

SUPERIOR REFINERY

Community Advisory Panel

sponsored by Murphy Oil USA, Inc.

Minutes

**Murphy Oil Superior Refinery Community Advisory Panel
Superior Refinery
Thursday, October 11, 2007**

Members: Connie Antonuk, Robert Browne, Scott Campbell,
Doug Finn, Greg Guenard, Pat Heiser, Tad Matheson,
Chief Floyd Peters, Tom Strewler, Dianne Thompson

Guests: Beckey Sapper – UW Extension

Company Representatives: Dave Podratz, Dave Beatty, Liz Lundmark

Facilitator: John McPherson, Ann Green Communications, Inc.

Minutes: John McPherson

The regular meeting of the Murphy Oil Superior Refinery Community Advisory Panel (CAP) was called to order at 6 p.m. by facilitator John McPherson. John introduced guest, Chief Floyd Peters, who will be taking the place of Scott Campbell on the CAP when Scott retires at the end of the year.

The September minutes were reviewed and approved as distributed.

Refinery/Company Report

Dave Podratz presented the report for the Superior Refinery, including operational highlights, environmental and safety performance reports, and community odor complaints. **[A copy of this complete report is included with these minutes.]**

Environmental highlights:

There were no spills at the refinery. Three reportable air events occurred:
1. Foaming in the amine absorber 9/2/07

2. Flare smoke, opacity, sour gas flaring SRU/TGTU down as a result of an external power failure that shut down the entire refinery 9/16/07
3. Brief opacity violation while shutting down part of the FCC unit for repairs on 9/20/07.

There were no water permit violations. However, a bypass did occur on September 19th when a bad level indicator led to a bypass of about 30,000 gallons. Tests determined the water bypassed contained no contaminants or violated permits levels, however, because the water bypassed normally permitted outfall channels, the bypass was reported anyway.

Dave noted that there was a great deal of algae growth during the warm weather in the artificial wetlands. This caused the pH to rise at the new monitor locations in the lower end of the pond. Operators were able to divert water back into the pond and avoid any release of high pH water into the environment. The approach of cooler weather will eliminate the algae problem. Plans are being created to avoid the problem in the future.

Safety highlights:

There were safety incidents, including a fire on the roof of the new maintenance building that was discussed previously. A small sulfur fire occurred on September 29th, quickly doused by refinery crews. One lost time injury occurred when an employee strained his back lifting an elevator door. A first-aid case occurred when an ERT member strained his back during rescue training.

Production

The charge rate ran just under 32,000 barrels per day. Dirty distillation columns limited crude throughput, which will improve once cleaning is completed. Margins are good.

The refinery is still involved in the OSHA process safety management inspection. This is part of the agency's current emphasis on refinery safety.

Dave then discussed the results of the June DNR inspection of the refinery. Murphy has responded to several issues arising from that inspection, including visible emissions from the sulfur pit, inspection schedules of tanks with floating roofs, technical issues involving the processing of permit requests regarding the FCC gasoline hydrotreater, and the continuing issue of power failures from the grid that affect the plant. Murphy and the DNR will be discussing these issues over the coming months.

Dave also reviewed the stipulated penalties under the consent decree. He noted the State of Wisconsin takes a lesser percentage of the fees paid by Murphy, because the state does not penalize for any emissions that occur during approved outages.

Members asked Connie Antonuk if she had any comments on the issues raised in Dave's report, said that she was unaware of the background on the FCC permit request issue –which is historical. She said that the majority of the issues raised in the inspection are the result of new inspectors using different evaluation procedures and have a new perspective on permits and standards. Such different perspectives are not unusual, she and Dave agreed, and are a part of ongoing discussions and continual review by regulators and those they permit.

Community Discussion

Tom Strewler reported that one request for a mini grant had been received. The request was from Deb Ganz-Brown and Janie Fouts, who were recipients in 2006 and presented to the CAP at the May meeting. Members approved their 2007 grant request. There followed discussion regarding developing new procedures for disseminating mini grant information. Further discussion on the topic will be held in the November meeting.

Fariba Pendleton discussed Superior Days and the topic of the potential expansion of the Superior refinery. Dave said he would be interested in having a presentation regarding potential expansion on the agenda. Doug Finn said the Regional Planning Council was also interesting in lending support to potential expansion. There was brief discussion about the ongoing impact study by Murphy, which includes analysis of the infrastructure needs of any expansion. Dave noted a great deal more specific information about expansion and its potential will be available once the study is complete.

Tad Williams discussed Fire Prevention Week activities.

Doug Finn provided information on an upcoming meeting regarding potential changes in the Wisconsin tax structure. He urged citizens, especially educators, to attend and offer input.

Bob Brown presented information on a global warming teaching day on January 31st, involving more than 1000 campuses around the country. The effort is seeking volunteers to present views on the topic for 10 minute or so.

New Business

National Estuarine Research Reserve – Becky Sapper

Becky Sapper of UW Extension presented information about the National Estuarine Research Reserve program. Twenty-seven sites currently exist around the nation. A potential site in Wisconsin on Lake Superior would be the 28th; but would also be only the second freshwater reserve.

Bob Browne and Diane Thompson sit on the local partner group that is offering assistance in the creation of the reserve. Four sites are officially under consideration in the region, including the St. Louis River, Bark River, Fish Creek, and a combination of all three of those previously mentioned. About \$750,000 in National Oceanic and Atmospheric Administration (NOAA) funds are available, with UW Extension as the lead agency. A local community advisory council –similar to the CAP- would be encouraged under the program.

Originally 35 potential sites were identified. Currently the combination of the three sites is the preferred choice, as it is believed this represents the best overall picture of the Lake Superior Estuarine system.

Much more information on the National Estuarine Research Reserve program is available on the NOAA website at: <http://www.nerrs.noaa.gov/>

Adjournment

Following discussion, the October 11, 2007 meeting of the Superior Refinery CAP adjourned at 8 p.m.

Next Meeting: **Updates and CAP Planning**
 Thursday, November 8, 2007
 WITC
 5:30 Dinner
 6:00 Meeting