

Date: April 14, 1999

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**Koch Announces Plan to Reduce Emissions By Another 50 Percent**

***Refinery also Establishes Aggressive Community Reporting Project***

*Rosemount, Minn.* - Koch Petroleum Group L.P. announced today a voluntary plan to cut emissions at its Rosemount refinery by an additional 50 percent over the next five years, continuing a decade-long record of environmental progress on emissions.

The program is expected to cost between \$10-20 million and will establish the facility as one of the lowest emitting refineries in the nation. Koch also outlined an aggressive effort to better enable Minnesotans to monitor its environmental performance through a unique partnership with the Minnesota Center for Environmental Advocacy (MCEA), an environmental advocacy group. The effort will lead to the development of an emissions reporting model with release of the results to the public.

Koch Petroleum Group President Jim Imbler said the "Fueling a Clean Future" announcement highlights the company's commitment to environmental performance. Koch produces 60 percent of the transportation fuels in Minnesota and Wisconsin.

"We plan to reduce emissions by 50 percent over five years not because it's required, but because it's the right thing to do," Imbler said. "We also plan to report our progress to the public every year, not because we have to, but because we want to. We're taking these steps because we believe that good environmental performance is good business."

Vice President of Minnesota Operations Jeff Wilkes, who joined the refinery six months ago as manager, said the company's plan will reduce the facility's annual emissions from 14,000 to 7,000 tons, continuing a record of success with lowering emissions. Wilkes pointed to these facts:

- In the past decade, Koch has reduced its emissions 55 percent overall, including 70 percent per barrel of oil produced, well in excess of regulatory requirements.
- Koch's Rosemount refinery is already the 12<sup>th</sup> cleanest among the nation's 50 largest refineries on an emissions per barrel basis.
- Koch produces 75 percent fewer emissions than the top emitting industrial facility in Minnesota and 25 percent less than the average among the top 20 emitting industrial facilities in Minnesota.

"Every employee at the refinery is focused on environmental excellence and enhancing our environmental performance," Wilkes said. "Reducing emissions is good for the environment, good for our neighbors, and good for Koch. It demonstrates how seriously we take our environmental responsibilities."

Koch and MCEA have agreed to develop a model emissions reporting system which is “accessible, understandable, and verifiable” by the public. Koch and MCEA will establish an oversight panel of experts, including a higher education institution, to check the data. The information will then be made publicly available on several Web sites.

“We have long been advocates of the public’s right to know. We believe the public should have easy access to accurate, understandable information on emissions,” said MCEA’s Executive Director Peter Bachman. “We hope to develop a model with Koch that can be used by other corporations and municipalities for emissions reporting.”

In preparation for the announcement, company officials also briefed the 19-member Community Advisory Council to Koch, formed late last year to provide a local forum to address questions and concerns. Koch will also be seeking input from the group as the emissions reduction plan is implemented.

Koch also has made significant environmental progress since signing a stipulated agreement with the Minnesota Pollution Control Agency (MPCA) in May, 1998. Since then, Koch has:

- Spent \$36 million on environmental improvements and upgrades. Koch announced in January, 1998 that it would spend \$80 million, or “whatever it takes” to enhance environmental performance at the refinery. The emissions reduction costs are in addition to this investment.
- Completed 79 out of 79 environmental projects on time or ahead of schedule.
- Received a \$200,000 rebate from the MPCA for completing a key project early. Koch should receive another \$100,000 rebate, pending approval of a second project.
- Cut ammonia emissions to the Mississippi River by 94 percent. In fact, Koch is operating at just two percent of its MPCA-permitted ammonia level.
- Began or completed upgrades on 29 refinery storage tanks, nearly three times the number required to date by the MPCA agreement (10).

“The talented and hardworking men and women at this refinery deserve credit for the tremendous progress Koch has made under the MPCA agreement,” Wilkes said. “We are committed to addressing and correcting every remaining issue. We won’t be satisfied until our performance is among the very best in the industry.”

*Koch Petroleum Group provides 60 percent of the transportation energy and fuel products used in Minnesota and Wisconsin. It is a subsidiary of Wichita, Kansas-based Koch Industries, Inc. Koch Industries and its subsidiaries employ more than 16,000 people worldwide and are involved in virtually all phases of the oil and gas industry, as well as in agriculture, chemicals, chemical technology products, energy services, asphalt products, metals and minerals services, real estate and financial investments.*

*For more information, please refer to any of Koch’s Internet home pages at: [www.kochminnesota.com](http://www.kochminnesota.com), [www.kochind.com](http://www.kochind.com) or [www.kochenvironment.com](http://www.kochenvironment.com)*

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