Commerce City Refinery

Donald Austin, VP, Commerce City Refinery August 5, 2019



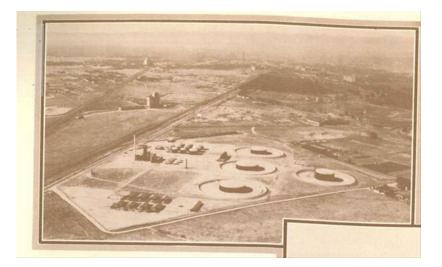
Commerce City Refinery history

Plants 1 & 3

- Original refinery started in **1931** in what was then called "Commerce Town"
- Owned by Continental Oil Company, which later became Conoco and ConocoPhillips
- Suncor acquired legacy ConocoPhillips assets in 2003

Plant 2

- Originally built by Bay Petroleum in **1937**
- Many owners since, including Tenneco, King Resources, Asamera Oil, Total, Ultramar, Diamond Shamrock and Valero
- Suncor acquired from Valero in 2005







Commerce City Refinery today





Commerce City Refinery: Our business at-a-glance

Colorado's only fuels refinery boosting economy by ~\$2.5 billion per year		Supports local communities	More than \$1 Billion in refinery	
Supports ~500 direct and ~5000	Local pro	oducer/supplier of:	improvement investments since 2005	
indirect jobs	Gasoline Diesel Propane		Supply Colorado's fuel needs through:	
Access local crude , Colorado's DJ Basin	Jet fuel for DIA Asphalt for Colorado's roads Fuel for Western Slope		TruckPipelineRail	

Suncor wants to be part of Colorado's energy future, while making sound investments and driving environmental improvements.



Nearly \$1B in refinery improvement investments since 2005

2005 – Purchase of Valero Refinery (Plant 2) - 38,000 bpd sweet crude refining capacity

2006 – Completed \$450+ million "Project Odyssey" reducing sulfur in diesel fuel to ultra-low standard

2007 – Wastewater treatment capacity and reliability improvements

2009 – Improvements to #2 FCC unit to comply with opacity regulations

- 2011 Replaced waste water APIs
- 2012 Gasoline Benzene Reduction (GBR) Unit completed to reduce benzene in gasoline
- **2012** Built new \$25 million "LEEDs Silver" Refinery Business Center in Commerce City
- 2013 Replaced Plant 2 boilers to reduce NOx

2017 – Built new \$65 million wastewater treatment plant to achieve mercury, arsenic reductions

2018 – Built new wastewater treatment unit to reduce selenium and installed improvements to comply with Refinery Sector Rule

2019 – Hydro-treater project to reduce sulfur in gasoline meeting new federal standards (Tier III)

HCN Update

Commerce City refinery and HCN

- Hydrogen cyanide (HCN) is naturally occurring, found in foods, including spinach, almonds, lima beans, soy, apple cores
- HCN is generated by refineries with fluidized catalytic cracking (FCC) units
- EPA already regulates HCN and does not require a permit limit for HCN
- To increase transparency/efficiency, Suncor requested that Colorado Department of Public Health & Environment (CDPHE) include an HCN limit in its air permit
 - CDPHE approved its inclusion in 2018
 - Per CDPHE's current process, HCN levels are measured by a one-time, annual stack test
 - Data from the 2018 one-time test indicated higher result and Suncor applied to modify the permit (given the 2018 test result)
 - Suncor conducted 30 days of additional testing that showed there is HCN variability associated with normal plant operations and that data *average* was <u>less than</u> the permit value
 - Suncor met w/ CDPHE to share additional data
 - CDPHE have stated publicly that there is no health concern associated with HCN from refinery stack results



HCN Update

Commerce City refinery and HCN (cont.)

- EPA reviewed the issue (2015) and determined that no specific control limit for HCN was required and existing combustion controls addressed HCN
- U.S. House Representative Diana DeGette (D-CO) introduced federal legislation this year re: HCN for U.S. refineries
- Suncor is working with many stakeholders to provide facts on HCN
- Suncor's goal: use actual refinery operations data to determine the complete emissions picture and establish proper HCN permit limit



Ozone Non-attainment

- Denver metro area is "non-attainment" for federal ozone standard
- Regional Air Quality Council (RAQC) considering potential strategies for reducing ozone
 - RAQC evaluating four potential, new fuel specifications (all require refinery capital investment)
 - Suncor and other stakeholders presented data to RAQC on May 22
- Suncor supports ozone reduction
- Suncor continues to be active participant in process and resource for RAQC committees, board
- Important to take wide view as RAQC gathers data, evaluates potential strategies, makes decisions
- Ozone reduction strategies should deliver meaningful benefit to air quality



Thank you!

Questions?



