

Atlas captures carbon loan

State Loan and Investment Board to offer Atlas Carbon \$15 million

By [PATRICK FILBIN News Record Writer pfilbin@gillette newsrecord.net](mailto:pfilbin@gillette newsrecord.net)

Oct 7, 2016



- News Record File Photo/Steel Brooks

The Atlas Carbon production plant stands on the grounds of the former Fort Union coal mine. Atlas Carbon produces activated carbon to be used in filtration at coal-fired power plants and aids in compliance with federal emissions standards.

Campbell County's economy could get a much-needed shot in the arm after a state board doubled the amount that it was willing to loan a local company so that it could expand.

On Thursday, members of the State Loan and Investment Board agreed to award Atlas Carbon a **\$15 million loan for the company's plan to expand its plant with another production line.**

The \$15 million is more than double the \$6.53 million originally recommended in September by the Wyoming Business Council. The money is appropriated by the state Legislature for economic development but must be approved by the State Loan and Investment Board.

In total, Gov. Matt Mead and the state's other four elected officials approved \$41 million in economic development loans to three private businesses. The other two are Standard Alcohol (\$15 million) and Cody Laboratories (\$11 million).

Atlas Carbon produces about 16 million tons of activated charcoal a year. Operations became 24 hours a day, seven days a week this past summer.

Three production lines would have boosted production to 50 million pounds per year. It was unclear what one additional line will add **to Atlas' annual output of activated carbon.**

Phil Christopherson, CEO of Gillette-based Energy Capital Economic Development, **said Thursday's decision to more than double the loan amount for Atlas Carbon was** what the company, Campbell County and city of Gillette officials hoped for.

"When Atlas originally requested the \$25 million, that was to increase production lines from one to three," Christopherson said. **"With \$15 million, Atlas will be able to go from one line to two and at least double production and increase their staff by about eight to 10 employees, which is all great news."**

Standard Alcohol plans to build a fuel additive production facility near Cheyenne that will employ 32 people and Cody Labs will increase its production of manufactured pharmaceuticals from 5 tons a year to 11 in Cody.

Gillette Mayor Louise Carter-King traveled to the board meeting in Cheyenne and spoke in support of the Atlas expansion.

“The mayor spoke very passionately in favor of Atlas receiving a substantial loan,” Christopherson said. “She spoke of how difficult the layoffs have been for our community and how Atlas can be a huge factor in diversifying our local and state economy.”

The three loans are the first from Wyoming’s Large Project Economic Development Fund established by the Legislature in 2014 with an original outlay of \$25 million.

Christopherson said the additional \$16 million approved Thursday came from another state program, the Partnership Challenge Loan Program.

Before becoming final, the loans still must pass state legal and technical review.

However, Christopherson said he is confident Atlas will have everything in order when **the time comes for the state Treasurer’s Office to review the loan.**

“It’s been a really good process,” he said. “From the Legislature, the support from city and county officials, everyone really came together on this one. It’s heartening to me. Everyone has cooperated and worked hard for this. This is what we do. This is why we put the work in.”

Outside opposition

Tim Wruble, an official from the Boston-based firm **Cabot, also attended Thursday’s** meeting. Cabot has activated carbon production plants in Texas, Oklahoma and Canada.

Wruble acknowledged that his firm is a competitor of Atlas Carbon, but said he **disagrees that there’s a huge demand** for activated carbon to supply coal-fired power plants as they struggle to meet tighter federal air quality standards.

Christopherson said he saw the visit from one of the largest activated carbon companies in the country as a compliment of sorts.

“I think that proved what Atlas Carbon is doing puts northeast Wyoming on the map,” he said. “Not just on a regional scale, but on a national and global scale. People are taking notice. Atlas Carbon is a big player and Cabot’s visit was proof of that.”

Christopherson said that he thought the board members were surprised that a company from Boston would travel all this way to oppose the loan.

“In my opinion, the board was offended,” he said. “I think they saw it as, here’s someone from a company that doesn’t have employees in Wyoming, doesn’t have any operations in Wyoming and is advocating against this expansion because it would be competition.”

Frank Levy, CEO of Atlas Carbon, told the board that his company’s location in Gillette, in the heart of Wyoming coal country, gives it an advantage over other firms.

“We can compete with any of them,” Levy told the board.

The loan review process should take a couple of months, Christopherson said. After it is finalized, Atlas Carbon can begin expansion construction.