



ANGELINA & NECHES RIVER AUTHORITY

Press Release

For Immediate Release

July 18, 2012

Contact: Kelley Holcomb
General Manager
Angelina & Neches River Authority
(936) 632-7795

The Angelina & Neches River Authority (ANRA), as the conduit bond issuer, has received notification that the Gregg County Refining, LLC, refinery project has been designated for funding under the Hurricane Ike Disaster Area Bond Program. The project is a \$181 million refinery that will be located 1.25 miles southeast of the City of New London in Rusk County.

The project has been under development for approximately 18 months and includes construction of all the facilities required for the refinery to process up to 30,000 barrels/day of light sweet crude and produce all types of gasoline and diesel fuel. The project is expected to employ up to 375 people during construction of the facility and approximately 85 full-time employees once the refinery becomes fully operational. Contracting opportunities will be available for both construction and operations phases of the project. Construction is anticipated to commence by fall of 2012 and be completed within 24 months.

The Project owners have been working with ANRA, Rusk County, New London ISD and Henderson Economic Development Corporation officials to facilitate the development of the project. The Project has received broad support from the New London community as well as state and local elected officials. According to officials close to the project, they are not seeking any tax breaks or special incentives for this project...they are seeking to become an outstanding corporate citizen for the local community by providing true economic growth to the region.

The Project owners have also committed a portion of the funds for securing water from ANRA's Lake Columbia project. At initial startup, the facility will need a minimum of 5 million gallons of water per day for cooling and other process purposes. According to Kelley Holcomb, General Manager of ANRA, the refinery project is a perfect partner to help facilitate the development of Lake Columbia. "In addition to providing an important source of funding, the project will bolster the near and long-term need for the reservoir and provide infrastructure for the delivery of water east of the reservoir."