

Dow Kokam Lithium Ion Battery Production Facilities

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Dow Kokam Project ID: ARRAVT006

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The Future is Here





Program Overview

Timeline

- ➤ Project Start: Dec 9, 2009
- > Project End: Dec 8, 2012
- > 87% Complete







Barriers/Risks

- Volume Effect on Cost Down
- Schedule Delays
- > EV Demand Uncertainty
- Raw Material Volatility and Availability
- > Lack of Standardization

Budget

Total Project Funding

- > DOE: \$160,971,404
- > Dow Kokam: \$161,000,000

Funding Received in FY 2011

> \$92,985,956

Partners

- ➤ DOE (National Labs)
- > DOD
- > KCP&L, SDTC
- Dow (Materials and Components)
- ➤ EV Partners (Motiv, Corvus, Quantum, Zero Truck)
- State of Michigan

Program Objectives

- The Project objectives are:
 - to design, construct, and commission a facility in Michigan to manufacture cells and batteries to power electric and/or hybrid electric vehicles
 - to advance the battery manufacturing and development processes to make the battery affordable, safer, more reliable, and longer lasting, and
 - to support the Nation's goal of promoting less dependence on foreign oil for the transition to petroleum or emission free vehicles.

To accomplish the Project objectives, the Recipient will execute a three phased approach. The three phases and their objectives are:

- Phase I (Design, Engineering & Planning) Complete
- Phase II (Procurement, Construction & Equipment Startup) In Progress
- Phase III (Operations & Maintenance) 1H 2012

Relevance/Impact

- Establishing traction battery manufacturing in the United States which enables mass adoption of EVs and reduces dependence on foreign oil and emission of green house gas
- Mass adoption of EVs triggers investments along the value chain and enables cost efficiency through scale
- Construction of the plant to date has required 669,000 man hours, worked by more than 1,000 different individuals.
- To date, Dow Kokam has filled 95 manufacturing positions, approximately one third of the 320 the facility expects to employ at full capacity.

Approach - Phase I (Design, Engineering & Planning)



Identify appropriate site and secure rights to construct facility

 Design a facility and manufacturing process that will manufacture cells and batteries to power electric or hybrid electric vehicles



3. Complete the detailed construction drawings

4. Obtain all required related permits sufficient to begin construction





Approach - Phase II (Procurement, Construction & Equipment Startup)



- 1. Prepare site for construction
- 2. Procure manufacturing equipment
- 3. Construct the manufacturing plant
- 4. Install all manufacturing process equipment 2H 2011 1H 2012
- 5. Hire staff plant operations and maintenance In Progress
- 6. Commission manufacturing process 1H 2012







Approach - Phase III (Operations & Maintenance)

- Train operators and maintenance staff In Progress
- Manufacture cells and batteries in accordance with OEM specifications - 2012
- Continuously improve upon battery and manufacturing processes – On Going

Milestones

July 2009: Dow Kokam joint venture received a \$161 million matching grant from the U.S. DOE to build the Midland manufacturing facility

November 2009:

Executive management team named

March 2010:

NEPA and Air Permit approval granted

November 2010:

All major manufacturing equipment designed and ordered

April 2011:

FAST START
Training with
local college for
candidates for
permanent hiring
for Midland
facility began



September 2009:

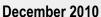
Dow Kokam LLC officially formed

January 2010:

Midland City Council voted on resolution supporting MSF Designated Ren Zone

June 2010 Ground

breaking /construction began on Midland manufacturing facility



Michigan Plant enclosed with roof and walls

Mid 2012:

Full production at Midland manufacturing facility to begin







Collaborations / Partnerships

- DOE (National Labs)
 - ORNL Next Generation Cathode Technology
 - ANL Battery Performance

DOD

- Tactical / Non-tactical vehicles development
- B3590 Soldier Communication Pack
- US Air Force JSF35
- US Army Kiowa Warrior helicopter

Utilities / Grid

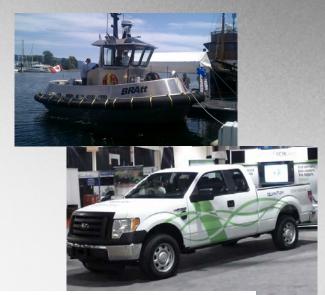
- Kansas City Power and Light ARRA funded
 Smart Grid demonstration
- SDTC (Sustainment Development Technology of Canada)/Ontario Utility -Community smart grid energy storage





Collaborations / Partnerships

- Dow (Materials and Components)
 - Localizing electrode material manufacturing
 - Development of advanced materials
- EV Partners
 - Quantum Plug-in Electric Ford F-150
 - Motiv Power Systems Power Control Systems which enable electric-drive commercial vehicles
 - Corvus Energy Marine, Solar, Wind, Trucking, Commercial, Submersibles
 - Zero Trucks Zero emission full electric medium duty truck
- State of Michigan Supporting project financially and create a positive business environment







Future Work

- Hire and train operators
- Take delivery of equipment and install
- Start-up and qualify
- Technology transfer/integration
- Seeding the market and build demand



Summary

- Midland Battery Park program is well underway
- ARRA funding awarded in December of 2009 and is projected to be 95% completed by May 2012
- Building is complete and most equipment is installed
- Construction of the plant to date has required 669,000 man hours, worked by more than 1,000 different individuals and has hired approximately one third of the full-time employees expected to run the facility at full capacity.
- Dow Kokam has worked closely with the State of Michigan on Fast Start training. Three class have been completed.

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