

SmartFacts

Class of 2005 Discovery Scholarship recipients include: Amy Carlson and Brandon Wexler (Apple Valley H.S.); Stephen Foertsch and Jessica Severson (Eagan H.S.); Paul Hanninen and James Hohmann (Eastview H.S.); Michael Blissenbach and Johanna Portinga (Hastings H.S.); Benjamin Dill and Jacqueline Heard (Henry Sibley H.S.); Joscelyn Cecchini and Alex Ringeisen (Lakeville H.S.); Marissa Johnson and Rachel Tucker (Park H.S.); Amber Gilbertson and Joshua Udermann (Rosemount H.S.); Alicia Gramling and Philip Harris (School of Environmental Studies); Brent Clifford and Allyson Wegwerth (Simley H.S.); Andrew Erickson and Matthew Wilken (South St. Paul H.S.); and Ryan Dobbs and Bryant Moquist (Woodbury H.S.).

DISCOVERY SCHOLARSHIPS

Graduates Take the Spotlight at Annual Scholarship Banquet

The 14th annual Flint Hills Resources Discovery Scholarship Banquet recognized the outstanding accomplishments of 24 graduating seniors from 12 neighboring high schools. These young adults held leadership positions and achieved numerous honors throughout high school, which were highlighted during the banquet on June 7 at the Science Museum of Minnesota.

Each of the 24 scholarship recipients received \$2,500 to help fund their post-secondary education expenses. They also left with some inspirational words of

wisdom from keynote speaker Dr. David Metzen. Dr. Metzen was a teacher, principal and superintendent of South Saint Paul public schools for more than 30 years. He gives motivational speeches to educators, students and business people around the country. Dr. Metzen also serves as the chairman of the University of Minnesota's Board of Regents.

The Discovery Scholarship program has awarded more than \$450,000 to 240 high school

graduates. The Flint Hills Resources scholarship criteria includes: entrepreneurship, community involvement and academic success.



COMMUNITY ADVISORY COUNCIL

Refinery Adopts New Emergency Call-Out System

In partnership with the Community Advisory Council, the City of Eagan and Qwest, Flint Hills Resources will implement a new call-out system that will allow it to communicate quickly with neighbors in the event of an emergency at the refinery. Flint Hills has held meetings with neighbors about the system and plans to test it later this summer.

EPN – or Emergency Preparedness Network – enables Flint Hills to quickly notify nearby residents and businesses in the event of an emergency. EPN delivers a recorded phone message almost simultaneously to everyone within a three-mile radius of the refinery. The system can leave a message on voicemail or answering machines, or a call back will be initiated if there is a

busy signal or no answer. Qwest developed the system.

According to Steve Sandberg, five-year CAC member and chair of the council's safety committee, the call-out system utilizes the 911 database, which is updated daily. Only local and regional governments have access to these frequent changes. He noted that the city of Eagan's willingness to work with the CAC was critical in making the EPN program come to life for the refinery and its neighbors.

"We've accomplished a major initiative, yet this system wouldn't be possible without Eagan's partnership," explained Sandberg. "The city was looking for similar technology to alert its residents in the event of a city-wide emergency. They did

a lot of the same research we did, and in the end we came together to make use of a wonderful system."

Refinery manager Jeff Wilkes was impressed with the integrated effort between the CAC, Eagan and Flint Hills. "We're pleased to see the work on a call-out system come to fruition. We'd like to thank the city of Eagan for enabling us to use their infrastructure, and the CAC for their commitment to helping us improve our communications capabilities with neighbors."

For more information about the Community Advisory Council or to inquire about becoming a member, please call Michael Sutz at 651/429-8391.

CommunityMatters

Summer 2005

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CommunityMatters

for friends and neighbors of the Pine Bend Refinery



Summer 2005



Masked Paraders:

These creative kids marched in the ARTmoves Parade, just one of the many amazing events that took place during the Flint Hills International Children's Festival in Saint Paul earlier this summer. Discover more great photographs and event highlights on page 6.

Refinery to Begin Work on Water Reuse Project

Earlier this year, our company made an important decision regarding additional water resources for new processing units currently being constructed at the refinery. First, some background.

Last year our company announced plans to meet new federal regulations to produce cleaner diesel fuel. Starting in 2006, diesel fuel must meet a maximum sulfur standard of 15 parts per million (ppm), compared to the current maximum of 500 ppm. According to the EPA, changing to cleaner diesel fuel and engines will be the equivalent of eliminating the air emissions from 13 million of today's trucks nationwide.

To produce this new cleaner diesel fuel, Flint Hills is currently building two new processing units, which require additional water. We evaluated several water supply options, including increasing the groundwater appropriation through a new well and several alternatives for reusing water. We strive to use water efficiently in our refining process in order to conserve as much as possible. Being good stewards of water resources is important to us, and we know it is important to the community.



Jeff Wilkes

That is why I am pleased to report that we have decided to pursue one of the water reuse options we were evaluating. We will be reusing the refinery's treated wastewater to supply these new processing units with the additional water resources they require.

We believe this is the best solution and helps continue our facility's water conservation efforts. The water reuse project we've adopted will cost approximately \$3 million more than drilling a new well, including associated infrastructure upgrades. A new treatment process will be built to further treat the additional amount of water needed.

We had several discussions with community members as we evaluated our water needs and options for this project. I appreciate the feedback and response we received from neighbors, and am pleased to share the final outcome with you as we move forward with our plans.

Jeff Wilkes,
Refinery Manager and
Vice President of Minnesota Operations



Construction is underway on the new processing units that will produce cleaner diesel fuel to meet new federal requirements starting in June 2006. The new units are scheduled to be completed next spring.



INSIDE THE REFINERY

Growing Fuel Demand Drives Project to Increase Crude Capacity

Flint Hills Resources announced plans to increase its crude oil processing capacity at Pine Bend Refinery to help meet the growing need for fuel products in Minnesota and the Upper Midwest. The purposed \$100 million capital project will require 100-150 construction jobs and is targeted for completion by 2007.

"It has been well reported that demand for petroleum products continues to grow while U.S. refining capacity has remained relatively flat," said Dave Robertson, president of Flint Hills Resources. "Increasing our crude oil

processing capacity is essential to meet growing demand for both diesel fuel and gasoline, which is projected to grow throughout the rest of the decade in the states we serve."

In fact, demand in the five-state area for light products, such as gasoline and diesel fuel, increased by about 2 percent per year between 1997 and 2004. The company expects consumers to maintain that rate of usage throughout the decade.

The increase in capacity – from the current 280,000 barrels of crude oil per day

to 330,000 barrels per day – will require modifications to an existing crude oil processing unit. Flint Hills will seek the necessary state and local permits in 2006, and plans to go on-line with the new production levels in 2007.

The project will also allow the company to utilize the increasing supply of Canadian crude oil. Western Canadian crude oil production is expected to expand by more than 1 million barrels of oil per day over the next five to seven years.

Ready for a Good Time

Mile 9 water stop volunteers with Flint Hills kept plenty of filled cups within reach for marathon participants.



Cheers and words of encouragement from these young fans help runners stay the course.

Runners and volunteers representing Flint Hills Resources will take everything in stride as they participate in the 24th annual Twin Cities Marathon on Sunday, Oct. 2. The marathon attracts a diverse field of runners from around the world as well as a quarter-million cheering fans who line the course from downtown Minneapolis to the State Capitol in St. Paul.

Last fall, Flint Hills' Blue Planet employee team participated in the Corporate Challenge Marathon competition finishing seventh out of 19 teams with an overall time of 17:15:12. Team members included: Kirk Walztoni (2:53:02), Wes Turybury (3:22:02), Anne Walztoni (3:26:58), Lynn Kram (3:40:03), Geoff Glasrud (3:53:07), Tim Gordon (4:23:27), and Maynard Wellman (4:36:40).

In addition, the refinery's 5K Corporate Challenge team ranked fourth out of 12 teams. Members included: Joe Koerner (20:18), Pete Cooley (22:16), Don Fritz (22:34), Tim Gordon (22:52), Eric Bergman (23:25), Don Kern (24:14), Randy Lyons (24:21), Mark Heuer (24:26), Chris Eager (26:29). This marked the first time Flint Hills organized a 5K Corporate Challenge group of runners.

And, more than a dozen employees helped runners stay the course – and keep their cool – by doling out water and words of encouragement at the race's mile 9 water stop. KOOL 108 radio brought the tunes via their remote van, and even student athletes from Apple Valley and Eagan High Schools' cross country teams were on hand to lend support.



FastFacts

- The Twin Cities Marathon is a pacesetter in its own right:
 - ▶ ranks among the top 10 marathons in the U.S. in size
 - ▶ the 26.2 mile course begins at the HHH Metrodome in Minneapolis and ends at the State Capitol in Saint Paul
 - ▶ offers runners the fourth-largest prize purse (\$327,000 in 2004)
 - ▶ its field of 10,000 runners filled up in only 29 days this year
 - ▶ more than 5,000 volunteers help fuel the excitement
 - ▶ Runner's World magazine named the Twin Cities Marathon "America's Best Organized Marathon"

Again this fall, Flint Hills will continue its tradition of sponsoring a water stop along the marathon's 26.2 mile course.

Left to right is Scott Brener, Commissioner, Minnesota Department of Labor & Industry; Rick Johnson; Roslyn Wade, Assistant Commissioner; and Claudia Scott Welby, Board Chair, Minnesota Safety Council



Governor's Award of Honor

Rick Johnson, PACE Union (second from left), accepts the Governor's Award of Honor for safety performance on behalf of Flint Hills Resources' employees. The award was presented by the Minnesota Safety Council at their annual Health & Safety Conference in May. The Award of Honor is the highest level of achievement and was presented to 43 Minnesota companies.

Refinery Receives Environmental Award

In May, Flint Hills Resources received an award for its efforts to reduce emissions and for developing a website with the Minnesota Center for Environmental Advocacy (MCEA) to report the refinery's emissions data. Flint Hills received the award jointly with MCEA in the category of private sector innovation. The award was presented by the Minnesota Environmental Initiative (MEI), an organization that builds innovative partnerships to develop solutions to Minnesota's environmental problems. MEI works with nonprofit, business and government partners to develop consensus on critical issues and move collectively toward action that has positive environmental impacts.



Physics students from Simley High School worked alongside Pine Bend Refinery engineers to gain firsthand knowledge of how a refinery really works.

Learning Beyond The Books

Employee volunteers spent time with aspiring Simley High School physics students recently as part of Flint Hills' ongoing mentoring program called Engineers in the Schools that gives juniors and seniors a glimpse at what a career in the engineering field is really like.

In the classroom, Annie Forsberg, Mike Johnson and Tom Church worked with students on an actual refinery engineering challenge. Students were divided in to teams and were charged to come up with the right recommendation to best manage the project. Employee mentors provided the technical data and background to the teams; students then applied their knowledge in a real-life setting and create a plan that works.

The program also included a tour of Pine Bend Refinery. Jeff Roe, Cinda Lohmann, Jim Bishop, John Madison, Chris Rapp and Ambrey Gartner welcomed students and offered them a glimpse of the important roles employees play to keep the refinery running safely seven days a week, 24-hours a day.

Excellent Performance Recognized

The Minnesota Pollution Control Agency (MPCA) recently presented a 2004 Operator Award to Flint Hills Resources and recognized Pine Bend Refinery employees who help manage the onsite Waste Water Treatment Plant. Congratulations to all employees from a variety of departments who work together to help ensure this excellent level of performance.

The refinery holds a National Pollutant Discharge Elimination System (NPDES) Permit for its Waste Water Treatment Plant. The permit requires that plant operators meet all requirements for treated effluent (water released from the plant into the Mississippi River). Historically, award recipients have been municipal treatment plant operators. Very few industrial facilities have met the MPCA's selection criteria.



A sleepover at the Science Museum takes on a whole new level of excitement when it's hosted by prehistoric pals like this dinosaur skeleton.



Future scientists from St. Peter School in St. Paul participated in the Science Rocks! program, which included a learning adventure at the Science Museum. Here students pose with Senator Chuck Wiger (back row, right), Representative Leon Lillie (back row, middle) and Dave Chittenden, Science Museum Vice President of Education (back row, left).



These two bright EN Norgaard Elementary students from Glenwood took a break during their busy museum field trip.



Long Prairie Elementary students also participated in the Prehistoric Camp-In where they packed their pillows and sleeping bags and dozed with the dinosaurs.

Imagine sleeping beside an 82-foot-long skeleton of a Diplodocus dinosaur, or eating your breakfast cereal next to a fossil of a giant saber tooth cat that was discovered in South Dakota. This type of learning, adventure and discovery for 3,500 Minnesota school children is part of an ongoing educational outreach effort between the Science Museum of Minnesota and Flint Hills Resources. The museum's exhibits become a hands-on classroom, and the kids experience first hand the wonders of science.

Science Rocks! has kids from both rural and urban schools researching all aspects of the earth's ever changing landscapes over millions of years. Second- through sixth-grade students attend Science Rocks! assemblies at their schools led by Science Museum staff. The budding

scientists study the stories rocks tell about mountains, volcanoes, earthquakes and our own Minnesota terrain. As part of the partnership, Flint Hills sponsors these types of programs that bring museum teachers to elementary schools in communities throughout Minnesota that might not otherwise be able to take advantage of the museum's resources.

Then, comes the fun part. Kids pack their sleeping bags and set off on an overnight field trip with their classmates. Better known as a Prehistoric "Camp-In," students explore the museum and experience Minnesota's own world-class collection of dinosaurs and fossils.

"By participating in hands-on science experiments, students add a whole new dimension to what they're learning from their textbooks," said Dr. Eric Jolly, Science Museum president. "We're thrilled to bring this opportunity to students again this year after the tremendous response to last year's programs."

Science Rocks! began last year and funds assemblies and museum camp-ins for students representing schools in the Metro area and Greater Minnesota. Prior to this, Flint Hills sponsored interactive educational programs for schools near the refinery but has since expanded the reach.

"Helping children develop an interest in science and careers in engineering is important to both our business and the community as a whole," said Diane Koebele, Director, Northern Tier Public Affairs. "Flint Hills continues to sponsor various science educational initiatives in schools near the refinery, and we are building on that with Science Rocks! Because the refinery provides petroleum products statewide, it seemed only natural to offer this science education opportunity to schools throughout Minnesota."

Kids Snuggle Up To Dinosaurs For Real, Exciting Learning

Fun Facts

Learning about and acting like dinosaurs proved to be a dino-mite time for these kids from EN Norgaard Elementary.



The Science of Museum features a world-class collection of dinosaurs and fossils on display.

More than 1 million people visit the museum each year to participate in fun, interactive exhibits focused on science learning.

Flint Hills sponsors educational outreach efforts that bring museum teachers and learning tools to elementary schools, particularly in areas that otherwise might not have access to the museum's resources.

The Flint Hills program began in 2004 and funds camp-ins for 3,500 students from 11 Minnesota schools.

Check out www.smm.org for details on the Minnesota Science Museum's educational programs and special science exhibits!



These three boys from HOPE Academy in Saint Paul put their science smarts to the test - and had a little fun along the way.



Students from EN Norgaard Elementary, Glenwood, catch the excitement as they get a sense of how air currents work.



Minnesota Speaker Steve Sviggum got caught up in the fun. The future is looking bright for these students from Assumption Catholic School, Hibbing.



Dr. Eric Jolly, museum president, poses with the contingent from Assumption Catholic School, Hibbing, during their overnight adventure.



These young learners from Egin-Willville Elementary, Egin-Willville, were able to see how science works first hand, which is one of the greatest benefits of Science Rocks!

Festival performances showcased talented artists from around the globe who brought magic to Saint Paul through their music, drama, acrobatics and dance.



Phonk! by Scrap Arts Music turned on the fun with a high-energy percussion performance that included lively music from more than 25 sculptural instruments.

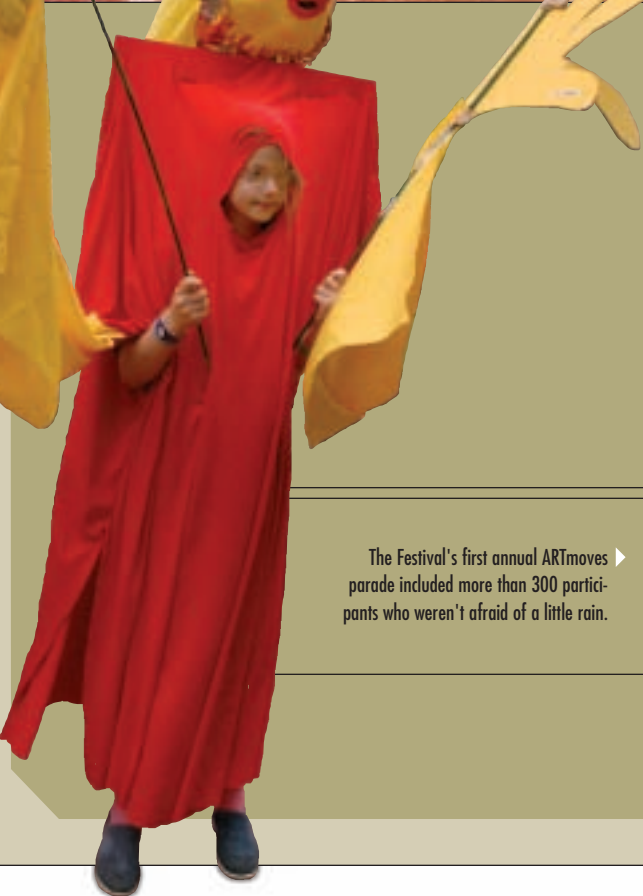
Festival entertainment during the six-day event came in all shapes, sizes and heights.

Encore! International Children's Festival Returns For Fun-filled Fifth Season

CHILDREN'S FESTIVAL

Children of all ages danced, wiggled, biked and clapped their way to the Flint Hills Resources 2005 International Children's Festival in downtown Saint Paul, May 31 - June 5. Presented by Ordway Center for the Performing Arts, the event drew premier artists and musicians from around the globe to entertain more than 33,000 fans with their amazing acts and abilities.

The regional festival celebrates the power of children's imaginations, and every year it has featured leading international performers who devote their professional careers to reaching out to kids. The 2005 Festival headliner acts included Phonk! by Scrap Arts Music, a high-energy performance that featured 25 different sculptural instruments at the Ordway Center Main Hall. Other popular performances included Grammy nominee Dan Zanes, Green Thumb Theater



Families filled their day at the Festival with fun art-making activities, from decorating theater masks to making tambourines. There were dozens of free hands-on crafts to keep young artists - and their imaginations - busy.

for Young People's The Shape of a Girl, and the Kevin Locke Native Dance Ensemble.

The two-part event began with a four day line-up reserved for school children who attended matinee performances at Ordway Center. Then, the weekend's activities opened to the public. New this year was the ARTmoves parade, which invited kids to decorate their bikes, strollers and wagons and roll through Rice Park. In addition, many families took in wide variety of free, hands-on activities at festival sponsors' booths located around the perimeter of Rice Park. Local musicians and performers - as well as international food favorites and the popular butterfly garden - were other event highlights.



Festival-goers didn't let the wet weather dampen their enthusiasm, especially this young visitor.



The Festival's first annual ARTmoves parade included more than 300 participants who weren't afraid of a little rain.

MINNESOTA ZOO

21 Tons of Fun

Each boys and girls enjoyed fun and sun by the shovel-ful at the Minnesota Zoo's 7th annual Tropical Beach Party in February. The Zoo grounds department trucked in approximately 21 tons of sand to fill an enormous sandbox - one big enough to accommodate the 11,803 visitors who stopped in to scoop up some summery excitement.

Kids were on the fast track to fun at the Zoo's annual winter warm-up event.



"The event was a huge success," said Judy Thompson, special events manager, Minnesota Zoo. "We're pleased to surpass our attendance goal, and best of all everyone really had a great time learning, playing and just enjoying the tropical-themed activities."

Other highlights included zookeeper talks featuring various animals that live in tropical areas of the world, such as the sun bear, lemurs and hornbill. Calypso music, coral reef feedings and face painting helped round out the three day event.

The Tropical Beach Party was presented by Flint Hills Resources as part of the company's ongoing support of Zoo programs. Flint Hills also provided 2,000 shovels and sand pails for the event.

Many children, like this young zoo visitor, stopped to watch the colorful fish and underwater life housed in the Minnesota Zoo's coral reef aquarium. The Zoo's 82,500 gallon tank holds more than 120 different kinds of tropical fish.



Scooping up the fun, this friend of the Zoo took time to try his newly acquired sand pail and shovel.



EDUCATION OUTREACH

Senior High Tech

Take in the excitement at a Science Olympiad event, and you'll quickly identify one of our greatest future energy sources: high schoolers with a knack for anything and everything science.

"Participating in the Science Olympiad is a great opportunity for Flint Hills Resources to invest in the future by encouraging students' interest in math and science,"

said Stephanie Williams, Pine Bend Refinery engineer. "I volunteer because I'm continually amazed by these scientific achievers enthusiasm and ingenuity."

From forestry and fossils to computers and chemistry, senior high school students compete in a variety of categories for medals, as well as an opportunity to compete at Minnesota's Science Olympiad event. They've got to think on their feet and conduct hands-on experiments while battling the science smarts of their peers from other school districts.

Last winter, teams from seven area schools participated in the Lake Conference Science Olympiad meet. According to Dale Heebel, physics teacher at Rosemount High School and Science Olympiad coach, students enjoyed the event. "Kids love the challenge. They practice and prepare in advance, but nothing tops the excitement on the big day of the competition."

One of the most popular Science Olympiad events is called Mission Possible, which according to Heebel, is similar to inventing a modern day mousetrap. Here, kids are challenged to build a complex Rube Goldberg-style contraption that performs a simple task. It combines creativity with engineering and requires

teams of 14 students to invent an original, sophisticated machine that does only one thing - such as popping a ping pong ball into the air.

Results of the Mission Possible event at the Lake Conference meet were: Eagan (540 points); Apple Valley (395 points); Eastview (225 points); Rosemount (170 points); Lakeville (80 points); Chaska and Jefferson tied.

Flint Hills Resources and its employees have supported the Lake Conference and Minnesota Science Olympiad competitions for more than a decade through funding and volunteerism.



The Science Olympiad's Mission Possible competition requires student teams to create a modern-day mousetrap by combining both their science knowledge and creativity.



Science Olympians compete for medals in a wide range of categories that test their brain power and ingenuity. Students also use teamwork and lots of enthusiasm to edge out their competitors.