

**Minutes of the Parkland Burnaby Refinery
Community Advisory Panel (CAP)
Wednesday, February 13, 2019
6:30pm – 8:30pm
Refinery Office (Boardroom) 355 North Willingdon Avenue**

PRESENT

Joanne Smith, Eileen Luongo, Al Mytkowicz, Aswinee Rath, Davis Vaitkunas, Kathy Mezei

Parkland Representatives:

Kel Coulson, Manager, Policy and External Relations; Alex Coles, Refinery Manager; Peter Turner, Strategic Projects Manager; Shannon Urquhart, Community Affairs Lead; Vicki Bowman, Environmental Team Lead; Jill Donnelly, Health, Safety and Environment Manager; Chad Groves, Facilities Planning Manager

Facilitator:

Catherine Rockandel, Rockandel & Associates

Guests: Michele Joel

Regrets: Rich Baerg; Dave Schick, Director, Policy and External Relations; Dr. Aamir Bharmal, Fraser Health; Darrell Wakelin and Jason Mushtuk, Regulatory Representatives, Metro Vancouver

CAP BUSINESS

1. Opening Remarks

- Catherine Rockandel welcomed CAP members. She provided an update on the Membership Sub-Committee recruitment process and welcomed guest Michele Joel as a potential CAP member
- Pete Turner shared that Kate Groves will be taking over the role of Operations Manager as he transitions into the role of Strategic Projects Manager. This will be Pete's last meeting with Kate attending the next meeting.

2. Parkland Updates

a. General Refinery Operations – Alex Coles

- 2019 is off to a safe and reliable start with no recordable injuries. We have marked over one million workforce hours without a recordable injury.
- Since our November CAP meeting we have had two environmental exceedances. On December 20, 2018 we exceeded our SOx permit limit in the SRU while we worked to resume normal operations following a BCHydro power dip during high winds. Last week we exceeded our SOx permit limit in the SRU during a maintenance activity due to the cold weather.

- At the end of January we began supplementing our light sweet crude intake using crude by rail due to challenges securing space on the Trans Mountain pipeline. Our main supply of crude remains from the pipeline.

b. Turnaround Update and Level One Notification – Alex Coles

- Our Turnaround began Feb 1, 2019 and will last approximately 30 days. You should have received an update in the mail in January outlining the scope of the Turnaround. We are completing maintenance on our Poly and Penex units. At this time our Turnaround is progressing smoothly; our biggest challenge has been the recent snow.
- You received a Level One Information Advisory about the Turnaround. Level One Advisories are routine notifications issued to our regulators when there are deviations in our normal operations that pose no immediate risk. Examples of this would be our Turnaround, or the natural gas curtailment we experienced in the fall.

c. Annual Emergency Response Drill Update – Alex Coles

- On January 17, 2019, we held our annual emergency response drill at the refinery. We practiced responding to a hypothetical diesel spill at our wharf.
- The focuses for these exercises are to practice response protocol, to test interfaces between refinery personnel and regulators, and to debrief after the drill to learn and fine-tune our processes. Our staff deployed response equipment on the water and stood up an Incident Command Post and practiced notifications.
- Other participants and observers at this drill included the Canadian Coast Guard, Tsleil Waututh First Nation, Western Canada Marine Response Corporation, the City of Burnaby, BC Ministry of Environment, Oil & Gas Commission and Transport Canada.

Comments and questions about the update:

C1: It may be helpful to send a legend noting the difference between Level 1, 2 and 3 Information Advisories. (See below.)

Level 1	Level 2	Level 3
<ul style="list-style-type: none"> • Planned activities or events with little or no anticipated external impact or potential to escalate • A minor event that can be effectively managed by refinery personnel • Notification is of an advisory nature only 	<ul style="list-style-type: none"> • Any moderate level event that has, or has the potential to result in, some level of off-site concern • Incident may require a degree of structured, on-site response involving Parkland’s Incident Response Resources 	<ul style="list-style-type: none"> • A major event requiring activation of Parkland Emergency Response Team and external response resources • Communication is conducted through Unified Command structure and a

	<ul style="list-style-type: none"> External reporting and notification to regulatory agencies required 	collaborative emergency response plan
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Q2: 2018 was a big Turnaround. Is it unusual to have another Turnaround so quickly?

A2: We complete Turnarounds annually. We space out proactive maintenance schedules on different processing units to have the least amount of impact on our operations from the Turnarounds.

Q3: I appreciate that Parkland sent the notice out about the Turnaround in advance but neighbours started seeing increased traffic and activity prior to the February 1 start date. What was that?

A3: That was preparation work. We can look to share additional updates in advance of the preparation work.

Q4: In the past there did not seem to be as much traffic during Turnarounds as there has been in the past couple of years. Were you not completing Turnarounds regularly?

A4: We have been completing Turnarounds regularly. We identify proactive maintenance we want to complete and cluster these jobs annually. Depending on the work being done, there may be more or less additional workers needed on site. In 2015 we identified a need for additional parking for Turnaround staff in order to keep them from using street parking, so we built the parking lot on Penzance Drive.

Q5: Can you release your capital expenditures to identify which years have been larger Turnaround years?

A5: The reports would not be broken down by Turnaround so they would not help to identify the scope of work. Part of the five-year plan that will be presented later tonight is to minimize large Turnaround events as we know it is not ideal for the community or for our staff.

d. Emergency Notification Process Updates – Jill Donnelly,

- Our pipelines that run between the refinery (A2) and our blending area (A1) are regulated by the B.C. Oil and Gas Commission (BCOGC). As part of some updated regulations, we are currently working with the City of Burnaby to solidify the process for emergency notification. We understand this topic is important to the CAP and we anticipate having more information to share at our meeting in May.
- Link to new regulations: <https://www.bcogc.ca/node/14641/download>

Comments and questions about the update:

Q6: Alex mentioned notifications were made during the emergency response drill. Were these to the public?

A6: No, those were notifications to our regulators as part of the drill.

Q7: Do you think the City is aware of the notification system being used in North Vancouver?

A7: They are likely aware of it.

Q8: Is a potential fire at the refinery going to be in the scope of your discussions with the City?

A8: We and the City are interested in discussing the facility as a whole.

Q9: Do the new BCOGC regulations apply to the Trans Mountain tank farm?

A9: The regulations apply to provincially-regulated pipelines. For Parkland, they apply to our pipelines between Area 1 and Area 2, and our pipeline that runs from the Trans Mountain Burnaby Terminal to our facility. Trans Mountain's Burnaby Terminal is regulated by the National Energy Board.

Q10: Would the public be informed about any notification testing that might occur?

A9: This is likely.

C11: Before we move on, I would like to mention that I am happy to see traffic control during the Turnaround [at the corner of Penzance and Willingdon]. The flaggers are efficient and courteous.

3. **Presentation – Facility Modernization** (Attachment One)

Chad Groves and Kel Coulson provided an update on the facility modernization.

Comments and questions about the presentation:

Q12: What is the logic for maintaining the Chevron brand at the pump and not Parkland?

A12: This was a conscious decision made to maintain consistency for the consumer. There is a quality of product and service expectation that the public has with Chevron.

Q13: Why did demand for crude oil go up?

A13: Demand from Washington state went up and they prefer receiving crude via pipeline than via marine given the heavy price discounts on Canadian crude, so they bought more line space. We all have apportionments, meaning we can only get a maximum percentage of the pipeline space. The province of B.C. uses about 192,000 barrels a day and Burnaby Refinery supplies 25% of that demand.

Q14: What is the difference between sludge and sewage?

A14: Essentially, sludge is solid and sewage is liquid. Sludge is what is left over after human waste is separated from water.

Q15: What is difference in the end product for co-processed fuel?

A15: The product itself meets the same performance specifications. However, the overall net emissions are lower because the co-processed fuel has a lower carbon intensity based on the renewable nature of the feedstocks, which is calculated using carbon life cycle analysis modeling.

Q16: What is the impact of co-processing on the neighbourhood in terms of emissions and odours? Will emissions go down?

A16: The refinery's local Greenhouse Gas emissions (GHGs) could rise because we are altering our processes to accommodate new renewable feedstocks. However, overall GHG emissions in the area would lower because the co-processed products that we're making ultimately have a lower carbon intensity than conventional fuel. We will still need to comply with our air permit from Metro Vancouver, which has stringent regulations for local air emissions. The air permit also stipulates continual emissions improvements, so we will be adhering to those standards.

Q17: What does that mean for us? Instead of oily smells will we smell french fries every day?

A17: We are still in the early stages of co-processing trials and will continue to monitor impacts like emissions and odours during our pre-commercialization trials in 2019. From our trials thus far using canola oil and tallow, we have not experienced an effect on emissions or odours. Odour management will remain a very important part of our planning. We should also note that we will not be converting sewage sludge into biocrude here at the refinery; this would be done offsite and we would intend to bring the bio crude into the refinery for processing.

Q18: What is the current employee headcount?

A18: A bit north of 400 for all Parkland employees B.C. In 2019, we will be moving some refinery and Vancouver-based employees to a new office location in the Brentwood area.

Q19: Where will the new tanks go?

A19: We are still working out the details, but in general we anticipate the Area 1 tanks will be located to the north of this room that the meeting is in. We plan to remove a number of smaller tanks and replace them with fewer, larger tanks that can accommodate co-processing feedstocks and final products. In Area 2 we are considering adding tanks to hold co-processing feedstocks close the co-processing units.

Q20: Will there be the same number of tanks at the end?

A20: We anticipate fewer tanks than we have today. The new tanks would be larger but more efficient (e.g. less total seal area would mean fewer emissions). We can bring better visuals to our next meeting.

Q21: What will the tanks be made from?

A21: Carbon steel or stainless steel, depending on the feedstocks/products being stored.

Q22: Does Parkland have any co-op marketing plans?

A22: No, Parkland is a publicly-traded company.

Q23: Do you bring a lot of inbound products through the wharf?

A23: Not often. Most product is moving outbound to Vancouver Island.

Q24: What products do you bring in through the wharf?

A24: Typically products move out over the wharf, but we do bring in some products over the wharf including finished gasoline and gasoline blend stocks, distillates and intermediate feedstocks so we can balance the refinery needs and ensure products are available to our customers.

Q25: I noticed some rail cars say 'Procore' on them. What product is that?

A25: It is not a product, that is the name of the company that makes rail cars.

Q26: Do you ever send empty railcars back?

A27: It depends on what we are bringing in; sometimes, yes

C28: You mentioned that you will be moving employees to new offices in the Brentwood area. This might be an opportunity to provide more outreach about the refinery. For example: you could create a kiosk at Brentwood Mall about the people and products at the refinery as a communications/education activity.

C29: I also think it would be great to bring the Open House back in the future when things are further along with the modernization. People in the neighbourhood would be interested in what the refinery is doing.

C30: Can we add a standing item on the CAP agenda related to modernization updates? Similar to how we used to get updates on the SEEP.

4. **Metro Vancouver Update** – No Update as MV not in attendance
5. **2019 CAP Meeting Schedule** – Catherine Rockandel
 - May 15, 2019
 - September 18, 2019
 - November 20, 2019 (Public Meeting)
6. **CAP Membership Sub-Committee Report** – Joanne Smith and Aswinee Rath
 - An overview of the interview process and application of Michele Joel was provided to CAP. After discussion CAP voted to accept the application.

- The Membership Sub-Committee also interviewed another CAP applicant. This person is not available to attend CAP until May, so their application will be reviewed at that meeting.

7. **CAP Q&A**

Q31: Parkland could ask the Heights Merchants Association to see if they'd know anyone who might want to join?

A31: Good idea. We can also advertise in the Neighbourhood News. The newsletter cover story will also provide an update on our modernization plans.

Q32: Could you update the truck terminal entry building on Eton Street to look more inviting? Some west coast wood design could make it look more pleasing.

A32: We can look into that.

Q33: Has the SEEP disappeared entirely?

A33: The Perimeter Extraction System (PES) and The Foreshore Passive Treatment System (FPTS) that we installed have been effective and have slowed the seep significantly. The installation of these systems is ensuring that no impacted materials are seeping into Burrard Inlet. We are now in the Final Remedy stage of remediation. We can provide a brief update on this at our May meeting.

Q34: Is there a limit to the amount of renewable feedstock available?

A34: Due to current supply, yes.

Q35: Why do heavier products affect availability/space on the Trans Mountain Pipeline?

A35: Heavier products slow the line down due to the higher viscosity and limit the amount of physical space for lighter products like the sweet crude oil we can process. We cannot process those heavier products, but other refineries can.

ADJOURNMENT: Meeting adjourned at 8:34 pm



Action Item from Nov 21, 2018 public meeting:

Information about seismic standards:

Existing facilities and equipment at the Burnaby Refinery were designed and built in conformance with applicable building codes and standards in effect at the time of construction. New construction and equipment upgrades are designed to meet current applicable building codes and standards, including seismic standards.