

June 13, 2020

VIA OVERNIGHT CARRIER AND E-MAIL

Laurie Stevenson, Director Ohio Environmental Protection Agency 50 West Town Street Suite 700 P.O. Box 1049 Columbus OH 43216-1049

Re: PTTGC America LLC- Request for Extension of Permit to Install

Dear Director Stevenson:

For the reasons set forth below, and pursuant to OAC §3745-31-07(A)(2), PTTGC America LLC ("PTTGCA") is requesting a twelve-month extension of its permit to install (PTI No. P0124972, the "PTI") issued final by Ohio EPA on December 21, 2018.

The PTI as issued is effective for 18 months. By a letter dated May 5, 2020, (attached as Exhibit 1), PTTGCA confirmed that the PTI expiration date had been automatically extended by Ohio law (RC §3704.03(F)(2)(b)(iv)) from its original expiration date (June 21, 2020) to February 24, 2021, as a result of the 248 day-period when the Permit had been appealed by third parties. The Ohio EPA concurred in a letter dated May 19, 2020 (attached as Exhibit 2). However, we now understand that Earthjustice and certain other entities have asserted that the Ohio statute referenced above is not the controlling law and thus the 248 day automatic extension of the Permit expiration date does not apply (see June 11, 2020 letter attached as Exhibit 3) (the "Arguments"). We do not agree with the Arguments, and expect you do not agree with the Arguments as well. However, to remove any doubts, as reasonably prompt as possible in light of the timing of the Arguments, and out of an abundance of caution, we request that Ohio EPA issue a formal extension of the expiration date of the PTI from its original expiration date (June 21, 2020) to June 21, 2021, the twelve-month extension which is permissible under OAC §3745-31-07(A)(2) and Section A.11.b of the Permit.

There are several reasons why granting this extension request would be both lawful and reasonable, each of which is presented below.

Initially, the PTI was appealed to the ERAC on January 18, 2019 (Notice of Appeal attached as Exhibit 4). That appeal was settled and officially dismissed by ERAC on September 24, 2019 (Order attached as Exhibit 5) thus taking 248 days. Defending the appeal, and the existence of the appeal itself, delayed several aspects of the Project from engineering to project financing. It is precisely for those reasons that Ohio law authorizes an automatic extension of the original PTI expiration date under RC §3704.03(F) (2) (b) (IV). See Sierra Club V. Jones, ERAC Case No. 255633, 2011 Ohio ENV LEXIS 12 (Sept. 29, 2011) at ¶ 28 (stating that it is reasonable to delay a project until an appeal is exhausted.)

In addition to the PTI appeal, the Project was significantly impacted by the trade war between the United States and China over the last 18 months. That trade war has involved numerous back-and-forth trade negotiations including a tariff war that introduced over \$700 billion of new tariffs. Part of this conflict has resulted in foreign technology restrictions and several World Trade Organization cases, leading US-China trade relations to the brink of a full-blown trade war. This has impacted both the ability of PTTGCA and its contractors and suppliers to purchase, supply and ship both technology and licensed goods required for the Project. It has also impacted shipping processes and insurance availability.

Further, the Project has been delayed in several ways because of the Covid-19 pandemic. The Project is being project financed, with funds expected to come from several US commercial banks and non-US entities. The UK Export Finance bank is a UK government department, and a major funding source for the Project. The UK began its lockdown related to the Covid-19 pandemic in mid-March 2020 and London is still under restrictions regarding work, travel and meetings, which has severely impacted PTTGCA's ability to meet and negotiate financing terms with its bank advisors and lenders. The Project is also seeking funding from the Export-Import Bank of Korea (KEXIM) and the Korea Trade Insurance Corporation (KSURE). Korea began its epidemic control protocols in early February 2020, which similarly impacted PTTGCA's ability to engage in financing negotiations. Finally, most of the world's commercial banking activity happens out of New York, which began its lockdown in mid-March and is only now slowly beginning Phase 1 of reopening. A project of this size requires coordination among all these funding parties, which has been frankly impossible during the global pandemic.

Additionally, the Project requires the approval of several foreign governments, including China, from a merger controls and competition law perspective. The processes and timing for obtaining those approvals have also been significantly impacted by the Covid-19 pandemic. Finally, as you know, the Governor of Ohio issued an emergency Order on March 9, 2020 (Order 2020-01D) in response to the pandemic. That Order significantly delayed work on the Project as a whole and at the site. Among other requirements, it essentially required many businesses to close and people to shelter in place in their homes. This meant that essential legal, financial and government communications were interrupted and/or delayed. Prior to this time, nations in Western Europe and Asia were subject to major restrictions on business activity. Because Thailand, South Korea, and England were impacted, as well as other countries, this had an immediate and significant impact early in 2020 delaying or ending communications on financing, engineering and other key elements for the Project.

Around the same time, a similar Order was issued in Texas and in other states which, along with international travel bans, caused a significant number of key employees from PTTGCA's main office in Houston to travel to their nations of origin, including Thailand and South Korea. PTTGCA's main Houston office remains closed, and as of June 11 the city of Houston is considering extending stay at home orders, which could further impact project timing. Our licensors and EPC contractor's offices in Houston and other U.S. locations as well as their engineering design centers in England, Germany, India and South Korea were also closed in March and remained closed through May 2020. As a result, work on the Project slowed significantly. Financial, legal, and technical work on the Project in the United States, Europe and Asia were also significantly impacted.

PTTGCA's key employees are still working from overseas thereby slowing work with contractors, licensors and banks that are involved in the Project. Because PTTGCA's Houston office remains closed, the vast majority of the employees that remain in the United States have been and continue to work from home. The same is true for several third party companies that are supporting PTTGCA's project. The consequence is that work on this complex, multi-billion dollar project has been delayed.

Based upon the foregoing, PTTGCA, respectfully requests a twelve-month extension of its PTI until June 21, 2021 as authorized under OAC §3745-31-07(A)(2).

Please note that, because PTTGCA disagrees with the Arguments, PTTGCA reserves all of its rights to the automatic extension of the PTI as explicitly authorized by RC §374.03(F)(2)(b)(iv). Nothing in this request should be construed as PTTGCA's agreement that RC §3704.03(F)(2)(b)(iv) does not apply.

Very truly yours,

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