

# ***SUPERIOR REFINERY***

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## **Community Advisory Panel**

*sponsored by Murphy Oil USA, Inc.*

**Murphy Oil USA, Inc.  
Superior Refinery Community Advisory Panel  
February 3, 2005  
Minutes**

Attendees: Asst. Chief Scott Campbell, Bobbi Engstrom-Germond, Keith Kesler, Carol Lindberg, Asst. Chief Tad Matheson, Sister Gen Schillo, Mark Stokstad.

Industry Representatives: Dave Podratz, Liz Lundmark, Dave Beattie.

Guests: Chris Ahlstrom, Robert Jennings, UWS students; Dr. Dick Ojakangas, guest speaker; John Gozdziwski, Wisconsin, DNR; Steve Germond, Jan Hanson, Mary Matheson, Bill and Claudia Porter, Ken and Kris Rikkola, Jim Waletzko.

Facilitator: Tod Lyons, Ann Green Communications, Inc.

Minutes: Tod Lyons.

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The regular meeting of the Superior Refinery Community Advisory Panel (CAP) was held on Thursday, February 3, 2005 at The Bong Heritage Center. Facilitator Tod Lyons called the meeting to order at 6 p.m. Tod welcomed members and guests and asked everyone to introduce themselves.

There was one change to the January minutes. Dave asked that the word catastrophic be taken out of the sentence describing the failure of an electrical relay at the plant in December since it was not a catastrophic failure. The sentence read: "Dave emphasized a catastrophic failure at the plant on December 17, 2004 where relay units continued to trip off causing the numerous emissions problems from the Tail Gas Unit and Sulfur Recovery Unit."

The change will read: "Dave mentioned an electrical failure at the plant on December 17, 2004, where a relay unit failed, causing the numerous emissions problems from the Tail Gas Unit and Sulfur Recovery Unit."

The CAP voted to accept the minutes as changed. Tod has made the change to the permanent record.

## **Refinery Update**

Before giving the plant update, Dave gave a brief summary about the Murphy Oil Superior CAP for guests attending.

Dave said the CAP helps him strive to do his best at the plant since he has to give a report to concerned community members each month. For this report Dave talked about a spill that occurred on January 16. One of the tubes containing untreated wastewater burst during cold weather and spilled some wastewater onto the ground. A similar spill occurred last year during frigid weather. Very little, if any untreated water entered the impoundment area he said.

Dave also mentioned two air events occurring January 1 and January 7. (See the attached report for details).

Some Murphy Superior employees visited Murphy Oil's Meraux Plant in January so the two refineries can share information and get to know some of their counterparts at each location.

### Operations

The Superior refinery processed almost 32,000 barrels of oil per day in January which was slightly more than January in 2004. Margins remain poor as crude oil prices remain high and asphalt prices are relatively low, Dave said.

## **Continuing Business**

### Communications

No report.

### Emergency Preparedness

Keith Kesler and Tad Matheson brought the CAP up to date on recent happenings in the Emergency Response arena in Superior and Douglas County. Tad said the Fire Department's Diver Rescue Program is going well. He said a dive class is scheduled for March 11-13. They also received about \$179,000 to purchase and update Self Contained Breathing Apparatus (SCBA) equipment.

Keith explained the 2005 Office of Homeland Security monies will be distributed within the next 30 days. Douglas County expects to receive about \$20 million from the federal government this year, which is about 1/3 less than they received last year.

Dave Podratz mentioned the Superior Fire Department asked Murphy Oil if they would like the City's old snorkel vehicle (Circa. 1967). Murphy looked at the offer since they are expanding their own emergency response capabilities at the Refinery but determined they were not able to use the vehicle. Dave thanked the City of Superior for their offer. Tad said they are still looking for a home for the vehicle because it still works well.

#### Youth Education

No report.

#### **Presentation – The World's Petroleum: Past, Present and Future**

Tod reintroduced Dr. Dick Ojakangas, a retired Geology Professor at University of Minnesota, Duluth, as tonight's guest speaker. Dr. Ojakangas gave a slide presentation highlighting the history of oil, where it began to the present and where he expects it will go in the coming years.

He mentioned some interesting facts about the United States' use of oil compared with other countries around the world:

- The U.S. uses 25 percent of the world's oil for just 5 percent of the world's population.
- U.S. oil reserves peaked in 1940 and U.S. production peaked in 1970.
- The U.S. imports about 63 percent of the oil consumed in America.
- The U.S. first started dealing with Saudi Arabia oil in the 1930s and Saudi provides the U.S. about 17 percent of the U.S. imported oil.

Please see the attached synopsis of the presentation provided by Dr. Ojakangas. After his presentation, Dr. Ojakangas took several questions from panel members and guests.

#### **Other Business**

There was some discussion about the food for the meetings since next month the CAP will meet back at WITC. Tod explained the food options to the CAP members who then voted they would like to have a light, hot meal for the meetings held at the WITC. That meal will be catered by Savories.

The meeting was adjourned at 7:45 p.m.

**Next Meeting:**

**Thursday, March 3, 2005**

**WITC**

**5:30 p.m. – Dinner**

**6 p.m. – Meeting**

**THE WORLD'S OIL: PAST, PRESENT AND FUTURE**  
**(Synopsis from Murphy Oil Superior CAP meeting presentation)**  
**February 3, 2005**

Richard W. Ojakangas  
Professor Emeritus  
Department of Geological Sciences  
University of Minnesota Duluth

Whale oil was superseded by crude oil, beginning in 1859.  
2/3 of U.S. oil usage is for fuel (cars, trucks, planes) Fossil fuels--oil, natural gas, coal--are nonrenewable and polluting!  
U.S. oil discoveries peaked in 1940; production peaked in 1970.

Total U.S. reserves, 1992, 25 billion bbls, use 6.2 billion bbls/yr: 4 years!  
Total U.S. reserves, 2002, 22.4 billion bbls, use 7.19 billion bbls/yr: 3.11 years!  
Therefore, importing greater than 60% !

U.S., with 5% of world population, uses 25% of the oil and produces 36% of the CO<sub>2</sub>.

2/3 world's reserves in Middle East: (Saudi # 1, Iraq #2 in world) Main producers: 1) Saudi, 2) Russia, 3) U.S.  
Main consumers: U.S., China (gaining fast), Japan

U.S. has NOT emphasized research into renewable energy!

ANWR (Alaskan National Wildlife Refuge) oil assessment by U.S. Geological Survey is 4.3 - 11.8 b. bbls., and adjacent NPRA (National Petroleum Reserve Area) is only 5.9 - 13.2 b. bbls.  
Therefore, would fuel U.S. for only 1.5 to 3.5 years!

<b>World statistics:</b>	Discovered to date (2004):	1900 b. bbls.
	Produced to date:	850 b. bbls.
	Yet to be discovered?	650 b. bbls.

Alberta tar sands, WY-CO-UT oil shales big future sources? (Mining!)

Fossil fuels pollute--CO<sub>2</sub> is causing global warming.  
Temperature and CO<sub>2</sub> content of atmosphere rising together.  
Arctic ice is melting, with dire consequences!

U.S. has not approved Kyoto agreement on limiting CO<sub>2</sub>.

Need hybrid vehicles! Hydrogen fuel cell in future?

**Major U.S. concerns:** National security, Economy, Balance of trade, Environment

**Solutions?** 1) More drilling for oil and gas (short-term)  
2) Conservation and alternative energy a MUST!  
3) Both

INEVITABLE, for supply and environmental reasons, to de-carbonize global energy!

We are likely to move from a global oil to a global gas economy.