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FOR IMMEDIATE RELEASE



NCRA Plans for New Coker

NCRA has announced that it will build a new Delayed Coking Unit (Coker) at its McPherson Kansas refinery. This \$555 million investment in NCRA's future will replace the current Coker which has served the refinery since 1952.

"The timing is right for NCRA to build a new Coker," said Jim Loving, NCRA President. "In addition to upgrading our technology, the new Coker will allow the refinery to run a greater variety of crude oils." Loving continued, "This is the largest project in NCRA's history with a targeted completion in August, 2015."

The new Delayed Coking Unit is not expected to increase production. The purpose of a Coker is to squeeze more liquid products (gasoline and diesel) out of the heaviest portion of the crude oil

barrel. It will leave a solid black substance called petroleum coke. The new Coker will change the look of the refinery skyline with additional towers and piping much like other projects have in the past.

According to Rick Leicht, NCRA Vice President Refining, the project is currently in the engineering and procurement stage focused on designing the specific equipment needed. Equipment of the right size and metallurgy is not available “off the shelf.” Most of the Coker engineering is being done in Houston, TX, by Mustang Engineers & Constructors. Wink Engineering is doing the site/connection design in Baton Rouge, LA. These specialty engineering contractors work with refineries on a routine basis. Close to 350,000 engineering man-hours will be required for the project.

NCRA’s in-house engineering is also vital throughout the project. “Our people are very much involved,” said Leicht, “in the decision making, the approval, and making sure that it all fits into the existing refinery.”

Part of the engineering effort is to create a model of the unit with 3D modeling software that allows the user to rotate and “walk through” while examining details prior to construction. Multiple “3D Model Reviews” will be conducted with design engineers and NCRA’s staff working together to make sure that all of NCRA’s requirements and specifications are met.

Starting in January of 2013, the construction phase is scheduled to begin with welders, pipe fitters, laborers, carpenters and others. It is expected that a construction workforce of 200 will begin in January of 2013, and could grow to 400 before tapering off near the completion in 2015. The workforce will be made up of local and outside sources.

NCRA is an inter-regional cooperative engaged in crude oil acquisition, transportation, refining, and product distribution. NCRA was organized in 1943 by regional farm supply cooperatives. Products from the company’s 85,000 barrel-per-day refinery are purchased by the farm supply cooperatives and distributed throughout the North Central United States.

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