



## **Minnesota Center for Environmental Advocacy and Environmental Integrity Project Reach Innovative Settlement Agreement with Flint Hills Resources to Reduce Air Pollution Emissions at Minnesota Refinery**

*Refinery Settlement will minimize greenhouse gases and assure compliance with emission limits*

St. Paul, Minn.///April 16, 2013 -- The Minnesota Center for Environmental Advocacy (MCEA) of St. Paul, Minn. and the Environmental Integrity Project (EIP) of Washington, D.C. today announced they had reached a settlement agreement with Flint Hills Resources to cut greenhouse gas and other air pollution from a proposed expansion of their refinery in Rosemount, Minn.

According to the terms of the settlement, the company has agreed to:

- improve the energy efficiency of heaters, crude distillation towers, and other units at the plant;
- adopt industry-leading standards that will limit the emission of smog forming chemicals, and ensure that emissions are accurately monitored; and
- contribute \$1 million to Project Green Fleet, a program administered by the Minneapolis-based Environmental Initiative.

In exchange, EIP and MCEA agree not to contest FHR's air quality permit applications the Minnesota Pollution Control Agency is currently reviewing. The agreement takes effect upon issuance of a final air-quality permit for the refinery.

“Permit data from Louisiana and Texas show that projects to add or expand units at refineries, ethylene plants, and other facilities will increase greenhouse gas releases by more than 45 million tons per year, about as much as nine baseload coal plants, said EIP Executive Director Eric Schaeffer. “These plants must obtain greenhouse gas permits under Clean Air Act rules that apply to new construction or major modifications. The FHR agreement sets a benchmark that limits greenhouse gases by locking in cost-effective investments in energy efficiency.”

“Our ultimate goal, of course, remains to shift away from fossil fuels entirely, and especially from Canadian tar sands crude oil,” said MCEA Executive Director Scott Strand. “However, petrochemical plants, including the Rosemount refinery, are currently expanding so we have to take steps right now to reduce the potential negative air- quality effects of these expansions.”

The details of the agreement are as follows:

### ***Energy Efficiency:***

Flint Hills has agreed to cut greenhouse gases by about 52,000 metric tons per year—about a fifth of the total expected increase from the project. Those cuts include:

- ~ **24,000 metric tons** - New and modified heaters will be required to maintain an exhaust gas temperature that is at or below 350°F during normal operations, to ensure that higher temperature gases are recycled instead of wasted.
- ~ **8,000 metric tons** - Coker units will be improved to recover more fuel gas.
- ~ **20,000 metric tons** – A crude unit will be modified to capture more waste heat.

Flint Hills will also conduct two energy audits at the refinery to identify potential improvements to reduce greenhouse gases and other pollutants while lowering operating costs at the same time.

### ***Emission Limits and Monitoring:***

FHR has agreed to cap cooling tower emissions of volatile organic compounds to no more than – 20.32 tons per year, by promptly repairing leaks identified through state-of-the-art monitoring. Emission reports from Texas refineries show that cooling tower leaks can release more than a hundred tons of these smog forming chemicals to the atmosphere in a single year. The agreement also locks in tighter emission limits for sulfur dioxide and will ensure particulate emissions from the plant's catalytic cracker are accurately measured.

### ***\$1 Million Investment to Reduce Soot and Smog:***

FHR also will contribute \$1 million to the Environmental Initiative's Project Green Fleet, a diesel engine retrofit program that has already reduced fine particulate emissions in Minnesota by the equivalent of taking 350,000 cars off the road. MCEA will work with Flint Hills and Environmental Initiative to coordinate Project Green Fleet's expansion.

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### **About EIP**

EIP (<http://www.environmentalintegrity.org>) is a nonpartisan, nonprofit organization established in March of 2002 by former EPA enforcement attorneys to advocate for effective enforcement of environmental laws. EIP has three goals: 1) provide objective analyses of how the failure to enforce or implement environmental laws increases pollution and affects public health; 2) hold federal and state agencies, as well as individual corporations, accountable for failing to enforce or comply with environmental laws; and 3) help local communities obtain the protection of environmental laws.

### **About MCEA**

MCEA is a nonprofit organization that uses legal, legislative and scientific expertise to protect Minnesota's environment, natural resources and the health of its people. Founded in 1974, MCEA advocates for sound environmental policies which provide positive, long-term solutions to the most critical environmental issues facing Minnesota. MCEA is the leading legal voice protecting Minnesota's environment, with deep organizational expertise that includes some of the foremost environmental law and policy professionals in the state.

**For more information:**

Scott Strand, Executive Director  
Minnesota Center for Environmental Advocacy  
651-223-5969 (office)  
612-386-6409 (cell)  
sstrand@mncenter.org

Eric Schaeffer, Executive Director  
Environmental Integrity Project  
202-263-4443 (office)  
eschaeffer@environmentalintegrity.org