



Mark McGaughey
General Manager

March 27, 2024

Leena Divakar
K-State Pollution Prevention Institute
Engineering Extension
2323 Anderson Ave. Suite 300
Manhattan, KS 67502

Re: Letter of commitment for Climate Pollution Reduction Grant Program

Dear Ms. Divakar:

Birla Carbon U.S.A., Inc. ("Birla Carbon"), operating in Ulysses, KS, enthusiastically supports the K-State Pollution Prevention Institute ("K-State") in connection with its response to the call for proposals for the Climate Pollution Reduction Grant Program ("CPRG"). We hereby provide this letter of commitment in support of K-State's proposal and intend, provided the Institute is selected for funding, to wholeheartedly partner with and commit resources as detailed in the scope of work in K-State's proposal to help ensure the proposal is effectively executed in furtherance of EPA's Strategic Plan Goal 1: Tackle the Climate Crisis.

Birla Carbon is seeking methods and technologies to reduce Greenhouse Gas (GHG) emissions. We embrace the opportunity to partner with K-State through EPA CPRG funds. If funded, we understand that Birla Carbon would be a subrecipient of the co-share funds that would support the implementation of GHG-reduction projects at its Hickok Plant in Grant County, KS. The company is committed to the entire project timeline, from October 1, 2024 to December 31, 2030, and will provide quarterly progress reports to PPI to be later shared with EPA. Furthermore, it is our understanding that if the proposal is selected for funding, Birla Carbon will have opportunity and privilege to be fully selected as a pass-through partner under the EPA Subrecipient Procedures. We also understand that our project may be documented in or as part of a success story and presented at various industry trainings in an effort to promote project replications, resulting in additional reduction of climate emissions. The company is also interested in working with the PPI and participating in community engagement programs to benefit disadvantaged communities in Grant County. In short, Birla Carbon is enthusiastic about this opportunity and committed to its success.

Birla Carbon employs 51 full-time workers in Ulysses, Kansas in the production of carbon black, an additive to paints, rubber and plastics. Our carbon black is a critical component in automotive parts, including electric car parts and engines. Additionally, our carbon black product is an integral component of wire and cable, thus benefiting and supporting the community workforce and the local economy via not only transport but also communication. Specifically, the project will reduce greenhouse gas emissions in our production process as more specifically outlined below. Based on the EPA's most recent Greenhouse Gas (or "GHG") Report (2022), Birla Carbon is considered a major emitter of

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GHGs and we aim to be net zero by 2050. If funding is awarded through the CRPG, it will accelerate our GHG reductions.

Specifically, our ideas include:

1. Installation of a Heat Exchanger (Hex) System to Recover and Recycle Wasted Heat to Preheat Process Air, resulting in reduction of CO2 emissions of up to approx. 15,000 MTCO2; and
2. Capture of wasted heat to make electricity at Birla Carbon's Hickok, KS manufacturing facility, resulting in up to 31,0064 MT CO2/year avoided at 992/lb MWh.

We understand implementation is planned by June 2027 for the first project and July 2029 for the second project.

As General Manager, I give my full support for the proposed project work K-State has planned. By signing below and offering to participate in this program, Birla Carbon certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from receiving funds from any federal department or agency and are not delinquent on any federal debt. In fact, Birla Carbon was recently the sole industry recipient of the Building a Stronger Economy (BASE) 2.0 grant awarded in April, 2023 through the Kansas Department of Commerce (see <https://governor.kansas.gov/governor-kelly-announces-awardees-of-nearly-50-million-of-infrastructure-and-economic-development-grants/>). We have a proven track record of responsibly executing projects for the betterment of not only our company, but for the greater good. Awarded grants are tracked separately and records are maintained in accordance with all applicable laws and requirements.

Thank you for this opportunity to provide a letter of commitment in favor of K-State Pollution Prevention Institute. If you have questions, please feel free to contact me at (620) 356-6315 and/or e-mail at Mark.McGaughey@adityabirla.com.



Mark McGaughey, General Manager