water barges
 - Blue water barges
 - Chemical tankers
 - Panamax ships
 - MR ships
 - Aframax Ships
- Dedicated lines will be maintained to ensure petroleum-free undenatured ethanol.

THE TERMINAL

- The JV ethanol infrastructure will be located within the existing terminal owned and operated by Jefferson Energy Companies, located on 243 acres in Beaumont, Texas. It is positioned in one of the largest refinery markets in the U.S., located in the center of the 9.2 million barrel per day Gulf Coast region (PADD III).
- The terminal is directly served via mainline access by three Class I railroads: Union Pacific, Burlington Northern Santa Fe, and Kansas City Southern.
- Kansas City Southern also has power sharing arrangements with Canadian Pacific and Canadian National railroads.
- Direct rail access is available to most ethanol production plants in North America.

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