

EXhibit 3

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PUBLIC HEARING AND COMMENT PERIOD
CONCERNING THE PROPOSED ISSUANCE OF CONSTRUCTION
PERMITS/PSD APPROVALS and an NPDES PERMIT
To
CONOCOPHILLIPS COMPANY IN ROXANA AND HARTFORD

HELD ON: May 8, 2007

REPORTER: Sara E. Tipton, CSR

ILLINOIS NO: 084-003397

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1 MS. DOCTORS: Good evening. I think we'll get
2 started. We have a lot of people here tonight and we'll
3 get started. I'll make a short statement. Can everybody
4 hear me? Good evening, everyone. My name is Rachel
5 Doctors, and I'm an attorney with the Illinois
6 Environmental Protection Agency.

7 I want to begin by thanking everyone for coming this
8 evening and attending the hearing. The Illinois EPA
9 recognizes that the public hearings that we have are a
10 crucial part of the permit review process.

11 I've been designated by the director of the Illinois
12 EPA to serve as a hearing officer in this matter. As the
13 hearing officer, my sole purpose tonight is to make sure
14 that these proceedings run properly and according to the
15 rules. It is my job to answer questions about the
16 hearing but not about the permit process or the permit,
17 itself.

18 This is an informational public hearing before the
19 Illinois EPA in the matter of air pollution control
20 construction permits for a Coker and refinery expansion
21 project at its Wood River Refinery located at 900 South
22 Central Avenue in Roxana and at its Wood River Products
23 Terminal located at 2150 South Delmar Avenue in Hartford.
24 The Illinois Environmental Protection Agency has received
25 two separate applications for this project: One

1 addressing the refinery and one for the terminal. The
2 proposed changes at the refinery include the addition of
3 new units and the restart of several idled units to
4 increase throughput and to enable the processing of heavy
5 Canadian crude. ConocoPhillips is also proposing certain
6 changes at the associated terminal.

7 The Illinois Environmental Protection Agency's
8 Bureau of Water has also received an application for a
9 revision to the National Pollution Discharge Elimination
10 System, NPDES, for wastewater discharges from the
11 refinery, in addition to storm water runoff and sanitary
12 wastewater from the Village of Roxana and the Air Liquide
13 Facility. With the addition of the CORE project, the
14 Wood River refinery will have the capability of
15 processing 385,000 barrels of crude oil per stream day.
16 The draft NPDES permit includes two outfalls which
17 discharge treated process wastewater, sanitary wastewater
18 and storm water. One outfall which discharges fire water
19 and storm water and five outfalls which discharge storm
20 water only. All outfall discharge directly to the
21 Mississippi River with the exception of outfall 003,
22 which discharges fire water and storm water to an unnamed
23 ditch tributary to Grassy Lake tributary to Cahokia
24 Canal.

25 The Illinois EPA has made a preliminary

1 determination to issue permits for the project and has
2 prepared draft permits for review. The Illinois EPA is
3 holding this hearing for the purpose of explaining the
4 draft permits, responding to questions, and accepting
5 comments from the public on the proposed issuance of a
6 permit for this project prior to actually making a final
7 decision on the application.

8 It is now 7:07 on May 8th, 2007. This public
9 hearing is being held under the provisions of Illinois
10 EPA's procedures for permit and closure plan hearing,
11 which can be found at 35 Illinois Administrative Code
12 Part 166, Subpart A.

13 Copies of these procedures can be obtained from
14 either myself or, upon request, they can also be accessed
15 on the website for the Illinois Pollution Control Board
16 at www.ipcb.state.il.us.

17 An informational public hearing means that this is
18 strictly an information hearing. It is an opportunity
19 for the Illinois EPA to provide you with information
20 concerning the permit. It is also an opportunity for you
21 to provide information to the Illinois EPA concerning
22 that same permit or permits. This is not a contested
23 case hearing.

24 I would like to explain how tonight's hearing is
25 going to proceed. First, we will have the Illinois EPA

1 staff introduce themselves and identify their
2 responsibilities at the agency. Jason.

3 MR. SCHNEPP: Jason Schnepf. I'm with the
4 Bureau of Air. I'm the air permit engineer.

5 MR. RABINS: I'm Jaime Rabins. I'm with the
6 Bureau of Water. I'm the NPDES permit engineer.

7 MR. MOSHER: My name is Bob Mosher. I'm also
8 with the Bureau of Water with the water quality standards
9 unit.

10 MS. DOCTORS: We also have with us tonight
11 Michael Reed, who's a unit manager, one of your unit
12 managers in the air pollution permit section, and Brad
13 Frost out at the table, who's with community relations.
14 Then the employees of ConocoPhillips Company will
15 introduce themselves. Mr. Dunn, would you not make a
16 statement but just introduce --

17 MR. DUNN: My name is David Dunn. I'm the
18 environmental director at the Wood River Refinery. I'd
19 also like to introduce Herman Seedorf, the refinery
20 manager. Gina Nicholson, the manager for health safety
21 and environment. Melissa Erker, the director for
22 government and public affairs. Cathy Lanter, the
23 environmental engineer for air. Jay Rankin, the
24 environmental engineer for water. All at the Wood River
25 Refinery. In addition, I'd like to introduce Jim Phelan,

1 director for environment for ConocoPhillips pipeline
2 representing the terminal and Tom Wynn, the environmental
3 coordinator for ConocoPhillips pipeline.

4 MS. DOCTORS: Thank you. After -- I have a
5 couple more pages of how the procedures will work. After
6 that, there will be a short overview on the air permit by
7 Mr. Schnepf and on the water permit by Mr. Rabins, and
8 then the company, I think, has a short statement, and
9 then we will take questions from the public. You're not
10 required to provide your comments orally, however.
11 Written comments are given the same consideration and may
12 be submitted to the Illinois EPA at any time within the
13 public comment period, which ends at midnight June 7,
14 2007.

15 Although we will continue to accept comments through
16 that date, tonight is the only time that we will accept
17 oral comments. Any person who wants to make an oral
18 comment may do so as long as the statements are relevant
19 to the issues that are addressed at the hearing and they
20 have indicated on their registration card that they would
21 like to comment. If you have not signed a registration
22 card at this point, please see Brad Frost at the
23 registration table located outside these doors, and he
24 will provide you with a comment card. You may indicate
25 that you would like to orally comment.

1 If you have lengthy comments or questions, it may be
2 helpful to submit them to me in writing before the close
3 of the comment period, and I will ensure that they are
4 included in the hearing record as exhibits.

5 Please keep your comments and questions relevant to
6 the question at hand. If your comments fall outside of
7 the scope of this hearing, I may ask you to proceed to
8 another issue. All speakers have the option of directing
9 questions to either the Illinois EPA's panel or they can
10 make general comments or they may do both.

11 The applicant, ConocoPhillips, is also free to
12 answer questions, if it is willing to do so, but I'm not
13 in a position to require them to answer questions. Our
14 panel members will make every attempt to answer the
15 questions presented, but I will not allow the speakers to
16 argue or cross-examine or engage in a prolonged dialogue
17 with our panel.

18 For the purpose of allowing everyone to have a
19 chance to comment, I'm asking that groups, organizations
20 and associations keep their questions and comments to
21 approximately fifteen minutes and that individuals keep
22 their comments to approximately five minutes in the
23 interest of time and to give everyone who desires to
24 speak that opportunity.

25 In addition, I'd like to stress that we want to

1 avoid unnecessary repetition. If anyone before you has
2 already presented testimony that is contained in your
3 written or oral comments, please skip over those issues
4 when you testify. Please remember all written comments,
5 whether or not you say them out loud, will become part of
6 the official record and will be considered. After
7 everyone has had an opportunity to speak and provided
8 that the time permits, we will allow those who ran out of
9 time during their initial comments or who have additional
10 comments to speak.

11 The information -- if you need information beyond
12 the summary that's been provided or if you'd like
13 information sooner, I direct you to the Illinois EPA's
14 website where you can obtain more details. Our website
15 is www.epa.state.il.us. The Illinois EPA's
16 responsiveness summary will attempt to answer all
17 relevant and significant questions that were raised at
18 this hearing or submitted to me prior to the close of the
19 comment period.

20 The written record in this matter will close on
21 June 7, 2007. I will accept all written comments as long
22 as they are postmarked by June 7th. During the comment
23 period, all relevant comments, documents and data will
24 also be placed into the hearing record as exhibits.

25 Please send all written documents or data to my

1 attention. Rachel Doctors, D-O-C-T-O-R-S, Hearing
2 Officer, Illinois EPA, 1021 North Grand Avenue East, P.O.
3 Box 19276, Springfield, Illinois 62794. That address is
4 also listed on the public notice for the hearing tonight.

5 For anyone wishing to make a comment or ask
6 questions, I'd like to remind you that we have a court
7 reporter here, who will be taking a record of these
8 proceedings for the purpose of us putting together our
9 administrative record.

10 Therefore, for her benefit, keep the general
11 background noise in the room to a minimum so that she can
12 hear everything that is said. Also, when you come to
13 make your statement, come up and use the microphone. If
14 it's the first time you're speaking, could you please
15 spell your last name for the court reporter. If you
16 speak over someone else, she'll not be able to take
17 everyone's comments in. That rule applies not only when
18 members of the audience are speaking but also when
19 someone from the Illinois EPA or ConocoPhillips is
20 speaking. When it is your turn to speak, please state
21 your name and your applicable governmental body,
22 organization or association that you represent.

23 People who have requested to speak will be called
24 upon in the order that I have in the cards before me.
25 After I've gone through the cards and assuming that there

1 is time, if anyone else wishes to comment, we can address
2 it at that time. I have marked the following as
3 exhibits: These documents were available on the table.
4 I think we may have run out of some of them. The first
5 document I have marked as Exhibit 1 is the notice of
6 public hearing. The second is the project summary for
7 the air permits is number two. Number three is the
8 construction permit for NESHAP, NSPS for PSD approval.
9 This is the terminal permit. Number four is the
10 construction permit NESHAP, NSPS for the refinery and
11 last Exhibit Number 5 is the fact sheet and draft permit
12 for the NPDES.

13 Our first speaker is Jason Schnepf.

14 MR. SCHNEPP: Good evening, ladies and
15 gentlemen. My name is Jason Schnepf. I am a permit
16 engineer with the Bureau of Air. I'll be giving you a
17 brief description of the air pollution control aspects of
18 the proposed project.

19 The Coker and Refinery Expansion, or CORE Project,
20 entails installing facilities to increase both the total
21 crude processing and to be able to process a higher
22 percentage of heavy crude at the Wood River Refinery in
23 order to increase the supply of petroleum products to the
24 Upper Midwest.

25 Some of the affected facilities include the Fluid

1 Catalytic Cracking Units, or FCCU's, Crude Units, and
2 Sulfur Plant. Increased crude processing would occur at
3 the crude units and will be achieved by restarting
4 certain idled crude units as well as changes in
5 metallurgy for some crude units in operation today.
6 Because the crude units are essentially the beginning
7 steps in the refining process, any increases in
8 processing will result in increases in product movement
9 at downstream units, such as FCCU's and the sulfur plant.
10 The increased crude processing capability and processing
11 heavier crude will require changes at the refinery's two
12 FCCU's that are currently in operation and will also
13 require the restart of an FCCU, which has been shutdown.
14 Add-on controls, including wet gas scrubbers and
15 selective catalytic reduction will be installed to reduce
16 emissions. Higher sulfur-containing crudes will generate
17 increases at the existing sulfur recovery plant, which
18 will be expanded to include additional controls such as a
19 tail gas unit and oxidizer.

20 In order to handle the increased product throughput,
21 ConocoPhillips is also proposing certain changes at the
22 Wood River Products Terminal, which is also owned by
23 ConocoPhillips. The Illinois EPA is considering
24 ConocoPhillips' CORE project and the changes to the Wood
25 River Products Terminal to comprise a single larger

1 project for the purpose of the federal rules for
2 Prevention of Significant Deterioration, PSD, and the
3 state rules for Major Stationary Sources Construction and
4 Modifications. At the terminal, the existing loading
5 rack will be physically modified by adding loading bays/
6 arms. The rack will continue to load petroleum products
7 and various gasoline feed stocks into trucks. A new
8 loading rack control device, such as a vapor combustion
9 unit, VCU, will be installed to control VOM emissions
10 from the loading rack. In addition, new tanks will be
11 installed as part of this project. Several existing
12 tanks will experience an increase in the utilization as a
13 result of this project.

14 For emissions of nitrogen oxide, sulfur dioxide
15 and particulate matter, ConocoPhillips has chosen to
16 perform a netting exercise such that it will not be
17 subject to the New Source Review rules. The netting
18 exercise involves examining past projects which have
19 occurred within a contemporaneous time frame. This
20 exercise shows that the decreases at the plant will
21 offset the proposed increases for the project such that
22 the New Source Review rules are not triggered.

23 However, the proposed changes at the refinery and
24 the terminal would result in increases in emissions of
25 carbon monoxide and volatile organic material that exceed

1 the thresholds established for a major modification under
2 the federal PSD rules, and the state rules for Major
3 Stationary Source Construction and Modification,
4 respectively. Therefore, new and physically modified
5 units associated with this project are subject to the
6 Best Available Control Technology, or BACT, for carbon
7 monoxide and Lowest Achievable Emission Rate, or LAER,
8 for volatile organic material.

9 For BACT, ConocoPhillips has proposed a CO heater on
10 the Fluidized Catalytic Cracking Units 1 and 2, High
11 Temperature Regeneration and CO Promoter for FCCU 3, and
12 good combustion practices and good operating practices
13 for other units.

14 For LAER, a leak detection and repair program,
15 internal floating roofs with double seals for gasoline,
16 ethanol and crude oil tanks and good combustion practices
17 for combustion units are proposed. The Illinois EPA's
18 initial review concludes that these measures and other
19 proposed control measures will provide BACT and LAER for
20 the project.

21 Under non-attainment NSR rules, ConocoPhillips must
22 also obtain 1.15 tons of VOM emission offsets for each
23 ton of VOM emissions increase from the project. As a
24 result, ConocoPhillips must obtain and maintain
25 approximately 440 tons of VOM emission offsets from other

1 sources in the St. Louis, Missouri/Metro-East, Illinois
2 non-attainment area. The air-quality analysis submitted
3 by ConocoPhillips for this project shows that it will not
4 cause violation of the National Ambient Air Quality
5 Standards for CO.

6 Given the scope of the CORE Project, activities will
7 be completed in phases. Certain restarted units will be
8 brought on-line prior to the new units to increase
9 refining capacity. It is expected that the restart of
10 some existing, but idle, equipment will occur during
11 2008. With the increased crude and cracking capacity,
12 some existing and operating equipment will experience
13 increased utilization during 2008. The remaining
14 grassroots construction and modifications are expected to
15 be completed and on-line for a 2009 start up.

16 The Illinois EPA has reviewed materials submitted by
17 ConocoPhillips and has determined that the emissions from
18 the project will comply with the applicable state and
19 federal standards. The conditions of the proposed permit
20 contain limitations and requirements on the activities of
21 the facility. The permit also establishes appropriate
22 monitoring, recordkeeping and reporting requirements.

23 In closing, the Illinois EPA is proposing to grant
24 construction permits for the changes at the refinery and
25 at the terminal. We welcome any comments or questions

1 from the public on our proposed action. Thank you.

2 MS. DOCTORS: Jaime Rabins, you have a short
3 statement.

4 MR. RABINS: Yeah. I'm Jaime Rabins, an EPA
5 engineer in the Bureau of Water working on the NPDES
6 permit. As we said before, they're proposing to increase
7 the throughput from 323,000 barrels per day to 385,000
8 barrels per day. They're currently discharging an
9 average of 7.93 million gallons a day of treated
10 processed sanitary storm water and effluent from the
11 Village of Roxana sewer treatment plant and the Air
12 Laclede. The commencement of the idle distilling west
13 catalytic cracking units, gas plants in idle distilling
14 unit two, lube crude column will increase the daily
15 average flow at outfalls 001 to 8.61 million gallons per
16 day. The commencement of the main property catalytic
17 cracking units one and two wet gas scrubbers in the Coker
18 and refinery expansion units will increase the daily
19 average flow at outfall 001 to 10.97 million gallons a
20 day. In addition to the modifications mentioned above,
21 the wastewater treatment system will be upgraded to
22 accommodate the additional hydraulic and organic loading
23 as follows: Existing pond one will be eliminated, and a
24 new activated sludge unit will be built on pond one plot
25 space to operate in conjunction with the existing pond

1 two activated sludge pond. The staged biological treater
2 will become unnecessary and will also be eliminated. A
3 post anox denitrification zone will be added to the front
4 of the new activated sludge units, which will allow
5 nitrates to be converted to nitrogen gas. The
6 phosphorous limiting has been added to the permit in all
7 other loads limits in the previous permit were increased
8 due to the increased inflow and production associated
9 with plant modifications. These modifications will
10 ultimately allow the refinery to refine oil, sand and
11 crudes derived from Canada, in addition to other parts of
12 the world, and they're adding fire water to outfall 003.

13 MS. DOCTORS: Thank you. Mr. Dunn, would you
14 like to make a short statement?

15 MR. DUNN: Good evening. My name is David
16 Dunn. I'm the environmental director for the WRB
17 Refining LLC Wood River Refinery, and I am a
18 ConocoPhillips employee. I manage the overall
19 preparation of the air permit working with Trinity
20 Consultants and Cathy Lanter, the Wood River Refinery air
21 compliance engineer, as well as the CORE project team. I
22 was also involved in the review of the NPDES permit
23 application process, which was managed by Jay Rankin.

24 The CORE project is well-described in the air permit
25 application. In summary, this project is designed to

1 both expand overall refining capacity and to upgrade
2 existing facilities to be able to refine heavy crude
3 oils, with an emphasis on Canadian crude oils. The
4 Canadian crude oil will be delivered to Wood River
5 refineries through pipelines so that the local residents
6 may not even notice the increase. The biggest noticeable
7 change will be the change in the refinery skyline as
8 several tall structures will be constructed. The new
9 Coker facilities, similar to the existing structure near
10 Hartford, will be added to the refinery to process the
11 very heavy residues from the refining process and
12 generate coke, a petroleum product similar to coal.
13 These units will have state-of-the-art controls and will
14 ensure excellent operational control. The project will
15 install some of the best available air-pollution control
16 technology to ensure that emissions will not increase
17 significantly in most cases and will decrease for several
18 pollutants. Part of these changes will be tall scrubber
19 stacks at our catalytic cracking units that will
20 significantly reduce particulate matter and sulfur-
21 dioxide emissions. Each of these will also have an
22 associated process that will remove nitrogen oxides from
23 the vented stream. All of the new and modified heaters
24 and boilers will have ultra-low nitrogen-oxide burners
25 installed to minimize the emissions from the sources.

1 These new burners will minimize the formation of nitrogen
2 oxides, allowing the refinery to refine more crude oil
3 yet reduce overall nitrogen-oxide emissions. Finally, in
4 parallel with this project, we will work with Ameren to
5 upgrade the refinery's electrical transmission system.
6 These upgrades will not only support the new facilities
7 but will also reduce the potential for power outages
8 within the rest of the refinery, thereby preventing
9 upsets from our operation and subsequent flaring that
10 results and improving the overall reliability of our
11 operation.

12 There are some pollutants that, in spite of our best
13 efforts, we are not able to control below the allowed
14 levels. Volatile organic material emissions will rise,
15 even though we are controlling all modified and new
16 sources with the best available air-pollution controls
17 approved by the USEPA and IEPA and which will give us the
18 lowest possible emission rates. Therefore, we have
19 agreed to purchase emission credits from a separate
20 industrial company to offset this increase. These
21 industrial organic compound emissions are from another
22 facility that is in the St. Louis area near downtown.
23 This company has reduced volatile organic material
24 emission from its manufacturing process, and the Missouri
25 Department of Natural Resources has certified these

1 emission credits are available for sale. IEPA and their
2 Missouri counterpart have agreed that we can purchase
3 these emissions, transfer them into Illinois and use them
4 as offsets for our project. As part of the agreement, we
5 have agreed to purchase nearly sixty extra tons of the
6 emission credits more than the total increase volatile
7 organic material already admitted, thus resulting in a
8 reduction of this pollutant in the St. Louis area.

9 Carbon-monoxide emissions are also projected to
10 increase when this project is completed. Again, we have
11 included in our project designs, the best available air-
12 emission control technologies on all new and modified
13 sources to minimize these emissions, as agreed by IEPA
14 and USEPA. Unfortunately, these control technologies
15 could not reduce the total remaining emissions below the
16 significance level. Therefore, the permitting regulation
17 required us to model these emissions against the USEPA
18 screening level for potential health effects. The
19 modeling has been completed and showed that the increase
20 in the emissions will have no discernable health effect
21 in the area. IEPA reviewed our modeling result and has
22 agreed that the emission controls that we will install
23 meet the regulatory requirements for carbon monoxide,
24 that human health will remain unaffected by the increase,
25 and that the increase is acceptable.

1 This project will also improve our wastewater
2 treatment facility and reduce total nutrient discharges
3 to the Mississippi. The CORE project production
4 increases and the associated air-emission controls will
5 change the characteristics of and increase the amount of
6 wastewater that must be treated before discharge. The
7 wastewater treatment unit will be expanded and upgraded
8 to ensure that all of the proposed discharge permit
9 limits will be met. IEPA has reviewed our treated
10 wastewater discharge application and agrees that it will
11 be effective in protecting the Mississippi at our
12 discharge.

13 As an aside, we are very proud that our existing
14 wastewater treatment facility was nominated as one of the
15 best-operated industrial facilities in Illinois. We will
16 continue to have a very effective treatment system with
17 minimal effect on the Mississippi.

18 In addition to the changes at the refinery, this
19 hearing addresses air-permit changes at the
20 ConocoPhillips Hartford Terminal. The changes at the
21 terminal are significantly less complex and generally
22 focus on receiving, storing and loading the extra
23 products that will be produced from the higher refinery
24 throughputs. These permits are tied together and were
25 evaluated as one project by us and by the IEPA to ensure

1 that the overall increased emissions did not exceed
2 allowable limits. The permit for the terminal also
3 requires that the new and modified facilities meet the
4 lowest achievable emissions.

5 In addition to the pollutant reduction controls that
6 will be installed, we were required by IEPA and USEPA
7 regulations to complete an Endangered Species impact
8 assessment as a result of the proposed project. This
9 assessment was completed by Trinity Consultants and
10 involved a very conservative modeling approach. Overall
11 results show that there will be no impact on any of the
12 endangered or threatened animals, birds, fish or plants
13 in the area. The completed assessment report was
14 submitted to IEPA, USEPA and US Fish and Wildlife Service
15 on April 17 and remains under that review, pending final
16 approval. I anticipate that this agency consultation
17 will be concluded shortly and finalized before the
18 construction permit is issued.

19 The Wood River Refinery operating team believes this
20 project is vital to the ongoing success of the Wood River
21 Refinery and the communities that provide so many
22 services to our operation. The CORE project will
23 increase refinery throughput while reducing air
24 emissions. This project will increase employment at the
25 refinery, both during construction, when we expect

1 thousands of workers to be onsite, and when the new units
2 start, increasing permanent staffing by approximately
3 five percent. These workers will need further support
4 services from the communities that surround our refinery.
5 The project will also increase the supply of gasoline and
6 diesel fuels in our area at a time when no new refineries
7 are being built, but demand continues to expand. We
8 believe that this is a win/win situation for us, the area
9 communities and the environment.

10 We believe that the CORE project as designed and the
11 permit that we are discussing tonight meets or exceeds
12 all regulatory requirements and expectations. The
13 proposed permit places appropriate controls and
14 recordkeeping in place to demonstrate compliance. This
15 project will be protective of human health and the
16 environment; and, therefore, this permit should be
17 approved and issued without delay. Thank you.

18 MS. DOCTORS: Thank you. We'll start with our
19 -- the first person. I'd like to mark as Exhibit Number
20 6 a statement from Traci Barkley, who represents Prairie
21 Rivers Network, and I understand you have a couple of
22 questions as well.

23 MS. BARKLEY: My name is Traci Barkley,
24 T-R-A-C-I, Barkley, B-A-R-K-L-E-Y, and I'm representing
25 Prairie Rivers Network. I'm a watershed scientist.

1 Prairie Rivers Network is a state affiliate of the
2 National Wildlife Federation, a non-profit organization
3 that strives to protect the rivers, streams and lakes of
4 Illinois and to promote the lasting health and beauty of
5 watershed communities. Much of our work focuses on how
6 policies such as the Clean Water Act and the Safe
7 Drinking Water Act are used in Illinois. Laws intended
8 to protect our waters, our environment and ultimately our
9 health. Prairie Rivers Network has members that live and
10 recreate on the Mississippi River, the site of the
11 proposed discharges, and have substantial interest in
12 ensuring discharges do not impair waters in the area.
13 They depend on clean waters in the Mississippi River for
14 recreational activity including boating, fishing,
15 birdwatching and other wildlife viewing, as well as
16 fishing as a means of subsistence, and drinking water.

17 We offer the following comments in the matter of the
18 NPDES permitting process for the ConocoPhillips Wood
19 River Refinery's discharge to the Mississippi River in
20 Madison County. We did submit written comments to the
21 initial draft permit on December 4th, and we had a number
22 of questions listed in there. And some of those are
23 captured in my comments tonight, and I have some
24 additional comments as well.

25 Under antidegradation regulations, alternatives to

1 reduced loading and environmental degradation have not
2 been given due consideration. For example, is there an
3 alternative method to the addition of phosphorus in the
4 effort to biologically remove nutrients? Do you want me
5 to ask questions and have you respond, or do you want me
6 to ask question and then you respond in the end?

7 MR. RABINS: Depends on how much you've got.

8 MR. MOSHER: I guess, I would prefer to answer
9 them right after you ask the question.

10 MS. BARKLEY: That question was, is there an
11 alternative method to the addition of phosphorus in the
12 effort to biologically remove the nutrients? The reason
13 we're concerned is because nutrients are a problem in the
14 Mississippi River, and we're concerned about adding
15 additional phosphorus as a method of treatment.

16 MR. MOSHER: I can talk loud enough. I don't
17 need a mike. Phosphorus is a required nutrient for
18 biological activities, and they are treating wastewater
19 through micro-organisms and those micro-organisms need a
20 certain amount of phosphorus to survive and provide that
21 function of wastewater treatment. So, as I understand
22 it, the wastewater is naturally deficient in phosphorus,
23 and it must be added to keep those bugs happy and healthy
24 so they can do their job of treating the wastewater.

25 MS. BARKLEY: That will be kept under the one

1 part per million end of pipe?

2 MR. MOSHER: Well, we now have a permit limit
3 in this draft permit that will hold the effluent to a
4 monthly average of one part per million, and the refinery
5 has to meet that limit. They may have to remove
6 phosphorus from the final effluent to meet that limit so
7 while they're adding it, they may also have to remove it.

8 MS. BARKLEY: Okay. Another question is, can a
9 cleaner form of oil be transported from Canada to the
10 Wood River Refinery by using upgraded technology at the
11 Canadian end? And that probably is more a question for
12 ConocoPhillips.

13 MR. SEEDORF: My name is Herman Seedorf.
14 S-E-E-D-O-R-F. And the answer is -- and there are
15 alternatives to process crude oil up in Canada as well as
16 in the United States, and it is more efficient to bring
17 the crude oil down to the United States to utilize the
18 existing refining facilities that are available and
19 process it there rather than construct brand new
20 facilities that don't exist up in Canada.

21 MS. BARKLEY: Is that true for the pipeline as
22 well as for more efficient -- it seems like a substance
23 that, perhaps, may require so much energy and
24 environmental treatment, cleaning treatment at this end.

25 MR. SEEDORF: Say it again. I'm sorry. I

1 didn't follow the question.

2 MS. BARKLEY: I guess the basis of my question
3 is, if there's a cleaner product at the Canadian end, it
4 might keep things cleaner and require less water and
5 contamination of the water and cleaning out the pipeline
6 and also cleaning the product at this end. It seems like
7 the entire process from the beginning of the pipeline to
8 here you might actually have some reduce of environmental
9 impact of a cleaner product, not just here at this
10 refinery, but the entire length of the pipeline.

11 MR. SEEDORF: The fact that whatever is going
12 to come down from Canada through the pipeline, the trip
13 through the pipeline will not affect anything, and when
14 it gets down to the refinery, all of the nonpetroleum
15 materials will be processed in the refinery just like we
16 process all other crude oils. For instance, water will
17 be extracted in the process, and it will be handled
18 through the wastewater treatment plant, and anything
19 that's not petroleum will be handled per our normal
20 refinery practices. We don't anticipate any impact to be
21 different than the type of operation we are doing right
22 today, Traci.

23 MS. BARKLEY: Thank you. Another question is
24 there -- and this may be along the same lines. We're
25 wondering if there's an opportunity to reduce oil buildup

1 on the onsite impoundment through the use of a BMP, or
2 best management process, further upstream in the process
3 chain? It seems oil and gas has been a problem with
4 compliance with the existing permits, and certainly with
5 the increased throughput with this facility, we wonder if
6 there's something further upstream in the process chain
7 that could be done to prevent some of the impoundment
8 problems for oil and gas, oil in particular and maybe --
9 that, actually, I won't ask for a response, but that
10 would be something we would be interested in seeing if
11 there's some BMPs that could be added further in the
12 process.

13 For the Agency, Illinois EPA Bureau of Water, what
14 about approved treatment for BOD, TSS and CBOD? BOD,
15 biological oxygen demand. TSS, total suspended solid and
16 CBOD, chemical biological oxygen demand. For example,
17 many facilities remove BOD and TSS to levels well below
18 those in the draft permit. What would be the cost to
19 treat lower levels, at least to hold loadings at current
20 levels? In addition, is it necessary to increase the
21 loadings of oil and gas, phenols, ammonia, sulfides and
22 chromium? We're interested in what the additional cost
23 to ConocoPhillips would be to hold the levels to the
24 levels of the current permit? The information provided
25 by ConocoPhillips in the C-P in Form 1 clearly indicates

1 that BOD, COD, TSS, ammonia, sulfide, chromium and phenol
2 daily maximum loads and the monthly average loads are
3 well below current permit limits. The oil and gas daily
4 and monthly maximum loads exceeded permit levels, and
5 we're wondering what's being done to address that level.
6 The two questions I'm interested in, why can't some of
7 these pollutants be held at the loads that are in the
8 current permit, and what's being done for the exceeded
9 problems of oil and gas?

10 MR. MOSHER: I'm going to try to address your
11 first part of that question about the BOD and total
12 suspended solid limits, and I've got a prepared paragraph
13 here; it might be easier if I read that. BOD and TSS
14 limits in NPDES permit are set according to state
15 effluent standards. These standards ensure consistency
16 among dischargers and require all to apply treatment
17 which is equated with full protection of the environment.
18 Antidegradation reviews may determine that the state
19 effluent standards will lead to degradation even if met.
20 This conclusion would be valid if a very sensitive
21 receiving water were to be affected or if the receiving
22 water was already known to be degraded by the parameter
23 in question. The Mississippi River is not known to be
24 currently impaired for oxygen-demanding substances.
25 Given the high flows present in the river, an extremely

1 high assimilative capacity exists. Therefore, the
2 Illinois Pollution Control Board prescribed BOD and TSS
3 limits are believed to be adequate to maintain all uses
4 of the river. The very small incremental loading
5 increase relative to the size of the river, even if the
6 maximum BOD and TSS allowed by the permit are discharged,
7 is not anticipated to have any discernable adverse
8 impact. The normally prescribed Illinois Pollution
9 Control Board effluent standards were, therefore, deemed
10 appropriate after antidegradation review. And I believe
11 the second part of your question was about oil and gas.
12 I'm going to let Jaime answer that.

13 MR. RABINS: Why have the limits increased, is
14 that your question?

15 MS. BARKLEY: What's being done about the
16 exceedance already and the increased permitted limits in
17 this.

18 MR. RABINS: Are you saying in terms of
19 enforcement action?

20 MS. BARKLEY: Uh-huh.

21 MR. RABINS: I'd have to get back with you. I
22 don't do the enforcement. I'd have to respond in a
23 responsive summary.

24 MS. BARKLEY: Okay. We have previously
25 requested in our December 4 letter that a special

1 condition be added to the permit that states that the
2 upgraded facility will be designed and operated to remove
3 nitrogen. We also requested that total nitrogen
4 monitoring be added to the permit. Are the Agency and
5 ConocoPhillips agreeable to this request?

6 MR. RABINS: We'll have to -- they haven't
7 agreed to anything at this time so we'll have to discuss
8 it with them and go from there.

9 MS. BARKLEY: According to the Attachment J in
10 the NPDES application materials, there are many
11 substances that are currently used or manufactured as an
12 intermediate or final product or byproduct of the
13 refinement process. We feel that each of these materials
14 should be monitored for in the effluent and storm water
15 runoff from the site within a reasonable time frame from
16 the startup of the upgraded refinery and then
17 periodically during the permit cycle. One thing that
18 caught my attention as I was reviewing the NPDES
19 application materials that I would like to further
20 explain is the nature of the situation that requires a
21 three thousand gallon per minute be pumped from
22 groundwater wells in order to maintain a cone of
23 depression to remain in compliance with the RCRA permit.
24 Water use in the State of Illinois follows the reasonable
25 use doctrine. This hardly sounds like a legally

1 defensible reasonable use of the water.

2 MR. RANKIN: That is a requirement. Jay
3 Rankin, R-A-N-K-I-N, with ConocoPhillips. That three
4 thousand gallons is a requirement of the previous owner
5 part of the RCRA permit part of the requirement to
6 maintain effluent impression so we act on their behalf in
7 managing that system.

8 MS. BARKLEY: Is there a reason that that
9 contaminated site isn't being remediated in another way
10 instead of just pulling the water down far enough so it's
11 not coming into contact with that contaminated land?

12 MR. RANKIN: I'd have to discuss that. I don't
13 know the answer to that.

14 MS. BARKLEY: I think considering what I've
15 heard tonight with ConocoPhillips and the stated goal of
16 protecting the local community and environment, I think
17 that's a challenge to ConocoPhillips to find another way
18 to remediate that site instead of wasting three thousand
19 gallons per minute of groundwater that could be used for
20 drinking water and other uses.

21 The other thing that caught my attention from the
22 permit is the allowance to have pH levels rise above
23 nine. Usually, permits see six to nine range, 6.5 to
24 nine range. That's protective of aquatic organisms and
25 water quality standards to allow pH levels above nine,

1 and I think the exact language says pH nine maximum
2 limitation may be exceeded if the elevated pH level is
3 caused entirely by algae in treatment lagoons, in which
4 case there is no upper pH limit, and I wonder what
5 information ConocoPhillips has to demonstrate the pH
6 levels above nine are caused entirely by algae?

7 MR. RANKIN: I'll address that again. We have
8 not -- first of all, we've not used that permit condition
9 for quite sometime, but typically when we have looked at
10 what we thought was the algae, took a sample and filtered
11 it in the lab and confirmed, yes, it is or is not algae,
12 and we also use an upstream and downstream pH to confirm
13 that, hey, this is, in fact, due to strictly to algae.
14 That's how we would address that.

15 MS. BARKLEY: Thank you. For Illinois EPA, a
16 detailed description of the dimensions and attributes of
17 the mixing zone must be included in the permit. The
18 mixing zone must be re-evaluated for all pollutants in
19 light of the changes of the refinery process and the new
20 parent materials that will be processed. In addition, an
21 updated survey must be conducted in the area of the
22 proposed mixing zone to account for threatened and
23 endangered species, mussels, fish-spawning habitat and
24 otherwise high-quality aquatic habitat. We're interested
25 in the size and dimensions of the mixing zone for each of

1 the pollutants for which a mixing zone is being granted.

2 MR. MOSHER: Okay. I'm going to read another
3 prepared statement in the hopes that it's more
4 understandable. Mixing standards include the concept of
5 allowed mixing. Allowed mixing is granted when
6 appropriate treatment is achieved, and abundant
7 assimilative capacity is available in the receiving
8 water. No dimensions of the mixing zone are determined
9 when allowed mixing is granted because it is recognized
10 that those dimensions would not be critical. In other
11 words, the dimensions of mixing, if known, would be well
12 within any limitations imposed by the mixing standards.
13 In this case, no treatment is feasible for sulfate and
14 chloride, and, in fact, the increased sulfate loading is
15 mandated by federal clean-air regulations. The ambient
16 river water is well within water-quality standards. A
17 mass balance calculation determined that the sulfate
18 increase after dilution with twenty-five percent of the
19 river at 7Q10 flows is 10.6 milligram per liter over
20 background. This, obviously, allows the water quality
21 standard to continue to be met; and, thus, the case is
22 made to recognize allowed mixing for this substance. The
23 sulfate standard is currently proposed to be replaced by
24 a more liberal standard based on recent aquatic life
25 toxicity findings that has the result of making the

1 relative increase as compared to the standard even
2 smaller. While the addition of sulfate from the air
3 emissions scrubber results in an effluent concentration
4 of sulfate that would be acutely toxic to some forms of
5 aquatic life, the dilution afforded by the river will
6 quickly bring this concentration down to levels that are
7 only slightly higher than background. With the knowledge
8 that the area where mixing occurs in the Mississippi
9 River is relatively small and well within the boundaries
10 prescribed by the Illinois Pollution Control Board, there
11 is no need for exact delineation of that area. Requiring
12 the mixing area to be delineated in this case would be a
13 waste of resources. An existing permit special
14 condition, which I believe is number twenty-one,
15 recognizing mixing zones and zones of initial dilution
16 was previously placed in this permit at the request of
17 ConocoPhillips. The addition of sulfate and acute whole
18 effluent toxicity to the list of parameters for which
19 mixing is granted recognizes the concept of mixing
20 described herein. The Agency's own modeling as described
21 in the special condition refers to the analysis that
22 concludes that dilution to meet water-quality standards
23 is easily met within the allowed dimensions, for example,
24 less than twenty-six acres, utilizing no more than
25 twenty-five percent of volume of river flow, et cetera,

1 per the mixing standards. Special condition number
2 eleven requires continued toxicity testing that will
3 allow evaluation of the increased sulfate concentrations.
4 Acute whole effluent toxicity is allowed under the mixing
5 standard if best degree of treatment has been provided.
6 This would be found in regulations at 35 Illinois
7 Administrative Code 302.102 and 304.102. The ongoing
8 toxicity testing will allow the Agency to discern between
9 levels of acute toxicity due to parameters recognized as
10 having allowed mixing against some other unknown
11 toxicant.

12 Likewise, requiring a survey of the Mississippi in
13 the area of discharge for mussel beds, endangered
14 species, et cetera, would also be a waste of resources.
15 The Agency is aware of mussel bed locations in this
16 region of the river because of past studies at other
17 dischargers in the area. No mussel beds are known this
18 far south. The Illinois Department of Natural Resources
19 has already been consulted as to the presence of
20 endangered species, and none have been identified. No
21 special ecological features exist at this site that would
22 prevent the continued recognition of allowed mixing.

23 So to sum all that up, the Agency would be quite
24 happy with simply recognizing allowed mixing for all the
25 parameters that don't meet water-quality standards at the

1 end of pipe. The company has requested, though, a formal
2 mixing-zone designation, which they had provided a study
3 some years ago. We still agree that that study is
4 adequate to demonstrate that that mixing zone is valid.
5 The fact that we believe that allowed mixing is all that
6 is really necessary in this case further substantiates
7 that special condition. We believe that there just
8 aren't any mixing-zone problems out there. There aren't
9 any -- there isn't any harm being done to aquatic life or
10 any special features out in the river.

11 MS. DOCTORS: Miss Barkley, how many more
12 questions do you have?

13 MS. BARKLEY: I have three -- actually, four
14 more comments.

15 MS. DOCTORS: I think we'll let some other
16 people go, and we'll come back because you've reached
17 your fifteen minutes.

18 MS. BARKLEY: Could I give one more comment to
19 follow up to Mr. Mosher. I would like to point out there
20 has been an increase in over three million gallons per
21 day in the discharge since this study by ConocoPhillips
22 is being conducted. I believe the mussel survey and the
23 habitat survey was conducted in 1991, somewhere around
24 that time, and that's over sixteen years old so it's time
25 that be redone. Thank you.

1 MS. DOCTORS: Patrick Schrupf. Please state
2 your name.

3 MR. SCHRUMPF: I'd like to make a brief joint
4 statement with my father. My name is Patrick Schrupf,
5 S-C-H-R-U-M-P-F, and I'm in my first year as an employee
6 of the refinery at ConocoPhillips. I'm here with my
7 father, Dennis Schrupf, a twenty-eight year veteran of
8 the refinery, and we're here to support the refinery
9 expansion.

10 MR. SCHRUMPF, SR.: Last name spelled the same.
11 Dennis is the first name. As a member of the generation
12 that's getting ready to retire soon, it's time for a
13 little reflection on a personal level. Thinking back to
14 when I was a teenager on the farm, I was a 4H member,
15 maybe some of you were, too. 4H had a motto: Make the
16 best better. As a teenager, that didn't reflect so many
17 models back then, but thinking about that, make the best
18 better, that kind of pertains to what we're talking about
19 tonight. I've been to six or seven other refineries and
20 directly visited them, indirectly corresponded with many
21 refineries. This facility over here is one of the best
22 in many regards. And I -- to make the best better, what
23 the heck does that mean? Well, reflecting on it, it
24 means change. We grew up on a family farm, and if you
25 didn't change and just stayed status quo, that farm may

1 or may not be a long-term enterprise. We want this to be
2 a long-term enterprise for future generations like
3 Patrick's and other generations to come. That's what
4 this is all about. This will go on for decades, this
5 expansion we're talking about. So I think that's all I'm
6 going to say. Make the best better. Make some sense.
7 Make the changes. Reinvest in the facilities, the
8 hardware and technology and make the best better. Thank
9 you.

10 MR. SCHRUMPF, JR.: Dad and I very much
11 appreciate the livelihood that the refinery affords us,
12 and we sincerely hope that the refinery expansion can
13 proceed as planned. Thank you.

14 MS. DOCTORS: Thank you for your comments.
15 Gail Borman.

16 MS. BORMAN: B-O-R-M-A-N. I really do have
17 concerns about the new -- the Coker living within --

18 MS. DOCTORS: Are you representing an
19 organization tonight?

20 MS. BORMAN: Sierra Club and the community. I
21 live within three miles. And I've, you know, seen it all
22 through the years. I worked at Amoco many years ago;
23 then I worked at Premcor. And Murphy's Law is whatever
24 can go wrong, goes wrong; it's a given. You saw the
25 glitches we're experiencing, the glitches with the

1 microphones. Something so simple and it goes on all the
2 time. So what we're dealing with here is really toxic
3 stuff in the refinery, air, water and all the other
4 contaminates, but my question is and there's so much
5 transportation involved. All of it's transportation.
6 It's moving all the time from beginning to end. And
7 there's a release of mercury and lead. What measurements
8 of heavy metal concentrations including the lead and
9 mercury have been made for coke manufactured at the
10 ConcoPhillips Wood River and the distilling west facility
11 in the past and what measurements are planned for the
12 future to detect these metals in coke to be manufactured
13 and are there any -- what will you do to -- because of
14 the increase in these, what guidelines or what facilities
15 are being put into the new units and the existing unit to
16 make sure that these excessive mercury, lead doesn't
17 escape into the environment? What are some of the new
18 processes?

19 MR. RANKIN: I'm not aware of lead or mercury
20 emissions from the process. There was no information in
21 the application that addressed it and I'm not sure -- I'm
22 not sure what you're referring to.

23 MS. BORMAN: Because of the lead that comes --
24 well, with the manufacturer of all gasolines there is
25 lead that has to be extracted during the process and

1 mercury that goes into water. Is there any mercury that
2 goes into water anymore?

3 MS. DOCTORS: Can somebody from the company --
4 I see someone nodding. That's why I was --

5 MR. RABINS: Can I say something? The EPA on
6 the water side publishes a federal reg, and they
7 recognize certain pollutants throughout the industry, and
8 those two pollutants are not regulated. Meaning they're
9 not consistent in that industry. There's no need to
10 place them in the permit.

11 MS. BORMAN: Would you -- okay. My other
12 comment is about the -- what was that, sixty tons that
13 we're -- we're buying from Missouri for the air quality.

14 MR. RANKIN: What's your question?

15 MS. BORMAN: In other words, what we're doing
16 is Missouri has a clean industry over there, and we're
17 trading sort of like the carbon trade idea that's going
18 on, and because they have a very clean area, Illinois has
19 worked out a deal that because we are going or -- this
20 ConcoPhillips is going to be putting out more pollution,
21 that we're going to buy their clean air over there so
22 that will enable more effluence and particulates to be
23 released into the atmosphere in the Roxana, Hartford,
24 Wood River area to the tune or to the measurement of
25 sixty thousand tons?

1 MR. RANKIN: I'm not sure I would classify the
2 St. Louis area as a clean area. Actually, the
3 designation and the St. Louis area is the same in Madison
4 County. It's moderate non-attainment for ozone, and
5 what's happening there is when you have a major
6 modification, one of the things that you have to do is
7 you have to purchase offsets for your emission increases.
8 In this case, the amount of offsets they have to purchase
9 is four hundred forty tons of VOM emission offsets.
10 That's 1.15 times the amount of the increase that they
11 have. So when David mentioned sixty tons, an additional
12 sixty tons, that is the 1.15 is where that sixty tons
13 comes from. The reason why they're able to purchase this
14 from St. Louis is because it is the same classification;
15 that it is a moderate non-attainment area. It if it had
16 a different classification, they would not be able to do
17 that.

18 MS. BORMAN: But it's still the fact that what
19 we will be putting out more particulates and pollution
20 into the air in this area. So in order to do that, we
21 buy cleaner air, facetiously, from St. Louis. Is that
22 what you -- that permit does?

23 MR. RANKIN: These rules -- the rules for
24 offsetting in this case do not -- they're not addressing
25 a particulate matter. The project does not result in a

1 significant increase of a particulate matter. It does
2 result in a significant increase of volatile organic
3 material. The concept here is that if they're going to
4 have a significant increase, they need to offset and then
5 some from the area. St. Louis is close. It's the same
6 -- like I said, the same designation and the rules allow
7 for this transfer.

8 MS. BORMAN: Does the transfer -- what are the
9 particulates? What are the oxide and sulfur and the
10 nitrogen oxides? Are those included like in the buying?

11 MR. RANKIN: No. The permit does address
12 nitrogen oxide emissions, sulfur dioxide emissions.
13 Those pollutants will not result in a significant
14 increase in emissions. The emission increase from those
15 will be less than significant. As a result, there is no
16 -- there is no offsetting, for example, for NOx
17 emissions.

18 MS. BORMAN: Thank you.

19 MS. DOCTORS: Thank you for your comment. Jim
20 Bensman.

21 MR. BENSMAN: Hello. My name is Jim Bensman.
22 B-E-N-S-M-A-N. I live in Alton, about five miles from the
23 refinery. I used to live in Wood River but moved to get
24 further from the refinery. I have serious concerns about
25 the pollution from the refinery and its proposed

1 expansion. My dad died of a respiratory disease. My
2 sisters and mom have asthma. I have an aunt and uncle
3 who need oxygen to survive. So I hope you can understand
4 my concern about the pollution from the refinery.

5 While I try to minimize my driving and have a high
6 mileage, low emissions car, I realize that I contribute
7 to the demand for this expansion, but I do not want to.
8 We need to move past fossil fuels. We need to increase
9 car mileage standards. We need to develop electric cars
10 and wind and solar energy. This week in Detroit Senator
11 Obama stated for the sake of our security, our economy,
12 our jobs and our planet the age of oil must end in our
13 time. I completely agree. We need to get off oil and
14 invest in the efficiency and clean renewable energy.

15 Oil companies are making billions and record
16 profits. Therefore, money should not be an issue when it
17 comes to protecting our health. If this expansion is
18 approved, they should be required to use the best
19 available pollution-control technology, regardless of the
20 cost. They should also not be able to do any of this
21 fancy trading with -- you know, they're not the ones
22 reducing the pollution. Someone else is. They've got
23 plenty of money. They're making record profits. They
24 can afford to do everything possible to reduce the
25 pollution coming out of this plant and its expansion, and

1 they should be required to do that. Thank you.

2 MS. DOCTORS: Thank you for your comment.

3 Terry Boze (phonetic) Buhs.

4 MR. BUHS: My name is Terry Buhs, B-U-H-S, and
5 I'm president of Wegman Electric Company. I'd like to
6 testify in favor of the construction permits that are
7 being requested for the refinery expansion project.

8 My family and I have lived in the area for the past
9 thirty years. I went to work for Wegman Electric Company
10 in 1978 as an electrical engineer project manager. I was
11 assigned to the Shell Oil Refinery account as my major
12 customer. I was also assigned projects and maintenance
13 contracts with our Amoco Refinery and our Clark Oil
14 accounts. Because of the importance of the Shell,
15 ConocoPhillips' accounts, I was in the refinery almost
16 every workday for over twenty-two years. I'm still in
17 the ConocoPhillips refinery at least weekly.

18 Why this background? Because I want you to
19 understand I have some knowledge about the refinery. I
20 have been in the trenches with some very good people. I
21 strongly believe we need to ensure that when a quality
22 company wants to expand in our area, that company gets
23 the backing it needs to do so. ConocoPhillips is a
24 quality company. They've improved on Shell's
25 philosophies with respect to safety, quality and respect

1 for their neighbors.

2 Part of my job is to assign employees to work
3 locations. Wegman employees one hundred percent of the
4 time wanted to work in the Shell Oil Refinery over Amoco
5 and what was recently Premcor. Why? 'Because it was
6 safer, cleaner and state of the art.

7 The good news is ConocoPhillips has improved on
8 Shell's management techniques and commitments to running
9 their refinery. The refinery now is in better shape and
10 safer than ever. ConocoPhillips now wants to expand
11 their commitment to this area. What will this expansion
12 do? Only bring more jobs. Only bring a further
13 commitment to safety and a clean refinery environment
14 but, most of all, it will give our area a much-needed
15 boost showing other industry that maybe Madison County is
16 not as bad as some people think.

17 I said this in the paper many years ago, and I'm
18 repeating it today. I'm, in no way, suggesting that we
19 trade the expansion of an unsafe or environmentally
20 unsound refinery for jobs. I know and you know it's not
21 worth it, but I am saying that when a quality company,
22 who I can personally witness to, wants to expand and help
23 our area and our state by investing, we better jump at
24 the chance, especially when that company has a track
25 record of excellent commitment to the area. I strongly

1 urge approval of the ConocoPhillips' request for the
2 needed construction permits for the CORE project. Thank
3 you.

4 MS. DOCTORS: Thank you. Our next speaker is
5 Jean Bowers.

6 MS. BOWERS: B-O-W-E-R-S. Okay. Global warming
7 is a scientific fact now accepted worldwide by all who
8 have studied its affect.

9 MR. BENSMAN: Not by Bush.

10 MS. BOWERS: And ConocoPhillips is not helping
11 it. If it wants to expand and get more energy and more
12 jobs into this area, why don't they take that money and
13 get us some new alternative energy methods instead of
14 using coke and oil to get our energy. I would like to
15 tell you that I live about three miles downwind of this
16 company, and I have had asthma all my life. I can't
17 imagine what it would be like to have another big couple
18 of doses of particles in the air, to have a good night
19 sleep, because of the pollution in the air.

20 I have planted many trees to try to get the oxygen
21 from the trees to dispel the pollution that is done by
22 oil, and I'm concerned about the water and what happens
23 to it, where it comes from. We're not making any new
24 water. In fact, we may even be drinking water from
25 Cleopatra. We're not making any more new water. What we

1 have we have to conserve and use it in a better way than
2 just cleaning sludge. It is -- you never -- I never knew
3 in my lifetime that I would have to pay forty cents for a
4 bottle of water. I never thought that would ever exist.
5 It was like something that you saw in the movies from
6 another planet.

7 However, I don't want to take up too much of your
8 time because I don't have a lot of technical questions.
9 I do know that I am very concerned about global warming,
10 and so we're far behind Europe in many of the things that
11 they have done, alternative energy. I don't know why if
12 they want to spend lots of money to expand a Coker or
13 whatever it is they build to do these things, why they
14 can't put other methods in this area? And I'd like to
15 submit my time to our energy war person over here. Thank
16 you.

17 MS. DOCTORS: Thank you. Our next speaker is
18 Christine Favilla.

19 MS. FAVILLA: Hello. My name is Christine
20 Favilla, F-A-V-I-L-L-A, and I do work as a Three Rivers
21 Project Manager for the Sierra Club. We have eight
22 counties including Madison. I am going to address energy
23 efficiency and pollution minimalization, but I do want to
24 say up front that I am not testifying against this
25 expansion, but I do have some questions as a citizen. A

1 lot of these issues are very technical. It's hard to get
2 a grasp around them especially when you don't have an
3 engineering degree. I would like to know how much
4 additional methane and how much additional carbon dioxide
5 will be released in the air by the flaring due to the new
6 project?

7 MR. RANKIN: The permit does not despeciate the
8 volatile organic material. To that extent, I'm not sure
9 what level of methane will be present in the exhaust, and
10 carbon dioxide is not a pollutant that is addressed by
11 this permit. It's not a regulated pollutant for purposes
12 of air permitting and, accordingly, has not been
13 addressed by this permit.

14 MS. FAVILLA: Thank you. Now, I'd like to read
15 a paragraph by Jim Mulva, the CEO chairman of
16 ConocoPhillips. We believe it is important that we
17 should step forward to help devise practical and credible
18 and cost-effective approaches to address the
19 concentration of greenhouse gases and atmosphere at both
20 the national and international level. And so we ask that
21 with your continued expansion, you continue to strive for
22 these. It's very important to work towards that as a
23 nation and as an international company that's -- you
24 know, there's no glass walls. Our emissions will go
25 everywhere.

1 And so to address that we would ask you to adopt a
2 flare minimalization plan and, hopefully, capture the
3 flares for everyday energy use so that ConocoPhillips
4 doesn't create a more toxic acidic rain but, actually,
5 makes the best better, creating jobs, being innovative
6 and progressive, helping to lead the country by example
7 and employ more people in the process. Try to figure out
8 how to capture the energy from the flares in the design
9 implementation that ConocoPhillips can lead. We hope you
10 will also make and run the heating and cracking units
11 more efficiently. I have a question, are you trying to
12 do that with the new design? Yes. Good. Can you
13 describe what the lowest achievable emissions means that
14 was mentioned earlier?

15 MR. RANKIN: The lowest achievable emission
16 rate or LAER is a requirement along with various other
17 things. We talked about the emission offset provision.
18 I think some people mentioned earlier they were concerned
19 about ConocoPhillips getting away with just trading
20 pollutants from St. Louis. It's really not quite that
21 simple. Actually, that is just one piece of the
22 requirement when you have a major modification. The
23 bigger piece is actually the requirement to operate new
24 and modified units that emit volatile organic material
25 using the lowest achievable emission rate.

1 In the project summary for the Bureau of Air
2 Permits, we talk about the lowest achievable emission
3 rate. Essentially, it's exactly what it is. It's the
4 lowest emission rate available out there an industry --
5 for that particular industry and that's what they have to
6 comply with.

7 MS. FAVILLA: So it's not something that they
8 can monetarily reach, but it's what technology has
9 provided. So if they can't afford to buy the top-shelf
10 item, they're still going to be asked to because that's
11 the lowest achievable --

12 MR. RANKIN: Yes.

13 MS. FAVILLA: Okay. Thank you. I'm glad to
14 hear that. We understand ConocoPhillips was out of
15 compliance for twelve of the last quarters. Before you
16 expand the refinery, we're wondering if you're taking
17 into consideration that according to an August 2003 USEPA
18 document, that the delayed Coker unit that's to be
19 installed has been found by the USEPA and OSHA to cause
20 frequent and severe accidents. So we wondered how with
21 the past violations that you had do we know that the
22 employees will be safe and nearby residents will be safe
23 with the known problems that this Coker does have and
24 that OSHA and USEPA has admitted to? What steps will be
25 taken to ensure the safety of your employees?

1 MR. SEEDORF: Herman Seedorf. And those are a
2 lot of good questions. As far as safety of our
3 employees, everyone who works in the refinery knows there
4 is nothing more important to us than the safety of our
5 people. And when we construct this new facility, it will
6 have all of the latest safety innovations that go along
7 with operating that equipment. It will -- we'll install
8 the latest instrumentation and safety systems. We call
9 them interlocks. We will actually install a device
10 called -- boy, this is technical. We'll install devices
11 so that part of this operation will be minimized and
12 actually most of this will be automatic and technical,
13 and so those are things that we do and we're doing on our
14 existing units, as we speak, to improve safety there.

15 And can I address a couple other things she
16 mentioned? ConocoPhillips has joined the US Climate
17 Action Partnership because it does believe global warming
18 is a problem. So we're one of the first petroleum
19 companies to join that. What we're doing -- a couple of
20 things just to mention. What we're doing as a company is
21 we're trying to increase energy efficiency so for our
22 facilities to reduce our footprint in terms of CO2
23 emissions, and we've advertised that we -- at our
24 facilities we're going to try to reduce our energy
25 consumption by ten percent or improve our energy

1 efficiency by ten percent. I can tell you at the Wood
2 River Refinery our target is probably double that with
3 what we're trying to do. Another thing ConocoPhillips
4 announced recently in terms of different technologies is
5 we've announced a partnership with Tyson Food products.
6 We're going to be making biodiesel using chicken fats,
7 and we've started that, and that's going to expand to
8 some other refineries as well. So we share a lot of
9 concerns that you've raised.

10 MS. FAVILLA: Thank you. I'm very happy that,
11 once again, you're trying to make the best better, and we
12 hope to see all these ideas you mentioned to come into
13 fruition, and that the emissions aren't just traded, as
14 has been suggested. Like I said, though, those offsets
15 are very confusing to the public, including myself,
16 trying to get a handle on it for many years so I hope you
17 recognize in growing that you will also need to use very
18 simple layman's terms to the public so we all know
19 exactly what you're trying to do so you don't feel people
20 are always trying to oppose but simply ask questions to
21 gain knowledge and support. Thank you very much.

22 MS. DOCTORS: Thank you for your comments.
23 Monica Bristow.

24 MS. BRISTOW: Monica Bristow, B-R-I-S-T-O-W.
25 I'm president of the Growth Association for Southwestern

1 Illinois, which is a chamber of commerce and economic
2 development agency for eleven communities known as the
3 River Bend. ConocoPhillips is one of the largest
4 employers and is currently a significant contributor to
5 our local economy.

6 The Growth Association representing six hundred
7 fifty businesses and organizations in the community
8 supports ConocoPhillips' proposed project. The
9 investment in the refinery is an investment in the
10 community and investment in our future. The fifteen
11 hundred construction jobs and increase in regular
12 employment in the refinery will not only boost the area
13 economy, but increase the daily processing of crude for
14 our nation.

15 ConocoPhillips is a responsible corporate citizen,
16 and we know they will comply with all environmental
17 regulations and be as kind to the environment as
18 possible. We respectfully request that you grant their
19 permits.

20 MS. DOCTORS: Thank you for your comments.
21 Doris Dhue.

22 MS. DHUE: D-H-U-E. My concern is releases. I
23 live in South Roxana. I have been dumped on by the Coker
24 in Hartford at least five times with Clark and with
25 Conoco, and I have asthma. I have to live close to the

1 refinery, and I resent any increase to the air pollution.

2 Also, what about the cones of depression? They are
3 going to get larger and larger under our towns from all
4 that water that's being used. We already have oil
5 floating in Hartford gasoline. How are you going to
6 address that? Most of the children in this area all have
7 asthma. We don't need any more particles in the air.

8 MR. RABINS: I haven't addressed any ground
9 water issues, and I would have to research that and get
10 back with you and address it in a responsive summary.

11 MS. DHUE: It's not just cones under Hartford.
12 There's also cones under the other towns. I have the
13 documents to prove it.

14 MR. RABINS: You can submit those to the EPA,
15 if you want.

16 MS. DHUE: I will. Thank you.

17 MS. DOCTORS: Thank you for your comment.
18 Darrell Williams.

19 MR. WILLIAMS: Darrell Williams,
20 W-I-L-L-I-A-M-S. I've lived in this area. I lived
21 twenty years in Hartford growing up so I know about the
22 pollution in this town. I lived up on Cherry Street, and
23 that's where it's bad. Then I moved to South Roxana in
24 1968. That was another mistake I made in my life. As a
25 young man, you don't understand these things, but as you

1 grow older, you lose a wife to cancer. She's in the
2 hospital ninety-four days. It tears your heart out. You
3 can't do nothing. She's dying. And when you have
4 Washington University ask you, your wife's got cancer.
5 Was she ever around benzene? Was she ever around
6 benzene? I lived south of that refinery. I live a
7 half-mile from this Coker. Yes, it hurts when you have
8 some doctor tells you that. That's a good hospital over
9 there. They don't miss you.

10 But, anyway, in September this last month I was hit
11 with oil from this Coker. I mean, it was all over my
12 house, the neighbor's house. It was on everything. They
13 come out. I had to call them. They come out. They
14 washed it down, and I wasn't satisfied with the wash job,
15 and at my age they said, well, get who you want after
16 that. It was a hit-and-miss job. I hope this ain't
17 going to be a hit-and-miss job putting this new Coker up.
18 I helped build that other Coker. I know all about it,
19 top to bottom, but I'm just telling you people there's a
20 lot of people in this area sick.

21 I'm not against this Coker going up. I worked
22 construction all my life, but put it up proper. You make
23 people put catalytic converters on their cars, make them
24 put them on these things. They're no better than I am,
25 and they do a lot more polluting than I do. I'm just

1 telling you there's a lot of health problems in this area
2 and the water problem. When the wind blows that
3 direction where I live about a half mile the way the crow
4 flies, I smell that Coker when it rains. The crude oil
5 odor is so bad. Is it going to be worse?

6 And I want to ask this to the ConocoPhillips guy.
7 Where's this new pond going in at? It ain't going to be
8 across the street from my house, is it? I've already had
9 trouble with that pond for years. Jim's been to my
10 house. He's been to my house so much he's like a
11 brother. He's a nice guy. Jim done his job. You guys
12 ought to be proud of him. He done his job. Jim can only
13 do so much, too. You know, it hurts. That's all I've
14 got to say. Thank you.

15 MS. DOCTORS: Thank you for your comment.
16 Patrick McKeehan.

17 MR. MCKEEHAN: Patrick McKeehan,
18 M-C-K-E-E-H-A-N. I'm the Executive Director of the
19 Leadership Counsel Southwestern Illinois, and we
20 represent the southwestern area for economic development
21 and strategic level trying to move forward, creating
22 jobs, producing the right environment for supporting our
23 family and supporting our communities. And I think it's
24 very important that the EPA be here. We definitely
25 appreciate the efforts on your behalf to protect our

1 economy. Southwest Illinois is a great quality of life.
2 It's one of the reasons we thrive and grow. We have
3 tremendous amount of tourism and support of our natural
4 resources, and that's important, and we appreciate your
5 protection of that.

6 In addition to that, what is important for our
7 community is the jobs that we have here. In this
8 particular project the eight hundred family supporting
9 jobs at that facility are relying upon this kind of
10 investment that ConocoPhillips is going to make. It's
11 about a 2.9 billion dollar annual economic impact created
12 by this facility. This facility -- for each job at that
13 facility is a factor of five that supports into the
14 community. An additional forty-five hundred additional
15 jobs in the St. Louis/Metropolitan area are supported by
16 the fact that this facility is here and operates.

17 We believe that this operation is building
18 sustainability within our community. It is creating our
19 nation's economic and energy security, and it is actually
20 creating strong economic growth within our community that
21 is important for us to continue to grow. I am just very
22 pleased by the amount of investment that the company is
23 making and the type of investment, not only reactivating
24 idled equipment and bringing it back to economic
25 usefulness, but new technologies that not only support

1 the operation but the safety and security of the
2 employees and to protect our environment so we just want
3 to put that on the record and appreciate the work by the
4 EPA in protecting our town.

5 MS. DOCTORS: Thank you for your comment.
6 Deanna Barnes.

7 MS. BARNES: Good evening. My name is Deanna
8 Barnes, B-A-R-N-E-S. I'm the project manager with the
9 Village of Hartford. Mayor Moore, the Mayor of Hartford,
10 isn't able to be with us tonight, but he did leave a
11 letter for me to read into the record. IEPA Hearing
12 Officer, as the Mayor of the Village of Hartford, I would
13 like to express my support in the issuance of
14 construction permits for the CORE project.

15 ConocoPhillips is a good corporate citizen, an
16 environmentally responsible good neighbor with an open
17 line of communication providing good jobs for our
18 residents. This refinery is a critical employer in the
19 region, employing more than eight hundred people from our
20 region, along with additional contract positions. The
21 facility has a property-tax base of more than eight
22 million a year supporting our taxing districts. These
23 construction permits will allow ConocoPhillips to expand
24 its existing operations from a three hundred six thousand
25 barrel per day refinery to a three hundred eighty-five

1 thousand barrel per day refinery. This will allow the
2 refinery to produce more gasoline in a critical need at
3 this time of short gasoline supply, which results in
4 higher gas prices. I understand the refinery will
5 continue their commitment for cleaner fuels, and the
6 project will allow them to install state-of-the-art
7 emission controls that will enable them to reduce
8 emissions. The expansion plans will further enhance
9 ConocoPhillips' refinery as a leading refinery for the
10 future. This plan will positively impact job growth,
11 local tax revenues and bring as many as three thousand
12 new construction jobs to this region for the duration of
13 the project. Please consider the economic impact of this
14 expanse to our region as you review the applications for
15 construction permits for this project. Sincerely,
16 William Moore, Mayor of the Village of Hartford.

17 MS. DOCTORS: Thank you for your comment. I'm
18 going to mark this as Exhibit 7. Jack, I'm having
19 trouble reading it. I think it's Tucker, Touch.

20 MR. TUETH: I don't write so well. Tueth,
21 T-U-E-T-H. Jack. I'm the business manager, financial
22 secretary of IBEW Local 649. I rise in support of
23 permits to ConocoPhillips at this hearing. I have spent
24 thirty-three years working in and around this oil
25 refinery and other oil refineries in the area, and I have

1 witnessed a lot of turnover in ownership, and I can
2 attest that these people at ConocoPhillips are the most
3 determined to provide a safe, healthy work environment to
4 the employees that are down there. As a supplier of
5 manpower and woman power, if you will, I'm very
6 comfortable that now we finally have somebody who will
7 not only act like they are concerned about the health of
8 our people but will put their money where their mouth is,
9 if you will.

10 Again, I urge the approval of the permitting
11 process, and as our community recovers from the
12 shuttering of a lot of our industrial facilities around
13 here, I look at this as being the foundation of the
14 recovery of this whole community, all of our communities
15 in the area. Thank you.

16 MS. DOCTORS: Thank you for your comment. Judy
17 Loyd. We'll go off the record. Back on the record.
18 Would you, please, state your name?

19 MS. LOYD: Judy Loyd, L-O-Y-D. Citizen and
20 long-term tank farm dweller. Well, a block away. In
21 1961 I came to Roxana to teach school. There weren't
22 very many air conditioners in this area. What you did
23 was you opened some windows and hoped for the cross-
24 breeze. In those years that wasn't a good idea. The
25 smells from the refinery were nauseating so we closed the

1 windows, but that was a pretty slim chance, too. We've
2 come a long way since those days. Many years ago I
3 walked out of my house and noted that in my red bud tree
4 were pinprick holes, and then I saw my Pinto, and I saw
5 the siding on my house, and it took my husband and me a
6 very long time to find somebody who would talk to us from
7 the refinery about the damage that was going on there
8 from an emission.

9 About a year ago there was a knock at the door, and
10 a gentleman stood out front and he said, we've had an
11 emission, a release, and would you have time right now to
12 come out and look at your car and look at your siding.
13 What? We've come a long way, a long way. I've served on
14 two citizens committees working with the refinery, and I
15 think that a fresh breeze is blowing in this area.
16 You've already heard some excellent comments about what's
17 going on at ConocoPhillips. There's a spirit of
18 cooperation that I can't even describe to you. It's
19 moving at times. I want to see this project be
20 successful not just because I believe we're in a
21 life-and-death struggle economically with China and India
22 but because it will be a very long time before we have an
23 alternative fuel, and our demand keeps going up. I want
24 to see this project go. I support it.

25 MS. DOCTORS: Thank you for your comment.

1 Felix Floyd.

2 MR. FLOYD: Felix Floyd. F-L-O-Y-D. I'm the
3 Mayor of Roxana, and I've always grown up under the
4 philosophy of keep it simple, stupid. First of all, I'll
5 say I was born and raised in Roxana. The first twenty
6 years of my life I was about a half a block away from
7 Conoco, Shell, Premcor, whatever all the names were. I'm
8 now the mayor of Roxana. I can say this. I have asthma.
9 I only live about three-quarters of a mile from where I
10 lived all my life. ConocoPhillips is a blessing to the
11 Village of Roxana. We strongly and fully support this
12 program. It would be nuts not to be able to go on
13 forward with this. Thank you.

14 MS. DOCTORS: Thank you for your comment.
15 Marty Reynolds.

16 MR. REYNOLDS: Marty, M-A-R-T-Y,
17 R-E-Y-N-O-L-D-S. I'm a life-long resident of the Village
18 of Roxana. I'm also the public works director for the
19 community. I'm going to keep it brief. I would like to
20 thank the Agency for holding this hearing this evening,
21 giving all of us an opportunity to comment. I've been
22 involved with some permitting processes, and I understand
23 how complicated it is on both sides of the table. I want
24 to thank the Agency for doing the due diligence to bring
25 this information to draft permit issuance. You folks are

1 the technical experts that we hire to watch over us. If
2 you think it's good enough to bring it to draft issuance,
3 it's good enough for me. I'd also like to thank the
4 ConocoPhillips management personnel for their commitment
5 to the community, and I'd like to thank all the
6 ConocoPhillips personnel I've had the chance to work with
7 throughout the years. You're all the best of the best.
8 Thank you.

9 MS. DOCTORS: Thank you for your statement. We
10 received -- Mr. Scott received a short letter that I'm
11 going to read into the record from John Shimkus, our
12 Congressman. Dear Mr. Scott, I'm writing in support of
13 the ConocoPhillips application for construction permits
14 for refinery expansion in Roxana, Illinois.

15 As you know, ConocoPhillips has applied to the IEPA
16 for permit to expand the refinery in order to process
17 more oil. The benefits of such an expansion are manifold
18 including upgrading existing equipment to higher
19 standards on emission controls, more than one thousand
20 five hundred construction jobs and an overall increase in
21 refinery employment and an increase in refining capacity,
22 which will help Illinois and the nation address high
23 gasoline prices. The benefits of the ConocoPhillips
24 expansion at Roxana offer the opportunity to improve many
25 facets of the local economy. I urge the IEPA to approve

1 construction permits. Thank you for your consideration
2 of this important matter. Sincerely, John Shimkus. I
3 will be marking this as Exhibit 8. Our next commenter is
4 Floyd Fessler.

5 MR. FESSLER: It's Floyd Fessler, F-L-O-Y-D,
6 F-E-S-S-L-E-R. I've been in refining for thirty years
7 now. Used to work at a place called Stan Oil. Probably
8 some of you remember that place down here. It's closed
9 now because all we could run back then was sweet crude
10 and used to be five hundred people that worked out there,
11 and now it's all gone. A lot of people in the Wood River
12 area benefited from that refinery. I was lucky enough to
13 get hired on at Shell Oil twenty-seven years ago, and I'm
14 still working out there and made a good life out of it,
15 and what I wanted to say there's a lot of people in this
16 room that have said a lot of wonderful things tonight
17 about either side of the aisle, a lot of good comments,
18 but when you look at it, we're all kind of all in this
19 together. You know, if you were a barber or worked up at
20 the dairy or at the filling station or down at the steel
21 mill or whatever you did in life, we all benefit from
22 that refinery. Money changes hands seven times they say.
23 Actually, I believe it's more than that. I represent as
24 an assistant business agent the vast majority, three
25 hundred seventy-five workers out at that plant, the

1 operator engineers, and George Marshino (phonetic)
2 couldn't be here tonight, but he wanted me to say, along
3 with what I feel, that if we didn't have this refinery,
4 if we didn't have Olin, if we didn't have Granite City
5 Steel, this area would become a ghost town. We need to
6 support these places. Manufacturing is the base in which
7 we all benefit. And I think we need to reflect on that
8 things aren't perfect, as some of you have heard from the
9 other side, but I think they're getting better. I think
10 I've seen it through the years working out there that
11 we've come a long way. I can remember when I was a kid,
12 my dad used to say when we'd drive down to the drive-in
13 past this place, he'd say roll up the windows and hold
14 your breath, but things have changed now. I mean, the
15 air quality is a lot better. When I was a kid, we didn't
16 have the Illinois EPA or the EPA, didn't have the Clean
17 Water Act, all these things came into effect and I think
18 things are getting better, and I think that
19 ConocoPhillips is a good employer; and, like a lot of
20 people said, it's a good neighbor to the community, and I
21 think we ought to support them. Thank you.

22 MS. DOCTORS: Thank you for your comment.

23 Kathy Andria.

24 MS. ANDRIA: Good evening. My name is Kathy
25 Andria. I am president of the American Bottom

1 Conservancy, the conservation chair of the Kaskaskia
2 group of the Sierra Club, a member of the Sierra Club
3 Illinois Chapter Clean Energy Task Force, and I'm also a
4 member of the Illinois EPA Environmental Justice Advisory
5 Council. Environmental justice is just not about race,
6 color or income level. It's also about a community
7 having to bear a disproportionate environmental burden.
8 It was just a couple of years ago that we sat in this
9 very room for a public hearing on the ConocoPhillips
10 Hartford integration project. The hearing was a little
11 late getting started because it had to be moved from the
12 senior center. IEPA said there were dangerous levels of
13 gas in the building, and the building could explode. The
14 people here have Benzene meters in their basements. As
15 you heard, a lot of them have asthma and cancer and a lot
16 of things. I bring the thing up about the senior
17 citizens because I want to remind you here that people
18 have been assaulted in so many ways by refineries and oil
19 companies and other industries through the years, their
20 homes, their health, their way of life, their future.
21 It's your responsibility, IEPA, to review and grant this
22 permit not only for what complies with the Clean Air Act
23 and Illinois rules and regulations but also how it
24 impacts the people who live here. You have discretion.
25 You can be permissive and relax requirements, or you can

1 require the best technologies and actual pollution
2 reductions. You can require strict controls and
3 monitoring, and you can enforce the law and see that
4 violations are prosecuted.

5 We would be pleased to support the expansion of the
6 Wood River Refinery. We support local jobs, energy
7 independence and sustainable economic development. We
8 are pro union and pro community. We are for conserving
9 natural resources and protecting the quality of our air
10 and our water. We are certainly for energy efficiency;
11 but, most importantly, we are for protecting the health
12 of the people who live here, the people who breathe the
13 air and drink the water and the people who work at the
14 plant and their families.

15 It was announced -- as we announced yesterday, we
16 will support ConocoPhillips' expansion of the Wood River
17 Refinery but only if it upgrades the refinery to a first-
18 class 21st Century energy-efficient facility in
19 compliance with environmental rules and regulations of
20 which we can all be proud: ConocoPhillips, its
21 shareholders, its workers and the people who live here.
22 A refinery that won't have to be shut down or taken over
23 by another company at another name when global warming,
24 carbon dioxide is regulated or when other environmental
25 regulations change. One that will continue to provide

1 jobs for our workers and income for our communities for
2 decades. A sustainable refinery. You might think of
3 that as the refinery of the future, but the technology is
4 already here. It has already been used elsewhere. We
5 can do it here. ConocoPhillips can certainly afford it.
6 It is the second largest refinery in the United States
7 with assets of one hundred seventy-three billion dollars.
8 In the first quarter of this year they had revenue of
9 41.3 billion dollars with net income of 3.5 billion
10 dollars. Wood River is the company's largest refinery,
11 and because they will be importing heavy Canadian crude
12 extracted from tar sands, it will be much cheaper for
13 them to produce a gallon of gasoline. Mind you, they
14 won't sell it for less than the gasoline -- a gallon of
15 gasoline made from light crude. It will just pocket the
16 profits. So what we are asking is that they invest up
17 front in better technologies at this facility. At
18 today's gas prices we're all paying three something a
19 gallon. They will recoup their investment in months.
20 The Wood River Refinery has a history of non-compliance
21 with environmental regulations as does ConocoPhillips.
22 ConocoPhillips was sued by the United States EPA and the
23 State of Illinois for violating the Clean Air Act.
24 They're operating under a consent decree, which requires
25 them to do certain things by certain dates so that their

1 facilities comply with the law. They have asked for more
2 time to comply with certain requirements. There are also
3 additional problems with the consent decree that we have
4 found that we will be addressing in questions and
5 comments. Last year, as I believe Herman referred to,
6 ConocoPhillips became the first major US oil company to
7 join the US Climate Action Partnership, an alliance of
8 big business and environmental groups. Although they
9 have been criticized for that by some skeptics who say it
10 is only a tactic to get a seat at the table and regulate
11 global-warming gases, we commend them for the action and
12 hope they will honor their commitment and put actions and
13 resources to their words. On the ConocoPhillips website
14 is the company statement on sustainability. I quote, our
15 commitment to sustainable developments stems from our
16 fundamental intent to thrive as an enterprise and to
17 contribute to a better world long into the future;
18 striving for sustainability is a continuous effort of
19 which we are just at the beginning. We've defined for
20 ourselves the clear goal to conduct our business in a way
21 that promotes economic growth, a healthy environment and
22 vibrant communities now and in the future. We recognize
23 that our sustainability as a company is determined by the
24 choices we make in growing our business, in meeting the
25 very needs of our stakeholders. Our success depends on

1 it. Well, we could not agree more, and we ask the
2 company and the Illinois Environmental Protection Agency
3 to start here today with this project and this permit or
4 these permits. I have some questions. I wondered if
5 David could tell me the name of the facility doing the
6 offsets -- providing the offsets?

7 MR. DUNN: We're requiring the offsets from JW
8 Aluminum Company. They're located just southwest of
9 downtown St. Louis.

10 MS. ANDRIA: Has the Agency analyzed how the
11 proposed NSPS standards for refinery, which are
12 applicable for this permit, affect the permit?

13 MR. RANKIN: Could you repeat the question?

14 MS. ANDRIA: EPA has just proposed NSPS
15 standards for refineries, and they would be applicable to
16 this facility to this permit. Have you analyzed how it
17 will impact -- how those will impact because this is not
18 yet being built.

19 MR. RANKIN: I'm not sure which NSPS standard
20 you're referring to.

21 MS. ANDRIA: I will give you the website for
22 the EPA proposal. I will provide that. Can the Agency
23 provide us a flow chart for the units purchased by
24 ConocoPhillips from Premcor, the status of each and how
25 they were taken into account in the netting analysis?

1 MR. RANKIN: Yes, we can. I believe that
2 information is contained in the Hartford Integration
3 Project Application. That information is available
4 through our Freedom of Information Act.

5 MS. ANDRIA: You say today that new CAFE
6 standards came out of the committee, senate committee
7 today. I wondered under the new CAFE rules will
8 ConocoPhillips produce more diesel?

9 MR. SEEDORF: Yes. Under this project, we'll
10 produce more gasoline and more diesel meeting all the
11 sulfur regulations.

12 MS. ANDRIA: Will you be using chicken and beef
13 at this facility?

14 MR. SEEDORF: I don't know yet but it's
15 possible.

16 MS. ANDRIA: I was on the refinery tour at the
17 refinery the other day, and the engineer who was talking
18 about it positively glowed when he was talking about fat
19 molecules, oh. More about Tyson, the partnership. The
20 permit doesn't discuss renewable diesel conversion
21 expenditures, new tanks, new equipment, et cetera. For
22 those of you who don't know, ConocoPhillips recently
23 announced an arrangement that would use Tyson animal fats
24 and vegetable oils. Is Wood River going to use animal
25 fats or will it use soy oil, and why is there nothing in

1 the permit application that relates to this, and would
2 you need to apply for a new permit or a modification to
3 use animal parts at the facility, and what other permits
4 would have to be obtained for such a change, and while
5 you're at it, you might as well talk about what you would
6 do with the parts, where they would be stored, et cetera,
7 et cetera.

8 MR. SEEDORF: Okay. The last one first, I
9 don't know. 'Cause this is kind of new. What
10 ConocoPhillips has announced at this point in time --
11 they've done it in two refineries in the world. One is a
12 refinery in Ireland, and we've just announced a refinery
13 in the United States. It will be a refinery in the
14 panhandle of Texas near Amarillo what the plan is to
15 expand that to three or four other facilities. Wood
16 River is possible, but it's not been asked. As far as
17 the permit for those types of facilities, they're
18 different than the facility contemplated by this, Kathy,
19 and those facilities -- actually, this is so new -- what
20 those facilities will look like are still being designed.
21 It's not part of this permit.

22 MS. ANDRIA: The announcement -- the Conoco
23 announcement said that renewal diesel is cleaner burning
24 than regular diesel. Will it be able to be sold as
25 premium diesel and how much higher price would it be?

1 MR. SEEDORF: I have no idea. My understanding
2 -- so I'm going to talk out of school because I really
3 don't know, but I think it's intended to be put in the
4 normal diesel fuel pool, and I don't think it will be
5 differentiated in any way.

6 MS. ANDRIA: How is it better? Does it reduce
7 particulate emissions or other emissions? You don't know
8 how much; I guess it would be made a percentage of the
9 petrol diesel?

10 MR. SEEDORF: I don't have facts.

11 MS. ANDRIA: Will Conoco's purchase of soy oil
12 raise the price of soy oil and soybeans locally?

13 MR. SEEDORF: I don't know.

14 MS. ANDRIA: We talked a little bit -- I think
15 Gail said -- we started talking about -- Traci talked a
16 little bit about the upgrader. At the oil sands deposit
17 in Alberta producers including ENCANA, which is your
18 partner in this project, are using state-of-the-art
19 technology to upgrade oil sands bitumen. The upgraders
20 achieve a high-percentage conversion of bitumen to light
21 crude called synthetic crude put into light products. In
22 contrast, the delay cokers -- and I think Gail talked a
23 little bit about the delay cokers and somebody else
24 talked about some problems that she's had with cokers.
25 Those are pretty much old technology and they've had OSHA

1 warnings and USEPA warnings about them. Why are you
2 using that when you could use state-of-the-art
3 technology? They're using it in Canada. I want to know
4 why we aren't using it here, and couldn't you have a
5 hydrocracker up there before you ship it and a
6 hydrocracker here?

7 MR. SEEDORF: That's two -- a couple different
8 technologies that you mentioned, Kathy. One is that the
9 technology that I think you're referring to is the steam-
10 assisted gravity drainage technology. That technology it
11 gets the bitumen, B-I-T-C -- B-I-T-U-M-E-N -- out of the
12 ground so, anyway, that was a technology to get it out of
13 the ground. Then once it's out of the ground, you still
14 have to process it someplace and so either -- and so you
15 need facilities to actually -- bitumen as it comes out of
16 the ground, it's actually so viscus it can't move, and so
17 you need to either process it and build facilities there
18 to upgrade it there; and, by the way, the facility they
19 use, Kathy, would be delayed coking. It would be very
20 similar facilities as well or the other facility that
21 they have that you call hdyrocracking is another means of
22 upgrading it after you use coking first but or -- and
23 there's another technology similar to it. We're getting
24 really technical, but similar technologies once you bring
25 it out of the ground, whether you do it at the refinery

1 here or up in Canada, you're going to be creating the
2 same products. What they do when they upgrade in Canada,
3 they halfway process it and send it to the refineries,
4 and the refineries finish processing it. The reason
5 companies want to do it at a refinery rather than up
6 there is those facilities don't exist, and so you can
7 more efficiently leverage the facilities you have in the
8 refinery and complete that process much more efficiently
9 than starting from scratch when you have no facilities at
10 all.

11 MS. ANDRIA: I actually understood that. My
12 understanding is that they could do that process and do
13 it up in Canada in order that you would have the ability
14 to ship it but that you could also do it here and you
15 would have much more product -- usable product and you
16 would have much less coke, and you wouldn't have all the
17 dirty water because you wouldn't have to cut all that
18 coke out and use voluminous amounts of water, which would
19 help with the cone of depression and help with the
20 discharges.

21 MR. SEEDORF: Again, you could do -- you could
22 build those facilities from scratch there, or you can
23 leverage what you already have here, and it's more
24 efficient. I'd just also like to add on the cone of
25 depression the water that we're required to put three

1 thousand gallons per minute that we're required to bring
2 out of the ground, as part of the RCRA requirements, we
3 use that water. So that water it would be used. If it
4 wasn't that water, it would be some other water. We do
5 use ground water for our operations so we're just using
6 that water. It just displaces other water that we have
7 to have anyway.

8 MS. DOCTORS: How many more questions?

9 MS. ANDRIA: About two thousand.

10 MS. DOCTORS: You've had fifteen minutes.

11 We'll go to our last speaker, and then I think we'll take
12 a five-minute break and let everybody stand up and
13 stretch and come back. Our last speaker is Jason Warner.

14 MR. WARNER: Good evening. My name is Jason
15 Warner, W-A-R-N-E-R. I work at Southern Illinois
16 University Edwardsville, and I also enjoy cycling on the
17 trails in and around the area. As we know,
18 ConocoPhillips has applied to the Illinois EPA for a
19 permit to expand its Wood River Refinery. The company
20 would refine dirty, heavy high-sulfur crude oil extracted
21 from tar sands in Canada. The refinery would use more
22 energy resulting in more global warming, greenhouse gas
23 emissions and more toxic-water pollution and tons more
24 waste. It has asked the IEPA for permission to operate
25 even when pollution controls break down. There will be

1 new flares and smelly and hazardous, uncontrolled
2 hydrogen sulfide gas -- the gas that makes the rotten egg
3 smell -- a potent neurotoxin that causes irreversible
4 damage to the brain and nervous system. It plans to use
5 a piece of equipment, that delayed Coker unit that we've
6 talked about, found by the USEPA and OSHA to cause
7 frequent and severe accidents. There are better ways to
8 do it. Our area does not meet federal standards for air
9 quality for ozone and fine particulates. Our children
10 have asthma. We have high numbers of people with heart
11 and lung disease and cancer. Refineries emit large
12 quantities of chemicals that cause and worsen those
13 diseases. ConocoPhillips can better control its
14 emissions without a loss of jobs. They can reduce the
15 amount of global warming emissions. I ask IEPA to tell
16 ConocoPhillips or require them to get into compliance
17 with environmental laws; fix past violations before
18 expanding; install the best available control technology
19 for all new and modified refinery equipment; reduce
20 energy use; reduce global warming gases; adopt pollution-
21 prevention measures; develop a flare-minimization plan;
22 reduce odors by increase monitoring; increase safety
23 measures; reduce water pollution so we can fully protect
24 its workers, their families and our community.

25 And also on May 4th, a tornado funnel was

1 photographed at Hartford. Last year strong winds like
2 that took the tops off ConocoPhillips cooling towers and
3 caused other damage to the refinery. What additional
4 safety measures can be taken by ConocoPhillips to assure
5 the safety of the workers and the surrounding community
6 should a natural disaster occur? What warning alert
7 system is in place for the surrounding communities in the
8 event of a chemical leak, explosion or toxic release? I
9 ask that a full emergency community alert system be in
10 place that include a phone call warning system and
11 community warning signals that distinguish whether
12 citizens should flee the area or seek cover inside, but I
13 do have one other question. You've talked a lot about
14 the partner company such as Tyson. I was wondering with
15 the environmental standards that you see if you're going
16 to apply those that are going to be working for you, too?
17 Tyson, are you going to hold them accountable to your
18 environmental standards, if you know?

19 MR. SEEDORF: With respect to the last
20 question, I'm not able to answer that question. Those
21 type of decisions I can't answer. It's just not within
22 my purview. Let's see if I can remember some of the
23 questions you asked. As far as the events from last
24 year, I think we all saw the storm that we had last
25 summer, the July storm, was about as bad as it gets

1 around here. It was pretty severe, and I think what I
2 would like to report to everybody is we didn't have one
3 person get with any injuries. There wasn't a first aid
4 as a result of that. All the emergency systems worked
5 just as they were expected to work. So, again, as far as
6 people protection, people safety, I think that has
7 actually proved how safe our systems are. As far as
8 community, we didn't have any community impact from that
9 event. We had flares go off, which are emergency
10 devices, and there was some black smoke there for a
11 while; but, other than that, there was no community
12 impact from that event. I think that's a good example of
13 how good our safety systems are; and, by the way, we will
14 in our future investments we continue to look installing
15 a state-of-the-art system to protect our employees and
16 the community. That's what we're about.

17 MR. WARNER: Thank you.

18 MR. SEEDORF: I've got one. Sorry. We do have
19 a community alert network. We do. We have -- it's
20 called the CAN system, and we can call all the houses in
21 the area by putting a message out so it already exists
22 today.

23 MR. WARNER: Thank you.

24 MS. DOCTORS: Okay. It's around 9:10. We'll
25 go back on the record at 9:15. Give everybody an

1 opportunity to stretch and we'll start with the questions
2 Miss Barkley had left.

3

4 (Whereupon, a brief recess was taken.)

5

6 MS. DOCTORS: We're going to go back on the
7 record. It's about 9:18, and we're going to start with
8 Ron Trimmer.

9 MR. TRIMMER: I'm Ron Trimmer. I'm with the
10 United Congregations of the Metro East. We've got like
11 thirty churches in the metro east area, about twenty
12 thousand members in our churches. I'm going to talk as a
13 member of the UCM or representative but also as my wife
14 and I are members of many environmental groups so that's
15 a concern, and I found out that a friend of mine, who's
16 in the same profession that I am that I'm working on a
17 project with, has completed the project with
18 ConocoPhillips in Canada where they're defining the
19 gravity fields to help ConocoPhillips more efficiently
20 find where petroleum deposits are; and that kind of
21 relates to the first question or the first point I want
22 to talk about. And, that is, that we're running out of
23 gas. We've reached maximum production, and we've got to
24 find the gas or the petroleum, and we've got to use it at
25 the same time. We've got to conserve. We've got to

1 conserve. It doesn't make sense to use it up as fast as
2 we can because we have children and grandchildren that we
3 have to think about, and, of course, the other thing
4 that's a reality, and I'm proud that ConocoPhillips is
5 recognizing global warming is a problem, and it's an
6 issue that we have to deal with, and I hope that
7 ConocoPhillips will look into using renewable sources of
8 energy in this plant. Is there any plans to try to use
9 solar panels or wind or electricity generated from the
10 river as part of your plan?

11 MR. SEEDORF: We have a technology group that's
12 looking into all of those alternatives, but at this point
13 in time we don't think that they fit into the particular
14 project we're doing, but we are investigating and we are
15 researching.

16 MR. TRIMMER: Thank you. I encourage you to
17 look into those and to try to help solve this CO2 problem
18 and I think that the EPA -- this, you know, these global
19 warming gases should definitely be monitored and measured
20 that -- that's this huge problem that we're dealing with,
21 and I can't believe that's not part of the emissions and
22 so forth that you're going to monitor as part of this
23 project, you know, so I can't say that strong enough;
24 that you should be looking at this in all your monitoring
25 and costs to Illinois.

1 I hope that you can capture the fair energy and
2 other heat and reuse it, and now I want to talk about the
3 issue that I've worked with as part of the United
4 Congregations of Metro East, and that is to find jobs,
5 help create job opportunities, particularly for people
6 who have not had the opportunity that most of us in this
7 room have had. I'm talking about minorities and women,
8 and there's going to be construction fields. Let's use
9 this project as an opportunity to move by providing
10 on-the-job training. Move minorities and women into the
11 work force in our area that the percentages of minorities
12 is much below the overall percentage of minorities to the
13 area so we've been doing some tremendous -- making some
14 tremendous progress on that starting Highway 40 project.
15 We've got thirty percent of the work hours is going to go
16 towards moving people, training programs so they can do
17 their apprenticeships. Thank you.

18 MS. DOCTORS: Thank you for your comment. Miss
19 Barkley, are you ready?

20 MS. BARKLEY: I do have a few extra questions,
21 but I think if they're covered or answered in response to
22 the summary, that's fine. I would just like to get them
23 on the public record this evening. I'm interested in
24 what other uses are attributed to the statement of the
25 Mississippi River that will receive the discharges from

1 this facility, other discharges from municipal
2 facilities, industrial facilities, as well as public
3 water supply withdrawals and industrial water
4 withdrawals.

5 I'd also like to comment this is a water intensive
6 industry, and I'm interested from ConocoPhillips or if
7 the Agency has the information how much water, including
8 both ground and surface water, is being used per barrel
9 of petroleum produced?

10 In the permit Special Condition 6 refers to removal
11 of deposits or obstructions caused by the facility's
12 discharge. It states that the permittee shall promptly
13 dredge the receiving waters whenever necessary to remove
14 deposits or obstructions to the navigability of those
15 waters, which are found to be attributable to the
16 permitted discharge. Prior to dredging, the permittee
17 shall check with the appropriate Corps of Engineers
18 District to ensure compliance with Section 404 of the
19 Clean Water Act.

20 We're interested in what these deposits are and what
21 can be done to minimize them. Another question, my final
22 question, is -- concerns Condition 10 and has to do with
23 storm-water credits and I'm interested in how that will
24 work for this particular facility.

25 Finally, I guess I'd like to wrap up by saying it's

1 my job to be technical in nature and boringly so, and
2 sometimes it's not my job to comment as the people of
3 this community or this evening, but I think that's the
4 reason I do what I do and do make these technical
5 comments, and I'd like to reiterate that Prairie Rivers
6 Network is not necessarily against the expansion of the
7 facility. We understand the crude oil is going to be
8 extremely cheap. ConocoPhillips serves to make a lot of
9 money from this process, and they can afford these
10 enhanced environmental controls without sacrificing jobs.
11 It's not -- it's not going to require fewer jobs to make
12 these improvements in the plant. In fact, the opposite
13 may be true. Often with increased environmental
14 controls, you have more opportunity for operation and
15 maintenance of these facilities, and there might actually
16 be opportunity for more jobs in this community with the
17 technology, and I think it's worth the investment, and we
18 heard from a resident earlier that we need to be working
19 towards making the best better, and I think that's really
20 what ConocoPhillips is striving for, but they need to do
21 that with the technological controls that exist, and I'd
22 like the Agency to hold them up to that.

23 It's -- what I do is basically make sure that the
24 Clean Water Act and what's laid out in that incredible
25 piece of legislation is actually realized in practice,

1 and so I challenge the Agency, IEPA, to do what they can
2 with the Bureau of Water and Air to make the necessary
3 changes so the facility is in compliance, and they can
4 challenge ConocoPhillips to do the same voluntarily to
5 make the facility to all these residents what they want
6 it to be. Thank you.

7 MS. DOCTORS: Thank you for your comments. Do
8 you want to respond? The Agency will respond to your
9 comments in the responsiveness summary. Kathy Andria.

10 MS. ANDRIA: The permit application includes a
11 plan to produce hydrogen from natural gas. How much
12 natural gas do you use today, Herman, a guess, to operate
13 the refinery versus the post CORE?

14 MR. SEEDORF: We make -- Kathy, we mainly use
15 refinery-produced gas. That's the main source of gas for
16 us. We do buy small amounts relative to how much we're
17 consuming in our operation, and, boy, on any particular
18 day it can be anywhere between zero and it can be as high
19 as forty million SCFs a day and depends on the day and
20 the operation. This particular project we make hydrogen
21 the plan is to make it from our own refinery gas.

22 MS. ANDRIA: Other refineries, who do heavy
23 coal conversion who are doing the process or have plans
24 to do it, have involved gasification of the dirty coke to
25 make hydrogen and electricity for the refinery. Wouldn't

1 that be better from the perspective of energy security
2 than the destruction of the natural gas that you're using
3 both nationally for the -- wouldn't that create more
4 local jobs and wouldn't that be a higher value use of
5 coke?

6 MR. SEEDORF: Gasification technology, that's
7 one of the technologies ConocoPhillips has, and, again,
8 each of these technologies you have to look at the
9 feedstocks from an economic efficiency standpoint. You
10 have to look at the feedstock. You have alternatives
11 what you'll produce and what are the alternatives to
12 produce it. So that's what you're talking about is a
13 technology that we understand, and it's a fairly
14 complicated analysis. It's been looked at, and it really
15 doesn't make sense for what we're trying to do.

16 MS. ANDRIA: The introduction states that the
17 CORE project will increase the supply of petroleum
18 products to the upper Midwest. What is the average
19 output for the refinery slate of light distillates,
20 gasoline and gas blendstocks and middle distillates over
21 each of the past three years? And then wasn't the same
22 information based on the projection of the completion of
23 the CORE project?

24 MR. SEEDORF: Okay. I don't have those numbers
25 memorized, you know, for the last three years. I can get

1 you what the numbers are. As a matter of fact, you can
2 help me with this. I would say that we manufacture --
3 again, we're talking barrels a day. I would have to
4 multiply everything by forty, and I'm not that sharp so
5 I'll do it in barrels a day. This new ultra-low sulfur
6 diesel we are manufacturing in the order of magnitude of
7 eighty thousand barrels a day. Jet fuel, which we supply
8 to all of Lambert's needs as well as we have excess that
9 goes up to Chicago, we're typically producing in the
10 magnitude of thirty-five thousand barrels a day of jet
11 fuel. My expert has corrected me and said use seventy
12 and thirty-five not eighty and thirty-five. As part of
13 this project, I believe the increase -- so if we add
14 those two up, we're at a hundred and five. The increase
15 is projected to be forty. I think it's forty thousand
16 barrels a day. I don't remember, but I believe it's
17 forty so a substantial increase, and, again, this is all
18 on the diesel fuel. It would all be ultra-low sulfur
19 diesel fuel less than fifteen parts per million.

20 MS. ANDRIA: What is your current conventional
21 crude distillation capacity?

22 MR. SEEDORF: You know, they talk capacity in
23 different terms. Dependent on a sustainable basis, we
24 say our capacity is three hundred six thousand barrels a
25 day, and the permit uses three eighty-five is what the

1 increase will be.

2 MS. ANDRIA: What is the output of low-sulfur
3 diesel, or did you answer that?

4 MR. HERMAN: Yeah. That's the seventeen
5 hundred barrels a day.

6 MS. ANDRIA: And the high-sulfur diesel?

7 MR. SEEDORF: We don't make high-sulfur diesel.
8 We make everything low sulfur. Sorry, ultra-low sulfur.
9 Low sulfur means five hundred parts per million, and we
10 make fifteen.

11 MS. ANDRIA: I remember that. Thank you. I
12 remember reviewing a permit for that. What will be the
13 cetane level of the ultra-low sulfur diesel output after
14 the CORE is complete?

15 MR. SEEDORF: Help. The spec is 42, and I
16 believe we're averaging about 48, and I think it will
17 stay about 48 so it's well above requirement.

18 MS. ANDRIA: And is that dependent on renewable
19 diesel production?

20 MR. SEEDORF: No.

21 MS. ANDRIA: And that's compared to what you're
22 doing?

23 MR. SEEDORF: The cetane will be about the
24 same, Kent, right? Yeah.

25 MS. ANDRIA: Are future projects expected to

1 reduce aromatic content and increase cetane to meet the
2 new EPA regs?

3 MR. SEEDORF: We don't have to do anything
4 further to meet the EPA regs. We're in compliance, and I
5 don't think there's any future regulations that are in
6 order.

7 MS. ANDRIA: I think they're -- we'll check.

8 MR. SEEDORF: You're talking diesel, right,
9 Kathy?

10 MS. ANDRIA: Yeah.

11 MR. SEEDORF: There's no future regulations
12 we're aware of.

13 MS. ANDRIA: Is the CORE project gasoline
14 output dependent on the ethanol additization to meet the
15 minimum octane requirements?

16 MR. SEEDORF: Actually, it's not. Actually,
17 one of the -- one of the advantages of the project is
18 we'll be able to make more what they call reformulated
19 blendstock, and this reformulated blendstock allows
20 ethanol to be added. That's the blendstock where ten
21 percent ethanol can be added so we'll make more of that
22 blendstock, which allows ethanol to be added to gasoline.

23 MS. ANDRIA: Okay. I've got another question
24 at a different point about the reformulated gas because
25 they've just for the SIP they're mandating RG for this

1 area.

2 MR. SEEDORF: That's correct.

3 MS. ANDRIA: But I have that on another page,
4 and I don't want to lose my place. What will summertime
5 gasoline RVP be?

6 MR. SEEDORF: There's no RVP spec anymore.
7 It's the reformulating gasolines have what they call a
8 VOC limit, which is an equation that -- that incorporates
9 different things like that, the actual distillation
10 points of the blend, the amount of sulfur it has. So
11 it's actually a formula. It's a complex formula that's
12 used.

13 MS. ANDRIA: What is the PSI cap?

14 MR. SEEDORF: There is no cap, Kathy. Our
15 actual RVP is about five and a half for the reformulated
16 blendstock. In the past gasoline's RVP when it used to
17 have a limit, which I think you're thinking about, is --
18 used to be eight, and the reason that reformulated
19 blendstock has to be lower 5.5 is because ethanol has a
20 very high vapor pressure so you have to offset it.

21 MS. ANDRIA: I'll have to ask my expert about
22 that because there was a specific question about it, and
23 I don't understand the difference of the two 'cause they
24 talked about a 7.8 as compared to a seven. Anyway, will
25 the CORE project enable you to remove pentanes during the

1 summer to allow ethanol blending? And if you take them
2 out in the summer, where do you store them?

3 MR. SEEDORF: Yes. This is all part of when
4 you're blending more of this reformulated blendstock, you
5 have to remove more pentanes, and what we tend to do at
6 our refinery we capture them, and we either use them as
7 fuel in the refinery or we actually store it and bring
8 them back in the wintertime and use it in the reaper.

9 MS. ANDRIA: Where and how are they stored?

10 MS. DOCTORS: Miss Andria, this is a hearing on
11 the permit. So if you've got questions that concern the
12 permit and the permit application versus things that go
13 more to air quality or gasoline, let's go to those
14 questions 'cause it's getting late.

15 MS. ANDRIA: And the questions had to do with
16 the storage and permit and water and different things.
17 I'll come back to this section. How much flaring -- this
18 is to either IEPA or to Herman. How many flaring
19 episodes occurred during each of the last three years at
20 the plant, and what were the total emissions of SOx, VOM,
21 particulate matter, carbon dioxide and NOx throughout the
22 years? Is that listed somewhere?

23 MR. SCHNEPP: No. That's not part of the
24 permit application. It's not part of this permit.

25 MS. ANDRIA: Should it be?

1 MR. SCHNEPP: No.

2 MS. ANDRIA: Do you not have flaring -- any
3 kind of flaring controls in the measurements in the
4 monitoring any flaring in the station plan?

5 MR. SCHNEPP: There is flares as part of this
6 project, but there is no requirement to provide what the
7 flare issues were over the last three years, and the
8 refinery may answer this better, but I believe there are
9 consent decrees that address minimization of flaring
10 events.

11 MR. SEEDORF: Kathy, we have compressors that
12 are required so there is no normal or routine flaring
13 allowed in the permit, and so we would capture all the
14 gases, and so the only time there would be flaring is if
15 there's a true emergency. And as far as this is not
16 associated with the permit, but it's been raised a couple
17 of times. We have a flaring minimization plan, yes, we
18 do, and that was part of the consent decree that we
19 agreed to so we have plans to minimize flaring.

20 MS. ANDRIA: How many flaring episodes resulted
21 in visual smoking, and what evaluations were performed to
22 determine the associated particulate emissions and pHs?

23 MR. SCHNEPP: I'm not aware of these flaring
24 incidents, and, again, it's not part of the application
25 and not required for the permit.

1 MS. ANDRIA: What is the destruction efficiency
2 assumed for calculating flaring emissions, and what is
3 the basis of this figure?

4 MR. SCHNEPP: I believe it's
5 ninety-eight percent. Kathy says that's true, and it's
6 based on USEPA emission factors.

7 MS. ANDRIA: How much compressor capacity for
8 recycling gases is being installed for each of the new
9 flares for the project, and how much was available for
10 each of the past years, the past three years? Sorry.

11 MR. SCHNEPP: I'm not sure.

12 MS. ANDRIA: What calculations were performed
13 to ensure the compressor capacity will be sufficient to
14 eliminate all routine flaring?

15 MR. SCHNEPP: I'm not sure.

16 MS. ANDRIA: What monitoring devices with what
17 detection limits are currently installed to measure flow
18 or volume of gases in concentrations of chemicals with
19 each flare for the existing ConocoPhillips Wood River and
20 distilling west flares, and what specific equipment will
21 be installed to measure gas flow and chemical
22 concentration for the new project, with what destruction
23 -- with what detection limits and what is the header
24 diameter for each of the existing flares? Is that -- do
25 you have that information that you can just provide us?

1 MR. SCHNEPP: The flares are subject to certain
2 NSPS general provision requirements for flares, which
3 have these flow requirements that you mentioned. I'm not
4 sure what the diameters are. That information is
5 available in the application, but we can provide that in
6 the responsive summary.

7 MS. ANDRIA: One of the things I'd like to ask,
8 it's been my experience with a lot of the other permits
9 with all of the other permits is that we ask questions,
10 and if you don't know the answers, then you don't get
11 back to us with the answers until after it's all over,
12 and so we have no opportunity to comment on what the
13 answer is. So I would ask that there -- you find some
14 way of putting the answers on the record so that we can
15 then submit and extend the comment period so we can
16 comment on what the answers are. I don't expect you to
17 have all the answers tonight at your fingertips, but it
18 would be very helpful if we would be able to have the
19 answers and then be able to comment on them.

20 MR. SCHNEPP: All I can say is the procedures
21 that we follow are -- we'll review the comments and
22 address them in the responsiveness summary. That
23 responsiveness summary will be finished and presented at
24 the same time that any final action on the permit would
25 be made.

1 MS. ANDRIA: I have more questions on flaring.
2 I have questions on crude slate. I have -- I have some
3 more questions on the greenhouse gases. And I think that
4 we asked about the -- how much methane and CO2 was going
5 to be released, but how much would be released by
6 uncontrolled pressure-relief devices? Have you done that
7 calculation?

8 MR. SCHNEPP: No, I haven't.

9 MS. ANDRIA: Do you have any calculation as to
10 how much CO2 will be released to the air by the hydrogen
11 plant?

12 MR. SCHNEPP: No. And, again, this permit does
13 not address CO2 emissions so --

14 MS. ANDRIA: Are you aware that the Supreme
15 Court has just declared that CO2 is going to have to be
16 regulated. That it's proper to regulate it and this is
17 -- we're planning a facility for the future that's going
18 to be able to be around. So I think it would be a good
19 idea to take that into consideration as you're
20 formulating a permit for a plant that's not going to be
21 built for several years, I mean, ready to go for several
22 years.

23 MR. SCHNEPP: Yes. I'm familiar with them and
24 that they are available. Any new regulations that come
25 out after this permit decision is made, the facility

1 would have to comply with those, and it's not necessary
2 to put these rules in the permit prior to their final
3 adoption.

4 MS. ANDRIA: A question for Herman. What, if
5 any, energy -- refinery energy efficiency evaluations
6 were carried out in order to minimize greenhouse gases?
7 Were there any?

8 MR. SEEDORF: Kathy, I'm not sure that it's
9 directly related to the permit, itself, but what we have
10 is a system; we have, actually, what we call an energy
11 action checklist, and every new facility we construct, it
12 has to meet our energy standards. So, for instance, give
13 you an example what that means. We try to ensure that
14 flue gas at the stack is below a certain temperature,
15 which means you recover all the usable energy you can.
16 Those are the type of things we have a checklist, and
17 every one of our projects has to go through that
18 checklist, and that's our way of trying to make sure that
19 everything is built energy efficient.

20 MS. ANDRIA: Have there been added safety
21 measures? I thought I heard you answer Christine, and it
22 related to the delayed Coker that you're using updated
23 processes, safety measures.

24 MS. DOCTORS: This isn't really related to the
25 permit so let's --

1 MS. ANDRIA: It's related to the process which
2 is related to the permit.

3 MS. DOCTORS: Not to air pollution or water
4 pollution.

5 MS. ANDRIA: What measures have been evaluated
6 to eliminate future dust from coking during the
7 manufacture, storage and transportation of coke due to
8 the project? I think that's air pollution.

9 MR. SCHNEPP: There is a section in the permit
10 that addresses fugitive emissions from process units.
11 Section 4.9 of the permit addresses particulate matter
12 emissions from miscellaneous units such as catalyst
13 loading at the FCCU3 and coke handling.

14 MS. ANDRIA: What evaluations -- and I think
15 you started -- there was a question earlier about heavy-
16 metal emissions, but I didn't understand the answer.
17 Evaluations and heavy-metal emissions is part of the
18 particulate matter and emissions of mercury to the
19 atmosphere have been made for the existing refinery and
20 for the new project.

21 MR. SCHNEPP: The application does not provide
22 that type of analysis. It merely addressed emissions of
23 particulate matter, and those emissions are in compliance
24 with the rules and regulations.

25 MS. ANDRIA: Shouldn't the Agency be asking for

1 a speciation in finding out what these heavy metals are
2 and require an analysis of the -- of the product of the
3 fuel?

4 MR. SCHNEPP: If there is a reasonable -- if
5 there -- we will ask ConocoPhillips to do that analysis,
6 but if it's -- if it's unreasonable, I'm not aware of
7 mercury and lead emissions from particulate matter at the
8 refinery so maybe they know more.

9 MS. ANDRIA: Have you measured them? Do they
10 measure? I mean, it would seem logical if you're burning
11 what they're doing that there would be -- there would be
12 mercury emissions.

13 MS. DOCTORS: Do you know whether there's
14 mercury emissions?

15 MR. SCHNEPP: I don't know. There's nothing in
16 the application that would indicate there's mercury
17 emissions.

18 MS. ANDRIA: We would ask that that be
19 addressed, and we'll be submitting that in a comment.
20 And the same that for the discharge of the heavy-metal
21 discharge as to water and there's a -- Conoco has an
22 application or I'm not sure what stage it is. I think
23 it's already had a hearing in California, and they had a
24 lot of concerns about selenium and the releases in the
25 water with the process out there so we would be also

1 concerned about that here and would ask that you address
2 that and look at that. I just attended last week the SIP
3 public hearing that IEPA had, addresses accumulative
4 impact and what we would do to get into attainment. Has
5 there been an evaluation of accumulative impacts by you
6 with this in conjunction with the other -- like the US
7 steel coke plants because we're told we'll never get into
8 attainment for particulates.

9 MR. SCHNEPP: The company was required to do
10 air modeling, and we have a model section within the
11 bureau. They checked the modeling, and the
12 recommendation from our modeling group is that the
13 emissions of CO are in compliance with the national air-
14 quality standards.

15 MS. ANDIRA: Is the valves for the new project,
16 will they be leakless billow valves? Is that part of the
17 permit, I think?

18 MR. SCHNEPP: The valves will comply with LAER
19 because they will emit volatile organic material, and
20 they will be required to comply with the national
21 emission standards for hazardous air pollutants;
22 specifically, it's subpart H, which addresses leaks from
23 valves.

24 MS. ANDRIA: How many new compressors and pumps
25 for the new project will have double seals and how many

1 will not?

2 MR. SCHNEPP: I'm not sure, off the top of my
3 head. We can get that information to you in the
4 responsiveness summary.

5 MS. ANDRIA: The consent decree impact on the
6 current project we're having a duce of a time figuring
7 out the consent decrees. The -- Premcor was under a
8 consent decree. Conoco is under a consent decree.
9 Conoco bought/leased; I'm not sure exactly financially
10 what all it's done. They're incorporating some of the
11 equipment. I think they're under still that equipment --
12 the consent decrees follow equipment. We'd like a very
13 clear flow identification and there's -- I think someone
14 from the Attorney General's Office here with the
15 equipment, what was required, and we don't think there
16 should be credits for something that was required under a
17 consent decree for a piece of equipment.

18 MR. SCHNEPP: What's the basis for that?

19 MS. ANDRIA: I'm sorry.

20 MR. SCHNEPP: You said there shouldn't be
21 credits allowed. I wanted to know what's the basis for
22 that?

23 MS. ANDRIA: A credit -- if you're getting a
24 credit, it's for something that you're doing voluntarily
25 to help to make something better. If you're required to

1 do it, you don't get a pat on the back, or you shouldn't
2 be getting one if it's something that you're required to
3 do because you did something bad in the first place.

4 MR. SCHNEPP: The consent decrees are very
5 clear in describing when certain units can be used as
6 credits for netting or NSR permits. Sometimes they say
7 certain units are able to be used, and sometimes they're
8 not. The refinery has used credits for units that the
9 consent decree allows netting transactions to occur, and
10 the ones that aren't allowed they have not taken credit
11 for those.

12 MS. ANDRIA: We are really concerned about that
13 and I just -- and we're still looking at it, and we've
14 got an expert looking at it, but I -- I really don't know
15 that there is a net reduction in emissions from this
16 project, which everyone is trumpeting. I think when you
17 look at it and all of the netting and all of the bottle
18 necking and all of the problems that are involved, I
19 think there's going to be an increase in emissions, and
20 we would really like to follow through on a lot of this
21 because we're ready to support this expansion and work
22 with everybody, but we do want the people protected, and
23 the Conoco people have been gracious. They let me come
24 on the tour of the refinery, and they very graciously
25 answered questions here tonight, and Mr. Seedorf offered

1 to answer questions that we have, in addition to sit down
2 and talk, and I would wonder if you would also answer
3 some questions from us that we have that you didn't have
4 the answers to tonight but that we are still unclear
5 because, like I said, we're ready to work with everybody
6 to make this a good project, but we don't want the
7 modeling, and we don't want the netting to be smoke and
8 mirrors. We want it to be an actual reduction.

9 MR. SCHNEPP: I'm certainly available to answer
10 your questions, maybe not -- if they're extensive, you
11 can call me. As far as the netting goes, that is
12 something that when we review permits, permit
13 applications, we look at very closely, and there was
14 actually a great deal of time spent between the Agency
15 and ConocoPhillips trying to determine which increases
16 were available and decreases were available so there was
17 a great deal of time spent on that, and I hope that you
18 have a little bit more confidence that we did it
19 properly. If you find a mistake, certainly we'll look at
20 it and correct it, if needed.

21 MS. ANDRIA: One other question that I have,
22 there's been a lot of talk about the increase in hydrogen
23 sulfide. I would like to know what would be the increase
24 in the project in pounds of hydrogen sulfide because of
25 the new heavy crude in both the Wood River and the

1 distilled west facilities?

2 MR. SCHNEPP: My -- as you noticed in the
3 permit, it does not address or does not show an increase
4 in hydrogen sulfide. My understanding is that at most
5 there would be a minimal increase. The reason for this
6 is the bulk of this hydrogen sulfide is converted to
7 sulfur dioxide through thermal oxidizers or other
8 combustion devices.

9 MS. ANDRIA: I wanted to ask a question of
10 Herman. The new coking process and using the new -- the
11 heavy crude is going to produce much more coke. On the
12 tour you talked about how the coke that you produce now
13 where it's used, the local utilities use it. There's a
14 new mercury law coming, and it's been passed, gone
15 through the Pollution Control Board, and there will be
16 required reductions in mercury. What will you do with
17 the coke if the utilities can't use it?

18 MR. SEEDORF: We are planning to create -- to
19 continue to send it to utilities and our expectation is
20 whenever the laws that are required for them to meet in
21 terms of emissions that our coke, which is very similar
22 to coal, that both of those fuels being so similar, they
23 both satisfy their needs so I don't think our coke is
24 going to give them any more difficulty than --

25 MS. ANDRIA: Do they buy it, or do they take it

1 off your hands?

2 MR. SEEDORF: No, we sell it to them.

3 MS. ANDRIA: Do all the utilities around use it
4 or just a few or some?

5 MR. SEEDORF: You know what that's -- we have a
6 commercial group that does that full time, and I just
7 don't know exactly which utilities do and which utilities
8 don't.

9 MS. ANDRIA: Because I asked the local EPA
10 office and the local IEPA office, and they didn't seem to
11 know about it, and I know that when I reviewed the Dynegy
12 permit there was some -- there was some contribution that
13 they could use, but that it's a problem. So I think, you
14 know, it might be pie in the sky to think it's always
15 going to be able to be dumped on a utility because I
16 don't think their -- it's going to be higher in sulfur
17 and it's going to be higher in mercury, and there's going
18 to be a heck of a lot more of it. Since my papers all
19 got -- oh, here's the one. The odor. Do you consider --
20 Rachel, do you consider odor as part of the air permit?

21 MR. SCHNEPP: Odor is an air issue, yes.

22 MS. ANDRIA: Do you have any that you look at,
23 how many odor complaints were received due to the
24 operations during the last three years, and what was the
25 nature of them?

1 MR. SCHNEPP: We did not look into that, no.

2 MS. ANDRIA: What evaluations and equipment
3 improvements have been carried out in order to eliminate
4 odor complaints due to the existing facilities?

5 MR. SCHNEPP: Like I said, I didn't look into
6 the odor complaints so I'm not sure what -- I'm not sure
7 of the nature of the complaints and so I'm unable to
8 answer your question.

9 MS. ANDRIA: Maybe I could ask Herman if you've
10 done evaluations and site improvements to carry out to
11 eliminate odor complaints in the new project.

12 MR. SEEDORF: We don't anticipate any odors
13 that would come from the new project.

14 MS. ANDRIA: Sulfur is not smellier?

15 MR. SEEDORF: Sulfur -- we have --

16 MS. ANDRIA: I mean hydrogen.

17 MR. SEEDORF: There is no uncontrolled
18 emissions of hydrogen sulfide. Everything is controlled
19 and sulfur itself -- we have sulfur operations today and
20 I don't remember any complaints on -- from our sulfur
21 facilities since I've been here.

22 MS. ANDRIA: Will there not be increased
23 sulfur, though?

24 MR. SEEDORF: Yes, there will be increased
25 sulfur, but, again, I don't think there's any particular

1 odor, or the other thing is where we're constructing the
2 new facilities is right where we have the existing
3 sulfur-loading rack, and, again, there's been no odor
4 complaints reported.

5 MS. ANDRIA: How many pressure-relief devices
6 at the plant and the facility, west facilities vent to
7 the atmosphere, and what monitoring devices are used to
8 determine whether these devices have vented?

9 MR. SCHNEPP: I'm not sure.

10 MS. ANDRIA: How many pressure-relief devices
11 from the new project will vent to the atmosphere, and
12 what monitoring devices will be used to determine whether
13 they have vented?

14 MR. SCHNEPP: Zero.

15 MS. ANDRIA: Good. What evaluations have been
16 carried out to vent these devices to gas-recovery systems
17 without causing additional flaring?

18 MR. SEEDORF: There's nothing -- there's none
19 -- there's no pressure relief.

20 MR. DUNN: They're all being recovered.

21 MS. ANDRIA: Everything is getting recovered.
22 That's very good.

23 MR. DUNN: Thank you.

24 MS. ANDRIA: Well, I'm going to let everybody
25 go home since it's ten o'clock, and everybody wants me to

1 stop. I -- I do have more questions, and I will be
2 asking both Jason and Herman, and I very much appreciate
3 your patience and your being -- for someone who just did
4 a crash course on Refining 101, I mean, I've learned a
5 lot, and I do appreciate the difficulties to review these
6 permits and to try to come up with solutions that make
7 them clean and safe for the community, and that's what
8 we're here to encourage you both to do. Thank you.

9 MS. DOCTORS: Thank you for your comments. Is
10 there anyone else who would like to make a comment in the
11 audience? Seeing that there are no more members of the
12 public with questions or comments, we will bring this
13 hearing to a close. I would like to again remind
14 everyone that the comment period for the record in this
15 matter is closing on June 7th, 2007. Any written
16 comments that you would like to be made part of the
17 record must be submitted to me, and I would forward them
18 to the appropriate agency personnel to be answered. They
19 must be postmarked before midnight on June 7th to be
20 accepted as part of the record. Copies of the exhibits
21 are available upon request. The time is approximately
22 10:04 p.m. This hearing is adjourned. Thank you very
23 much for coming.

24

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REPORTER'S CERTIFICATION

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2
3 I, Sara E. Tipton, Certified Shorthand Reporter and
4 Notary Public, do hereby certify that the foregoing is a
5 true and correct transcript of the Public Hearing held in
6 my presence in the above-captioned cause, and as same
7 appears from my stenographic notes made during the
8 progress of said proceedings.
9

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11 _____
12 Sara E. Tipton, CSR
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