



DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

(B-53-2013)

Notification of Proposed Production Activity
The Gas Company, LLC dba Hawai'i Gas
Subzone 9F
(Synthetic Natural Gas)
Kapolei, Hawaii

The Gas Company, LLC dba Hawai'i Gas (Hawai'i Gas), operator of Subzone 9F, submitted a notification of proposed production activity to the Foreign-Trade Zones (FTZ) Board for their facility in Kapolei, Hawaii. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on May 22, 2013.

The subzone currently has authority to produce synthetic natural gas, carbon dioxide, hydrogen, hydrocarbon gas mixtures and zinc sulfide using certain foreign-status feedstocks produced within Subzone 9A. The current request would allow Hawai'i Gas to admit the feedstocks listed below from any source in foreign status. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Hawai'i Gas from customs duty payments on the foreign status components used in export production. On its domestic sales, Hawai'i Gas would be able to choose the duty rates during customs entry procedures that apply to synthetic natural gas, carbon dioxide, hydrogen, hydrocarbon gas mixtures and zinc sulfide (duty rate ranges from duty-free to 3.7%) for the foreign status inputs noted below. Customs duties also could possibly be deferred or reduced on foreign status production equipment.

The components and materials sourced from abroad include: mixtures of light petroleum derivative hydrocarbons, including medium to light naphthas; and, crude petroleum oils in the form of natural gas condensates (duty rate 10.5¢/barrel).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is *insert 40 days from date of publication*.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: May 24, 2013

Andrew McGilvray
Executive Secretary