

TRIUMPH GULF COAST, INC. PRE-APPLICATION FORM

Triumph Gulf Coast, Inc. ("Triumph Gulf Coast") has created a pre-application process to provide initial consideration of eligibility for potential ideas of projects or programs that may seek an award of funding. Applicants are required to participate in the pre-application process. Notwithstanding the response from Triumph Gulf Coast on the pre-application form, an Applicant may still elect to submit an Application.

APPLICANT INFORMATION

Name of Individual/Entity/Organization:	The BioCarburante Company
Proposal Title:	Port St. Joe Biorefinery Project
Amount of Triumph Funds Requested:	\$ 25,250,000
Total Estimated Project Cost:	\$450,455,541
Brief Description of Individual/Entity/Organization:	

The BioCarburante Co seeks to **develop, build, own, and operate a 2,000 ton/day woody biomass refinery** that converts a variety of woody biomass feedstocks, waste and forestry residue into renewable, clean burning hydrocarbon transportation fuel. The synthetic fuel is similar to fossil gasoline, diesel, and aviation fuel, but have a significantly better carbon footprint. The biofuels also do not have the limitations faced by ethanol and bio-diesel.

Contact Information

Primary Contact:	Jim McKnight
Title:	Gulf County Economic Development Coalition Director
Mailing Address:	1000 Cecil Costin Blvd., Suite 400
City: State: Zip Code:	Port St. Joe, FL 32456
Telephone Number:	(850) 832-0227
Email Address:	jmcknight@gulfcountry-fl.gov
Website:	http://www.gulfcountryedc.com

Names of co-applicants, partners or other entities, organizations that will have a role in the proposed project or program:

Gulf County and The BioCarburante Co. (the company) are partnering in a Private Public Partnership. The company has partnered with Gulf County and The Gulf County Economic Development Coalition, The Apalachee Regional Planning Council, Opportunity Florida, Duke Energy, G&W railroad and the St. Joe Land Development Company. Construction funding will be underwritten through Four Points Capital by Municipal Capital Markets Group, Inc., and Aegis Capital Corporation.

REQUIRED EXECUTIVE SUMMARY

In a maximum of two (2) pages, please describe the proposed project or program and anticipated outcomes including (i) the amount of funds being sought from Triumph Gulf Coast; (ii) the amount and identity of other sources of funds for the proposed project or program; (iii) the location of the project or program; (iv) summary description of the proposed program, including how the program will be transformational and promote economic recovery, diversification, and enhancement of the disproportionately affected counties, and (v) a summary timeline for the proposed project or program.

IMPORTANT NOTICE

This pre-application process will **not** result in an award of funding by Triumph Gulf Coast. Rather, this process is designed to facilitate submission of ideas for potential projects or programs before the Applicant expends time and/or resources to complete a full Application. All Applicants for funding are required to complete an Application, which will be reviewed and then considered for award at the discretion of Triumph Gulf Coast Board.

Please Select the Proposal's Eligibility Category(s)

Pursuant to Section 288.8017, Triumph Gulf Coast, Inc. was created to make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. The disproportionately affected counties are: Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County. *See*, Section 288.08012.

1. From the choices below, please check the box that describes the purpose of the proposed project or program (check all that apply):

- ☐ Ad valorem tax rate reduction within disproportionately affected counties;
- ☒ **Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;**
- ☒ **Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;**
- ☐ Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
- ☐ Grants to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education, encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties;
- ☒ **Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and**
- ☐ Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

Please Select the Priorities this Proposal's Outcomes will Achieve

1. Please check the box if the proposed project or program will meet any of the following priorities (check all that apply):

- ☒ **Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long- term economic growth potential of the disproportionately affected counties may be enhanced by the investment.**
- ☐ Increase household income in the disproportionately affected counties above national average household income.
- ☒ **Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.**
- ☒ **Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.**
- ☒ **Benefit the environment, in addition to the economy.**
- ☒ **Provide outcome measures.**
- ☐ Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
- ☒ **Are recommended by the board of county commissioners of the county in which the project or program will be located.**
- ☐ Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

EXECUTIVE SUMMARY

Project Description: Gulf County and The BioCarburante Company (TBIOCC) have embarked upon a Private Public Partnership (P3) to provide the quality infrastructure investment needed to improve the long-term economic performance and social wellbeing of the region. We are partnering to acquire the license to build a \$450,455,541 woody biomass biorefinery that will add more than 890 direct and induced jobs to the region. The Triumph investment in the biorefinery and the infrastructure will add more than 226 direct full-time jobs in the production of the biofuels.

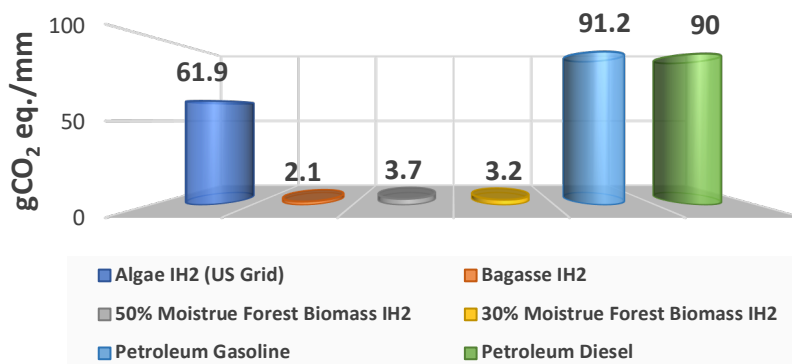
Gulf County will acquire 116 acres of undeveloped land outside the tourist area of Port St. Joe, FL. The site is adjacent to highway 71 with direct access to the AN railroad. This project will be the catalyst to ignite the economic recovery for Gulf County and the region. As a result of the Triumph investment, the DOT, G&W Railroad and the St. Joe Company combined, will match an additional \$8mm to jumpstart and revitalize the shuttered AN Railway infrastructure critical to future economic growth in the region. TBIOCC requires the railroad to efficiently move nearly 2,000 railcars of fuel (61MM gallons) annually to a variety of markets around the country. It will also increase regional tax revenue and enhance several Northwest Florida counties disproportionately affected by the Deepwater Horizon oil spill and subsequently by Hurricane Michael.



We respectfully request an investment of \$25,250,000 of Triumph Gulf Coast funding in the project in order to spur immediate development and preconstruction activities leading to the construction of the biorefinery. \$425,205,541 of construction funding will be underwritten via an industrial revenue bond through Four Points Capital by [Municipal Capital Markets Group, Inc.](#) and [Aegis Capital Corporation](#).

Project Summary: The company plans to use a proven process of integrated hydropyrolysis and hydroconversion. Five U.S. Patents have been issued related to the hydropyrolysis process to be utilized in TBIOCC's new plant. In catalytic hydropyrolysis, biomass is converted to pyrolysis oil in a fluidized bed of catalyst under hydrogen pressures of 20-30 bars & temperature of 400-650 °C in the absence of O₂. This minimizes the undesirable acid-catalyzed polymerization, aromatization, and coking reactions that characterize standard fast pyrolysis. With catalytic hydropyrolysis, biomass can be converted directly to a hydrocarbon product that can be moved to a refinery for polishing or further polished onsite in an integrated hydrotreating reactor to stabilize and upgrade the product. The construction and development plan for the biorefinery provides a clear path to produce drop-in (no engine modification) gasoline and diesel fuels from cellulosic biomass. TBIOCC's chosen technology produces a renewable biofuel that is chemically equivalent to its petroleum-based counterpart, but, as a renewable source, provides an enhanced carbon footprint when analyzed throughout the life cycle.

GHG Savings Compared to Petroleum



Renewable biofuels have emerged as the most prominent of all global "low-carbon transformation" options. They offer a dramatic impact on Greenhouse Gas production and therefore can significantly aid in the fight against climate change. In fact, the specific technology underlying TBIOCC's process has demonstrated a 90% reduction in greenhouse gases. ***TBIOCC's biofuel uses wood as its feedstock, the most renewable resource in North America.***

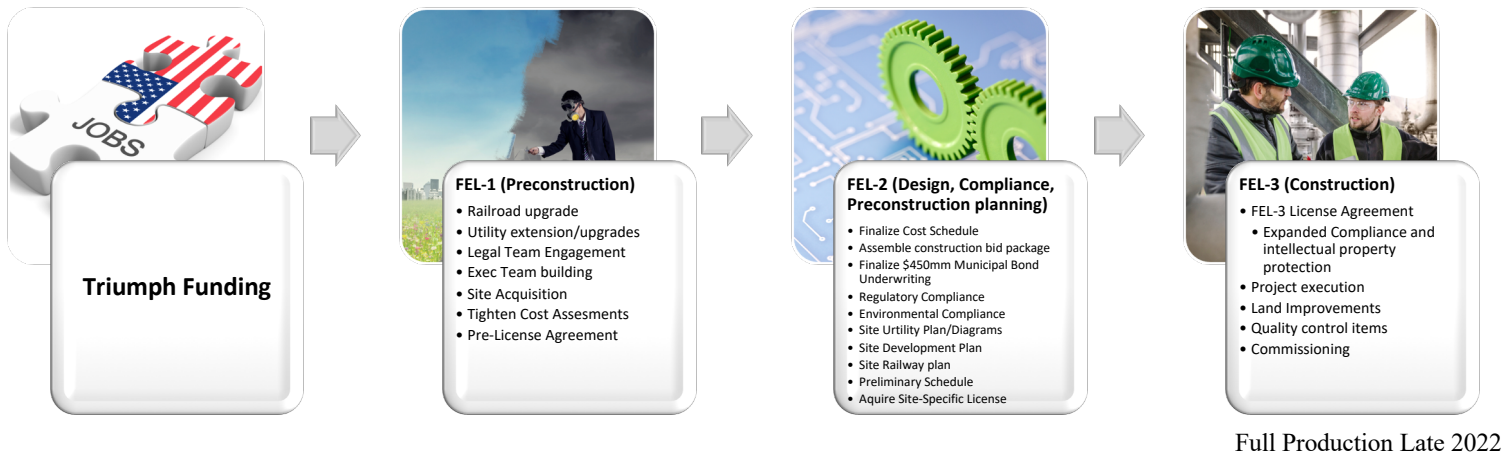
Feedstock: Due to the decline in paper mill output which began in 2009 as well as changes in new-home construction technology, wood growth has outpaced consumption by more than 40% which has left millions of acres of forest crops unharvested.

Additionally, with nearly 2,808,645 acres of woodlands devastated by Hurricane Michael, Gulf County and TBIOCC will partner with Two Rivers Land and Timber (TRLT) and locally sourced contractors to operate our supply chain. Our company's commitment to investing more than \$25,673,930 of capital in the supply chain will allow us to start utilizing the timber downed by Hurricane Michael which would otherwise be unmarketable. The biomass from hurricane cleanup can be used for export as well as feedstock reserves for refinery operations.

Target Market & Revenue: Our target market consists of obligated parties who produce or import petroleum gasoline or diesel fuel and must satisfy their Renewable Volume Obligations (RVO) using RINs and/or cellulosic waiver credits. TBIOCC has a long-term offtake agreement for purchase of 100% of the biofuel production and associated RINs. The long-term contract will ensure the project remains financially viable long after the Triumph funding has been exhausted.

The advantage of acquiring a site-specific license from our verifiable technology partner is the company is provided with a **quantity and quality guarantee** of the fuel output.

Operational Timeline:



ESTIMATED LOCAL ECONOMIC IMPACT CREATED

Hurricane Michael was the worst storm to hit the Florida Panhandle in recorded history. This historic and catastrophic hurricane wreaked havoc on the region’s economy, as well as on its natural resources. Therefore, The BioCarburante Co. has collaborated with local economic and community leaders to prepare this request for grant funding. Requested funds will be used over 12-18 months providing immediate benefits to the Gulf County and northwest Florida counties disproportionately affected by the hurricane and the oil spill.

The Apalachee Regional Planning Council (ARPC), in support of this project, has created an economic model, using REMI PI+ (v2.2).

Bio-Refinery & Supply Chain Combined Impact	
Summary of impact on Gulf County (10-years), 2021-2030	
Total EMPLOYMENT created directly OR INDIRECTLY	903 jobs created
increase in average annual wage rate, <i>manufacturing</i> ¹	\$ 17,555 (current dollars)
increase in disposable PERSONAL income	\$ 62 million (current dollars)
increase in GDP (OF COUNTY)	\$ 119 million (fixed 2009 dollars)
Bio-Refinery & Supply Chain Combine Impact	
Summary of impact on Gulf County (10-year), 2021-2030	
Total EMPLOYMENT created directly OR INDIRECTLY	1,071 jobs created
increase in disposable PERSONAL income	\$ 85 million (current dollars)
increase in GDP (OF COUNTY)	\$131 million (fixed 2009 dollars)

LOCATION: GULF COUNTY, PORT ST. JOE, FLORIDA

The BioCarburante Company chose Port St. Joe because the community is rich in natural resources but hurting economically with resulting unemployment since the close of the local paper mill in 1998. We have worked closely with the St. Joe Land Development Company, Gulf County Economic Coalition, Opportunity Florida, Duke Energy and CareerSource Gulf Coast to develop initial agreements that identified land, usage parameters and employment/training which can be implemented in a sustainable, responsible manner. Not only is this a social benefit, but it will also likely make legislators more amenable to permits and favorable negotiations related to development and production matters.

¹ Manufacturing defined as NAICS 2-digit codes 31-33