



New
Kentucky
Home



Joint Committee on Appropriations & Revenue

AGENDA

June 04, 2025

- INTRODUCTION OF ASCEND ELEMENTS AND BLUEOVAL SK GUESTS
- BACKGROUND ON CED
- REVIEW QUESTIONS FROM JOINT COMMITTEE ABOUT ASCEND AND BLUEOVAL SK
- SHARE ANSWERS TO QUESTIONS
- Q&A

SUMMARY

1,100 jobs created, BlueOval SK and Ascend fully compliant with incentive agreements and both projects progressing

COMPANY ATTENDEES



ROGER LIN

Vice President, Government Affairs

BlueOval SK

KELI MCALISTER

External Affairs Director

MARK FERN

Plant Manager

RECORD-BREAKING MOMENTUM

Administration-to-Date (Dec 2019 – Dec 2024)



59,000+

New full-time jobs
announced



\$26.12

Average hourly
incentivized wage
before benefits (2024)



\$35.3B

Announced
investment



**BlueOval SK &
AESC**

The two largest
economic development
projects in Kentucky

THE ROADMAP

IDENTIFIES 10 SHARED PRIORITIES FOR THE COMMONWEALTH

5 PRIORITY SECTORS

Where Kentucky could focus



PRIORITY SECTOR 1

Automotive

Win the automotive future



PRIORITY SECTOR 2

Manufacturing

Be a leader in the U.S. manufacturing renaissance



PRIORITY SECTOR 3

Natural Assets

Capitalize on what makes Kentucky unique, including supporting distribution and logistics and hospitality and tourism



PRIORITY SECTOR 4

Business, Financial, & Professional Services

Capture Kentucky's fair share of tomorrow's jobs across the Commonwealth, including through remote work



PRIORITY SECTOR 5

Investing in High-potential Opportunities

Make intelligent moves to cultivate industry clusters, including aerospace, agritech, and life sciences

How Kentucky could achieve success



Multi-level collaboration across economic developers

Build winning capabilities and accelerate collaboration across the local, regional, and state-level



5 PRIORITY ENABLERS

What Kentucky could do to win in priority sectors



PRIORITY ENABLER 1

Best products and services

Invest to compete in strategic sectors



PRIORITY ENABLER 2

Workforce

Partner to develop, energize, and support the workforce of the future



PRIORITY ENABLER 3

Entrepreneurism & Innovation

Catalyze ecosystems to build Kentucky's reputation as a "make and ideate," "launch-ready state"



PRIORITY ENABLER 4

Infrastructure

Coordinate across Kentucky to accelerate growth



PRIORITY ENABLER 5

Placemaking

Synchronize community and business efforts to build welcoming, inclusive, and diverse communities that enhance quality of life

"U.S. EV SALES ARE OFF TO A SOLID START THIS YEAR DESPITE HEADWINDS"

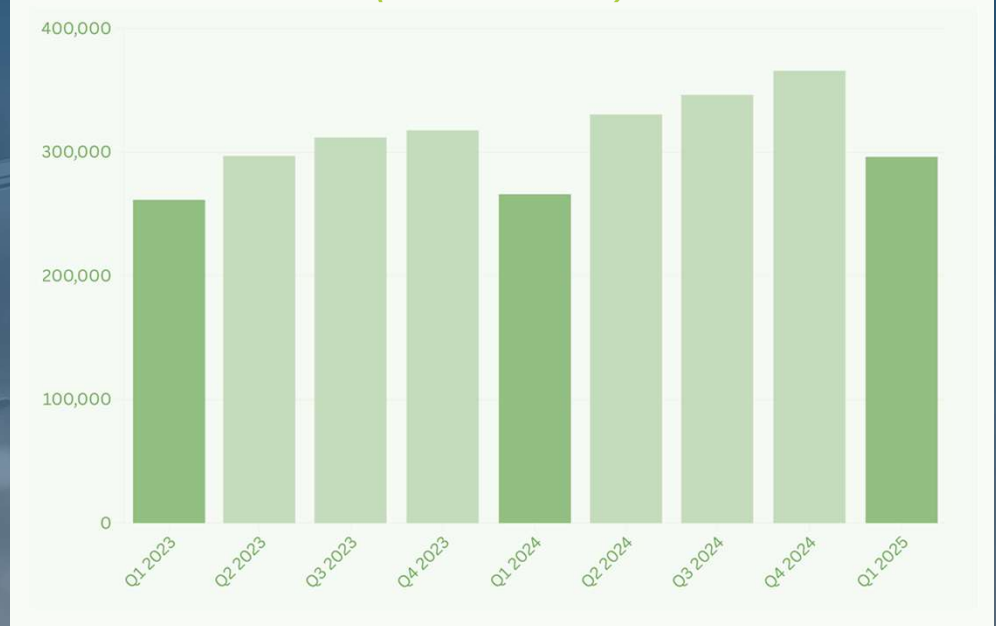


NEARLY
**300,000 NEW ELECTRIC
VEHICLES WERE SOLD**
IN THE U.S. THROUGH MARCH



STEADY GROWTH:
EV SALES **UP 11%** FROM THE
START OF LAST YEAR

**ELECTRIC VEHICLE UNITS SOLD
(BY QUARTER)**



Source: Cox Automotive
April 18, 2025

Growth of EV Sector Continues

- **Nearly 300,000 new EVs were sold** in the first quarter of 2025 in the U.S., **up 11.4% year over year.**
(Source: Kelley Blue Book)
- Roughly **7.5% of total new-vehicle sales** in Q1 2025 were EVs, **up from 7% in 2024.**
(Source: Cox Automotive)
- Globally, the **EV market grew by 29%** in March 2025, compared to March 2024, and **increased by 40%** compared to Feb. 2025. *(Source: Rho Motion)*
- EV, hybrid sales reached **a record 20% of U.S. vehicle sales in 2024.**
- In 2025, Cox Automotive expects one out of every four vehicles sold will likely be electrified in some way – a hybrid, plug-in hybrid, or pure EV.

THANK YOU FOR YOUR LEADERSHIP

SENATE BILL 5

Signed by Governor Beshear on Sept. 9, 2021 to support economic development projects with a minimum investment of \$2 billion

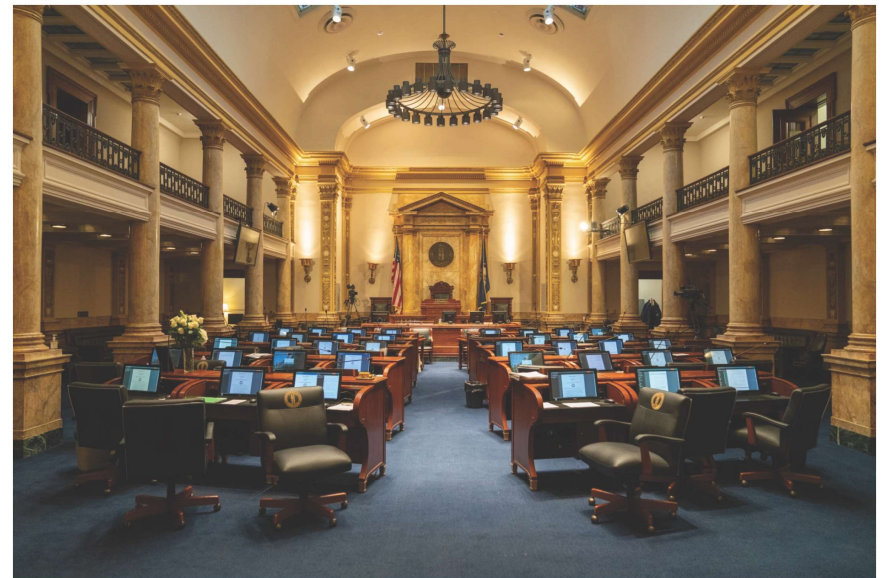
- **\$350 million** to fund KEDFA loans
- **\$20 million** for training grants under BSSC programs
- **\$5 million** for training grants under the KCTCS-TRAINS program
- **\$25 million** to the Kentucky Community and Technical College System for a capital project to construct an on-site training center in Hardin County



Lawmakers Advance Bill To Attract Companies With Rainy Day Savings

By Ryland Barton

Published September 8, 2021 at 10:17 PM EDT



The Senate, located in the State Capitol in Frankfort, is the upper house of the Kentucky General Assembly.

IMPORTANT ANNOUNCEMENTS FOR LONG TERM GROWTH

BlueOval **SK**

- **\$5.8 BILLION INVESTMENT**
- **5,000 FULL-TIME JOBS**
- 86 GWh of capacity
- Advanced batteries for future Ford and Lincoln vehicles
- Operational in 2025



- **\$2 BILLION INVESTMENT**
- **2,000 FULL-TIME JOBS**
- Up to 40 GWh of capacity
- Operational in 2025
- 1.6 million square foot gigafactory

TOYOTA



- **\$1.3 BILLION INVESTMENT**
- **AN ADDITIONAL 700 FULL-TIME JOBS RETAINED**
- Establishes production of company's first
- U.S. assembled battery electric vehicle
- More than 12 million vehicles produced in Kentucky
- Current production capacity: 550,000 vehicles and 600,000 engines



- **Nearly \$1 BILLION INVESTMENT**
- **OVER 400 FULL-TIME JOBS**
- Company's largest operation in U.S.
- Manufacturer of advanced, sustainable battery materials made from recycled lithium-ion batteries

ATTRACTION OF EV COMPANIES

\$11.7B

NEW INVESTMENT

10,252

FULL-TIME JOBS



ASCEND LOCATION ESSENTIAL IN ATTRACTING CINIS FERTILIZER

HOPKINSVILLE, CHRISTIAN COUNTY

Sweden-based producer of green fertilizer plans to locate \$109.2 million production plant in Christian County. The operation will recycle waste salt from battery production at nearby Ascend Elements to produce low-carbon fertilizer



65 NEW FULL-TIME JOBS



**\$109.2 MILLION
PRODUCTION PLANT**



200 Recharge Blvd. in Hopkinsville (construction to begin in mid-2025)

BLUEOVAL SK

QUESTIONS

- *WHAT WERE THE ORIGINAL TERMS AND CONDITIONS AGREED TO IN ORDER TO RECEIVE THE INCENTIVES?*
- *WERE THERE ANY FEDERAL FUNDS INVOLVED IN THE PROJECT?*
- *WHAT IS THE STATUS OF THE BLUEOVAL SK PROJECT?*
- *ARE THE TERMS OF THE INCENTIVES CURRENTLY BEING MET?*
- *DESCRIBE ANY DELAYS OR CHANGES TO THE PROJECT?*
- *JOB'S CREATED CURRENTLY?*
- *HOW MANY ARE EXPECTED TO BE CREATED?*
- *EXPECTATION OF PROJECT COMPLETION NOW VERSUS THE ORIGINAL AGREED UPON PROJECT?*

BLUEOVAL SK

QUESTIONS & ANSWERS

WHAT WERE THE ORIGINAL TERMS AND CONDITIONS ?

- **Incentive** was **\$250 million** and structured as a forgivable loan
- **Repayments begin March 2027** with **final payment due March 2038**
- **Job, wage and investment requirements** to achieve forgiveness of the loan
- Starting in 2026, **BlueOval SK must meet a minimum job and wage requirement**. If those requirements are met, the principal on the loan due the following March is forgiven
- BlueOval SK has **met the minimum** \$2 billion investment

WERE THERE ANY FEDERAL FUNDS INVOLVED IN THE PROJECT?

- There were **no federal funds related to the KY incentive**. BlueOval SK separately applied for and received a **\$9.6 billion loan from the Department of Energy** approved by the federal government in December 2024

LOAN DETAILS

Compliance Dates 12/31	Job Creation	Payment Due 3/31	Notes:
2027	2500	\$10,000,000	Forgiven tied to KBI benefits not earned
2028	3500	\$10,000,000	90% of jobs-wage targets
2029	4000	\$15,000,000	Pro-rata payment if <90% on wage/jobs targets
2030	5000	\$15,000,000	Corporately Guaranteed
2031	5000	\$25,000,000	\$2 B investment Required
2032	5000	\$25,000,000	Ongoing compliance
2033	5000	\$25,000,000	
2034	5000	\$25,000,000	
2035	5000	\$25,000,000	
2036	5000	\$25,000,000	
2037	5000	\$25,000,000	
2038		\$25,000,000	

WHAT IS THE STATUS OF THE BLUEVAL SK PROJECT?

- Battery production is **on schedule** to begin at **Kentucky 1** this year
- Battery production is **paused at Kentucky 2**
- Kentucky 1 will manufacture cells for the current E-Transit with enhanced range and F-150 Lightning beginning this year

ARE THE TERMS OF THE INCENTIVES CURRENTLY BEING MET?

- **Yes.** The minimum investment was made. Job targets and wages are not measured for the first time until Dec. 2026

DESCRIBE ANY DELAYS OR CHANGES TO THE PROJECT?

- **Goals** for battery production **have not changed** but the timeframe to reach those goals has been revised
- Commitment to employees, communities, and the production of next-generation batteries that will electrify the future of mobility

JOB'S CREATED CURRENTLY?

- **1,400 employees at BlueOval SK** – approximately **1,050 in Kentucky** and around 350 in Tennessee
- **For every automotive job created, it creates another estimated six jobs** through suppliers, industry, restaurants, etc. in the community

HOW MANY ARE EXPECTED TO BE CREATED?

- BlueOval SK will create **5,000 jobs** in Kentucky at full capacity

EXPECTATION OF PROJECT COMPLETION NOW VERSUS THE ORIGINAL AGREED UPON PROJECT?

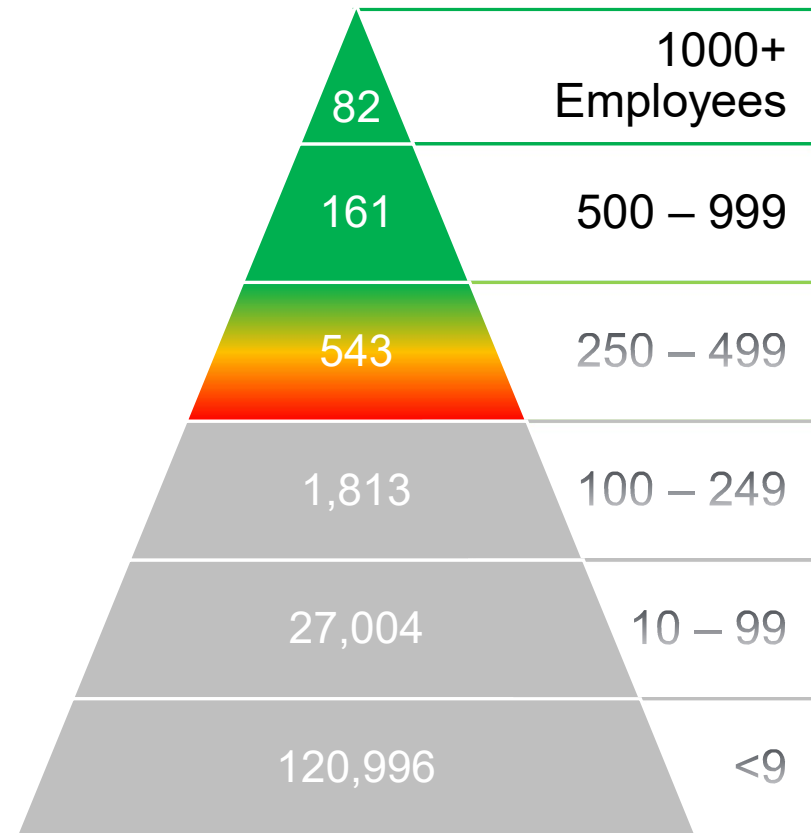
- **On schedule to begin production** at the first Kentucky plant **this year**.
- **Production is paused at Kentucky 2.** Company monitoring customer demand and will be in position to respond as needed

KY COMPANIES BY EMPLOYEE COUNT

(Joins 19 Other Manufacturing Companies w 1000 or more employees)

BlueOval **SK**

**ALREADY
A TOP EMPLOYER IN
KENTUCKY**



* Table shows the number of private sector establishments across Kentucky by employment.

ASCEND ELEMENTS

HOPKINSVILLE, CHRISTIAN COUNTY

Announcement of advanced, sustainable battery materials made from recycled lithium-ion batteries



**400 FULL-TIME JOBS AT \$34.00
AVERAGE HOURLY WAGE
INCLUDING BENEFITS**



\$941 MILLION INVESTMENT



ASCEND ELEMENTS

QUESTIONS

- *STATUS OF THE PROJECT INCLUDING ANY DELAYS OR CHANGES*
- *JOB CREATED CURRENTLY AND HOW MANY ARE EXPECTED TO BE CREATED*
- *LIENS ON PROPERTY*
- *CHANGES IN PLANT PRODUCTION DUE TO MARKET CHANGES*

ASCEND ELEMENTS

QUESTIONS & ANSWERS

WHAT WAS THE INCENTIVE STRUCTURE?

KBI and KEIA tools used for the company

- Performance based tools, “a pay as you go” package
- Partial sales tax refund on qualifying building & construction materials and electronic & data processing equipment – KEIA
- Wage credits on jobs created – KBI

\$7M in EDF funds used on a reimbursement basis to community for rail improvements and access road upgrades

STATUS OF THE PROJECT INCLUDING ANY DELAYS OR CHANGES

- **Construction is on pause currently**, expected to **resume near end of 2025** pending recontracting process
- Latest Construction Update Video:
<https://youtu.be/uXSGN4mcfgek?si=Eub0Q1jKeNDJYaRE>

ASCEND ELEMENTS

QUESTIONS & ANSWERS

JOBS CREATED CURRENTLY AND HOW MANY ARE EXPECTED TO BE CREATED

- Current jobs created: **46 w/average salary >\$90K**
- Total jobs expected: **300 by 2028**
- Expansion to **over 400** depending on commercial/market conditions

LIENS ON PROPERTY

- **\$138M in outstanding liens** which **AE is addressing**. Several of these liens have been settled already and others are underway
- The contractual dispute between Ascend Elements and TK is **moving into arbitration**
- Ongoing constructive discussions

CHANGES IN PLANT PRODUCTION DUE TO MARKET CHANGES

- Company **aligned with US priorities** on critical mineral independence
- Lithium, nickel, cobalt, manganese - **critical minerals used in lithium-ion batteries**
- Lithium-ion batteries used in **consumer electronics, transportation, datacenter backup power/ utility grid**
- These **batteries cannot be made without “Cathode Active Material”** or CAM
- **CAM cannot be made without** both **“Precursor Cathode Active Material” (pCAM)** and **lithium**

CHANGES IN PLANT PRODUCTION DUE TO MARKET CHANGES (CONTINUED)

- Ascend's Hopkinsville facility will be **making pCAM and Lithium** as their primary products

The original plan was production of CAM, made from lithium and pCAM, made from black mass from recycling lithium-ion batteries at its Georgia facility

The **market demand for pCAM and lithium exceeded that of CAM**, company has decided to pivot to these upstream products instead

- pCAM is all produced in Asia today
- ***This KY facility will be a first for the US, North America, and the western world***
- Made from **recycled batteries –a critical mineral retention pathway that improves US independence from foreign sources of these critical minerals**

ASCEND ELEMENTS

FEDERAL FUNDING- DOE FUNDING REMAINS IN PLACE

- \$480M funding from two U.S DOE grants in October 2022 as part of the Infrastructure Investment and Jobs Act
- \$164M grant for CAM manufacturing: \$316M grant for pCAM manufacturing
- **U.S. DOE grant of \$316M for construction of cathode precursor (pCAM) infrastructure remains active**
- Ascend Elements requested and U.S. Department of Energy (DOE) agreed to cancel a \$164 million grant for (CAM) manufacturing
- Changing market demand for domestic pCAM has exceeded demand for CAM
- **Ascend Elements plans to produce only pCAM and Lithium Carbonate (Li₂CO₃)**

THANK YOU



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TEAM
KENTUCKY
CABINET FOR
ECONOMIC DEVELOPMENT

New
Kentucky
Home



APPENDIX

TEAM KENTUCKY:

BUILDING A BETTER TOMORROW



*A stable job is the beginning.
A safe place to live & a community to call home
allows us to **dream bigger, do better and create
more opportunities** for future generations who
live in the **special place we call Kentucky.***

SHARED RESPONSIBILITY - SHARED OPPORTUNITY

WHY?

Our Vision

Team Kentucky: Great jobs for neighbors supporting one another to build a better Kentucky with an economy that works for all residents and not just a few

WHAT?

Our Mission

Earn trust, be strategic and a super collaborator in growing jobs, investments and opportunity in all of our interdependent communities

Strategic Imperatives

A Global Winner in the Automotive Future

A Leader in the US Manufacturing Renaissance

Natural Assets: Capitalize on what makes KY unique, including logistics, hospitality and tourism

Capture our fair share of tomorrow's jobs in business, financial and professional services, including remote work

Invest in high-potential areas like aerospace, agritech and life sciences

HOW?

Operational Priorities

Competitive products:
Best Value
Best Service
Speed & Certainty

Workforce:
Collaborate to define roles and be active in developing the future workforce

Entrepreneurism & Innovation:
KY is known as the "make and ideate, launch-ready state"

Infrastructure:
Coordinate with stakeholders to accelerate growth

Placemaking:
Create welcoming communities with measurable quality-of-life benefits

Leadership Behaviors

Lead with Impact: Straight Talk: Bias for Action with Accountability

- Serve
- Listen

- Build
- Lead

Shared Responsibilities
Shared Opportunities

Our Values

Respect

Inclusion & Diversity

Teamwork

Compliance

Spirit of Winning with Integrity

2025 Performance Goals

10,250
NEW JOBS
ANNOUNCED

\$6.08B
NEW INVESTMENT

\$27.03 AVERAGE
HOURLY WAGE
WITHOUT BENEFITS

15% INCREASE IN
TEAM KY ED/SITE
MEDIA IMPRESSIONS

1,300 COMPLIANCE
REVIEWS FOUND
ACCEPTABLE

750 BUSINESS
APPLICATIONS
APPROVED

ASCEND ELEMENTS

HOPKINSVILLE, CHRISTIAN COUNTY

EUROPE PROJECT

On May 7, 2025, The Ministry of Economic Development and Technology in **Poland offered Ascend up to \$320 million in grants to support construction of a manufacturing facility in Poland.** The facility would produce sustainable precursor cathode active material (pCAM).

AUTOMOTIVE

PRIORITY SECTOR

PRIORITY SECTOR



Automotive

GOAL

Win the automotive future by assisting the evolution of Kentucky's automotive base while strategically investing for growth in high-potential sectors (e.g., electric vehicles)

FOCUS AREA

Traditional automotive & electric vehicles

WHAT IT COULD TAKE FOR KENTUCKY TO WIN

Assist & Evolve Base

Support, retain, and help ICE suppliers grow and adapt to an evolving industry

Coordinate with existing automotive manufacturers on technological and regulatory changes

Strengthen local automotive innovation capabilities

Attract New Businesses Investment

Invest in strategic mega-site development across the Commonwealth

Explore competitive, tailored benefits for advanced mobility

Focus across the full automotive supply chain for business attraction

Scale foreign direct investment, particularly from Asia and Europe

Nurture EV supplier ecosystems

KENTUCKY IS LEADING THE CHARGE FOR EV

NATIONAL LEADER IN THE EMERGING ELECTRIC-VEHICLE SECTOR

Battery production | Battery recycling | Parts production

Kentucky is poised to be among three states to **dominate EV battery manufacturing in 2030** (CNBC)

BlueOval **SK**

- \$5 billion
- 5,000 new jobs
- Advanced batteries for future Ford and Lincoln vehicles



- \$2 billion
- 2,000 new jobs
- Power up to 300,000 vehicles annually

Planned Battery Plant Capacity in North America by 2030

