



U.S. TRADE AND DEVELOPMENT AGENCY

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USTDA GRANT PROMOTES ENERGY SECURITY IN INDIA

NEW DELHI, INDIA (September 12, 2008) – USTDA supports project that will promote energy security and efficiency and the use of new fuels technology in India in furtherance of the U.S.-India Energy Dialogue. The USTDA grant awarded today to Reliance Industries Limited (RIL) will be used to fund investment analysis on a proposed coal-to-liquids project.

The \$600,000 grant was conferred during a signing ceremony held at the Shangri La Hotel in New Delhi. Deputy Chief of Mission at the U.S. Embassy in New Delhi Steven White and Senior Vice President Prem Sawhney signed the grant agreement on behalf of the U.S. Government and RIL, respectively.

Given the tremendous growth in demand for liquid fuels, coupled with increasing costs for imported crude oil and petroleum products, RIL has prioritized the development of commercially viable and innovative alternatives to supply India's energy needs. Currently, RIL is considering developing the capacity to convert low-value refinery residues, together with Indian lignite coals, into high-demand synthetic fuels. The USTDA grant that was awarded today will support this effort by funding a study that will evaluate the application of advanced proprietary technology to co-process domestic Indian lignite coals with petroleum refinery residues produced at RIL's refinery at Jamnagar in the Western India state of Gujarat.

RIL has selected Headwaters CTL, LLC (Headwaters), of South Jordan, Utah, which owns the rights to the coal-to-liquids technology under consideration, to perform the USTDA-funded feasibility study. In addition to the USTDA grant, Headwaters and RIL will contribute additional resources in support of the study's completion.

The U.S.-India Energy Dialogue was launched in May 2005 to promote increased trade and investment in the energy sector by working with the public and private sectors to further identify areas of mutual cooperation. To date, USTDA has awarded more than \$3 million in grants in the areas of lignite mining, coal bed methane development and refinery modernizations in support of the Dialogue's objectives.

(More)

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair, open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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