

Flint Hills Resources has owned and operated the North Pole Refinery and terminal since 2004, as well as products terminals in Fairbanks and Anchorage.

The North Pole Refinery, located southeast of Fairbanks, has a crude oil processing capacity of about 220,000 barrels per day. The refinery produces various petroleum products for supply to Alaska markets, including gasoline, jet fuel, heating oil, diesel fuel, gasoil, and asphalt. About 60 percent of the refinery's production is destined for the aviation market.

The Anchorage terminal receives products from the refinery via Alaska Railroad tank cars, annually offloading about 20,000 rail cars. That product is then distributed locally and to locations along Alaska's coastline. Constructed in 1965, the Anchorage terminal can store more than 700,000 barrels. A pipeline system extends from the terminal one-half mile to the Port of Anchorage and enables bulk fuel transfers to and from other terminals and vessels berthed at the Municipality's petroleum, oil and lubricants docks. The terminal loads an average of 5 to 10 vessels annually.

Flint Hills Resources has about 170 employees within the state. Employees of Flint Hills Resources are engineers, chemists, plant operators, firefighters, office workers, safety specialists, computer specialists and maintenance reliability specialists.

Background

Flint Hills Resources, LLC, through its subsidiaries, is a leading refining and chemicals company. It markets products such as gasoline, diesel, jet fuel, ethanol, biodiesel, olefins, polymers and intermediate chemicals, as well as base oils and asphalt. The company, based in Wichita, Kan., has expanded its operations through capital projects and acquisitions worth more than \$6.4 billion since 2002. With more than 3,800 employees, Flint Hills Resources strives to create value for customers and society.

Flint Hills Resources refineries in Alaska, Minnesota and Texas produce a wide range of fuels that are transported through proprietary and common carrier pipeline systems, stored in strategically located terminals, and marketed to wholesalers and retailers throughout the United States. Ethanol plants in Iowa have a combined annual capacity of 435 million gallons of ethanol. The company's chemical business includes production facilities in Illinois, Michigan and Texas. These plants produce aromatics, olefins, polymers and intermediate chemicals. The company also owns an interest in a base lube oil facility in Louisiana and has made equity investments in bioenergy companies, and operates a biodiesel plant near Fort Worth, Texas.

Safety and Environmental Commitment

Flint Hills Resources is committed to operating in a manner that protects the health and safety of its employees, the public and the environment. The company strives for 100 percent compliance while meeting the expectations of the communities in which it operates.

- The North Pole Refinery has earned numerous safety awards from the American Fuel & Petrochemical Manufacturers, including Meritorious Safety Performance and Gold awards.
- Flint Hills Resources has committed to ensuring Alaskans have access to clean fuels. The company has retrofitted its fuels terminals in Fairbanks and Anchorage to handle low sulfur fuels. Low-sulfur fuels produced at Flint Hills Resources' Minnesota and Texas refineries have helped reduce emissions and improve air quality in the communities where they are available.
- The company's success at reducing flaring earned a Clean Air Award from the U.S. Environmental Protection Agency in 2004, and it continues its efforts to reduce emissions at its plants, especially during periods of startup,

shutdown and malfunction. The company completed a four-year collaborative effort with the U.S. Environmental Protection Agency to develop and share best practices aimed at reducing emissions during these periods.

- In 2010, the company's overall refinery operations criteria air emissions per barrel were 64 percent lower than the average among peer refiners (based on latest comparison data available¹).
- The North Pole Refinery's operations teams have developed and implemented more efficient processing methods that decrease production costs and save energy.
- Employees formed the Alaska Safety Committee in 2011, with a vision to promote an employee-driven safety culture. The committee is developing a behavior-based safety process tailored to the unique Alaska operations.

Community Commitment

Flint Hills Resources is committed to understanding the needs of the community. It participates in projects and activities that add value to its neighbors, and improve the quality of life. The University of Alaska College of Business and Public Policy recognized Flint Hills Resources as the 2008/09 Outstanding Corporate Citizen of the Year. The North Pole Refinery was also honored by the Association of Fundraising Professionals with the 2006 Outstanding Philanthropy Award for its community involvement.

Fairbanks North Star Borough Library Summer Reading Program

Flint Hills Resources has long supported this program that encourages children to read during the summer. Kids also enjoy games, prizes and library events.

University of Alaska

Flint Hills Resources donated \$200,000 between University of Alaska Fairbanks (UAF), University of Alaska Anchorage (UAA), University of Alaska Southeast (UAS), and Alaska Pacific University. Programs supported include: Experimental Economics at UAA, the Alaska Summer Research Academy and the Engineering E-Week at UAF, and the Students of Free Enterprise at UAS.

University of Alaska Museum of the North in Fairbanks

The company has an ongoing partnership with University of Alaska Museum of the North, donating \$200,000 in the last six years. Flint Hills Resources serves as the corporate sponsor for the museum's school tour programs and the earth sciences lab, which is one of 10 key research laboratories in the expanded museum.

Alaska Bird Observatory

The company supports the observatory's educational programs, including sponsoring the Flint Hills Family Fun with Birds programs, and supporting the Alaska Bird Camp for youth. The observatory also provides materials for visiting educators and students such as the Boreal Forest Songbirds of Alaska teaching units and a songbird activity book to advance the appreciation, understanding and conservation of birds and their habitats.

Ice Alaska

The company has been the title sponsor of the Flint Hills Resources Kids Ice Park in Fairbanks for many years. This annual family event promotes cultural and artistic exchange through elegant ice exhibitions.

Alaska Children's Trust

Flint Hills Resources continued its sponsorship of the annual Mush for Kids family event in 2011. The organization seeks to eliminate child abuse and neglect by stressing the importance of healthy families, healthy children and a safe community environment.

Interior Alaska Green Star

The company supports and participates in Interior Alaska Green Star Program that encourages households and businesses to practice waste reduction, energy conservation and pollution prevention. Each year, the company's IT department collects and recycles unwanted electronic equipment..

The Nature Conservancy

As part of its commitment to environmental stewardship, Flint Hills Resources supports The Nature Conservancy's efforts in Alaska including conserving wild salmon, restoring seabird habitat, sustaining forests and estuaries.

Other community involvement

Big Brothers Big Sisters Alaska

Boys & Girls Club

Boy Scouts of America

Fairbanks Community Food Bank

Fairbanks Amateur Hockey Association

Fairbanks Light Opera Theatre Junior's Summer Program

Fairbanks Summer Arts Festival

Girls Scouts

Junior Achievement

Nordic Ski Club of Fairbanks

Running Club North

United Way of Tanana Valley

Communicating With Neighbors

Flint Hills Resources believes open communication with neighbors is paramount. As a result, the company actively sponsors and participates in community advisory groups.

The company's North Pole local community advisory council provides two-way communication between the community and Flint Hills Resources about area needs and refinery projects. The company also works closely with the Government Hill Community Council in Anchorage. This council includes residential neighbors and other industrial users at the Port of Anchorage and fosters communication and cooperation between residents and industry.

Contact:

Jeff Cook

Regional Director of External Affairs

Phone 907.488.5104

FAX: 907.488.0074

E-mail: jeff.cook@kochps.com

¹ Emissions data calculated using publically available data from state or federal environmental departments.