



Industrial Demonstrations Program – Polyethylene Terephthalate Recycling Decarbonization Project

The Industrial Demonstrations Program, managed by the U.S. Department of Energy (DOE) Office of Clean Energy Demonstrations (OCED), aims to accelerate decarbonization projects in energy-intensive industries and provide American manufacturers a competitive advantage in the race to lead the world in low- and net-zero carbon emissions manufacturing. To advance industrial decarbonization, OCED sought applications for up to \$6 billion in funding to support the demonstration of transformational technologies necessary to reduce emissions in the U.S. industrial sector. Following negotiations, in September 2024, OCED awarded the Polyethylene Terephthalate Recycling Decarbonization Project with more than \$37 million to begin Phase 1 of the project located in Longview, TX.



Project at a Glance – Phase 1

- » **Total OCED Cost Share:** Up to \$375 million
- » **Phase 1 Total Project Amount:** \$74,666,750*
- » **Phase 1 OCED Award Amount:** \$37,333,375**
- » **Phase 1 Scope of Work:** Planning, permitting, design, and other development activities
- » **Phase 1 Timeline:** Up to 6 months
- » **Recipient:** Eastman Chemical Company is a manufacturer of chemicals, fibers, and plastics
- » **Project Location:** Longview, TX
- » **Start Date:** September 2024

*Represents the total project cost for Phase 1.

**Represents OCED's cost share for Phase 1. Additional funding for this project is subject to future award negotiations at the end of each project phase.

About This Project

The Polyethylene Terephthalate Recycling Decarbonization Project, led by Eastman Chemical Company, plans to construct a first-of-its-kind plastic molecular recycling facility capable of converting typically landfilled or incinerated waste into virgin-quality polyethylene terephthalate (PET) with high material to material yield. PET is a high-demand material used in packaging, film, and fiber applications. The facility plans to use thermal energy storage powered in part by renewable energy to decarbonize the process heating operations, resulting in a product with an estimated 70% lower carbon intensity than fossil virgin PET.

During Phase 1 of the project, Eastman Chemical Company plans to perform engineering studies to support design development, provide documentation and reports necessary for OCED to complete the National Environmental Policy Act

review, and continue discussions on labor and community benefits planning. OCED will provide oversight of the project by evaluating the status and quality of implementation at each phase of the project. Through its phased approach to project management oversight, OCED will review and evaluate the project's progress, including community benefits, which impact OCED's decision to continue to provide federal funding and allow a project to progress to the following phase.

Polyethylene Terephthalate Recycling Decarbonization Project Fact Sheet

Project Site

The Polyethylene Terephthalate Recycling Decarbonization Project would be located at the Eastman Longview Facility, in northeast Texas. Eastman has proposed the Longview site for its existing infrastructure and operations, energy supply and footprint, access to western and central U.S. feedstock pools, and space for onsite renewable energy.

Community Benefits Commitments

Community benefits commitments are a key component of the Polyethylene Terephthalate Recycling Decarbonization Project. The commitments are informed and developed—in consultation with local communities—to maximize local community benefits and mitigate potential negative impacts. Eastman Chemical Company plans to implement these commitments through:

- Supporting approximately 1,000 construction jobs and 200 new permanent jobs.
- Entering into good faith discussions with a goal to develop a negotiated agreement to ensure a sufficiently skilled and trained workforce.
- Leading the Community Advisory Panel for the Sabine Industrial District of Longview and working to facilitate two-way communication between community members and industry to address concerns, build trust, and educate stakeholders on industry developments.
- Supporting the renovation an underutilized South Longview community building, which after renovation would serve as a hub for community outreach, workforce training, and resource for its community partners.
- Supporting the Justice40 initiative by completing a Justice40 Assessment and Implementation Strategy during each phase.
- Sharing project information publicly to support engagement, accountability, and transparency.

More details on the Polyethylene Terephthalate Recycling Decarbonization Project's community benefits commitments can be found in the [Community Benefits Commitments Fact Sheet](#).



Eastman's Longview, TX manufacturing facility

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Industrial Demonstrations Program Goals

U.S. industry is a backbone of the nation's economy, producing the goods critical to everyday life, employing millions of Americans in high-quality jobs, and providing an economic anchor for thousands of communities. Yet the sector's energy- and carbon-intensity contributes to nearly one third of the nation's carbon dioxide emissions, representing a unique and complex challenge to achieving a carbon-free economy. Decarbonizing the U.S. industrial sector will require equally unique and innovative technological solutions that leverage multiple pathways, including energy efficiency, electrification, and alternative fuels and feedstocks such as clean hydrogen. The Industrial Demonstrations Program includes new, emerging technologies that aim to help produce clean steel, cement, chemicals, and other materials used in our nation's roads, bridges, transmission lines, electric vehicles, solar panels, wind turbines, and everyday lives, which in turn, benefit every American.



An Eastman employee

Contact

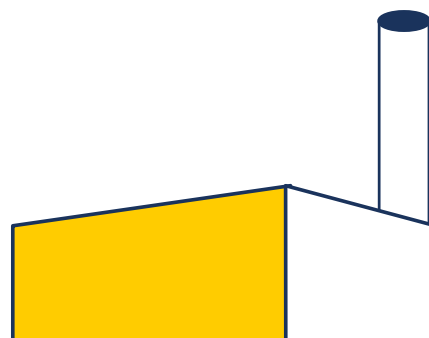
Program Email: engage_industrialdemos@hq.doe.gov

OCED Media Email: OCEDNewsroom@hq.doe.gov

More Resources

Website: energy.gov/oced/IDP

Office of Clean Energy Demonstrations: energy.gov/oced



The U.S. Department of Energy established OCED to help scale the emerging technologies needed to tackle our most pressing climate challenges and achieve net-zero emissions by 2050. OCED's mission is to deliver clean energy demonstration projects at scale in partnership with the private sector to accelerate deployment, market adoption, and the equitable transition to a decarbonized energy system.