DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the City of Mobile, Alabama, grantee of FTZ 82, requesting special-purpose subzone status for the oil refinery complex of Shell Oil Company, located in Mobile County, Alabama. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on April 15, 1997.

The refinery complex (847 acres, 130 employees) consists of 4 sites in the Houston metropolitan area of Harris County, Texas: Site 1 (500 acres)-refinery complex located at 12000 Lawndale Road, on the Houston Ship Channel, within the city limits of both Houston and Pasadena; Site 2 (20 acres)—Allendale Tank Farm (4 tanks/713,000 barrel capacity) located south of the refinery, across Lawndale Rd.; Site 3 (65 acres) South Tank Farm (16 tanks/1.9 million barrel capacity) located south of the refinery across Lawndale Rd., east of Site 2; Site 4 (60 acres)—“225” Tank Farm (13 tanks/3.6 million barrel capacity) located south of Sites 1-3, across State Highway 225.

The refinery (265,000 BPD) is used to produce fuels and petrochemical feedstocks. Fuel products include gasoline, jet fuel, distillates, residual fuels, naphthas and motor fuel blendstocks. Petrochemical feedstocks and refinery by-products include methane, ethane, propane, liquid natural gas, propylene, ethylene, butylene, butane, butadiene, benzene, toluene, xylene, carbon black oil and sulfur. Some 95 percent of crude oil is used in its exports. On domestic sales, the company would be able to choose the Customs duty rates that apply to certain petrochemical feedstocks and refinery by-products (duty-free) by admitting incoming foreign crude oil and natural gas condensate in nonprivileged foreign status. The duty rates on inputs range from 5.25¢/barrel to 10.5¢/barrel. The application indicates that the savings from zone procedures would help improve the refinery’s international competitiveness.

In accordance with the Board’s regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board’s Executive Secretary at the address below. The closing period for their receipt is July 1, 1997. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to July 16, 1997).

A copy of the application and accompanying exhibits will be available for public inspection at each of the following locations:

U.S. Department of Commerce, Export Assistance Center, Medical Forum Building, 7th Floor, 950 22nd Street North, Birmingham, AL 35203

Office of the Executive Secretary, Foreign-Trade Zones Board, Room 3716, U.S. Department of Commerce 14th & Pennsylvania Avenue, NW., Washington, DC 20230.


John J. Da Ponte, Jr., Executive Secretary.

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