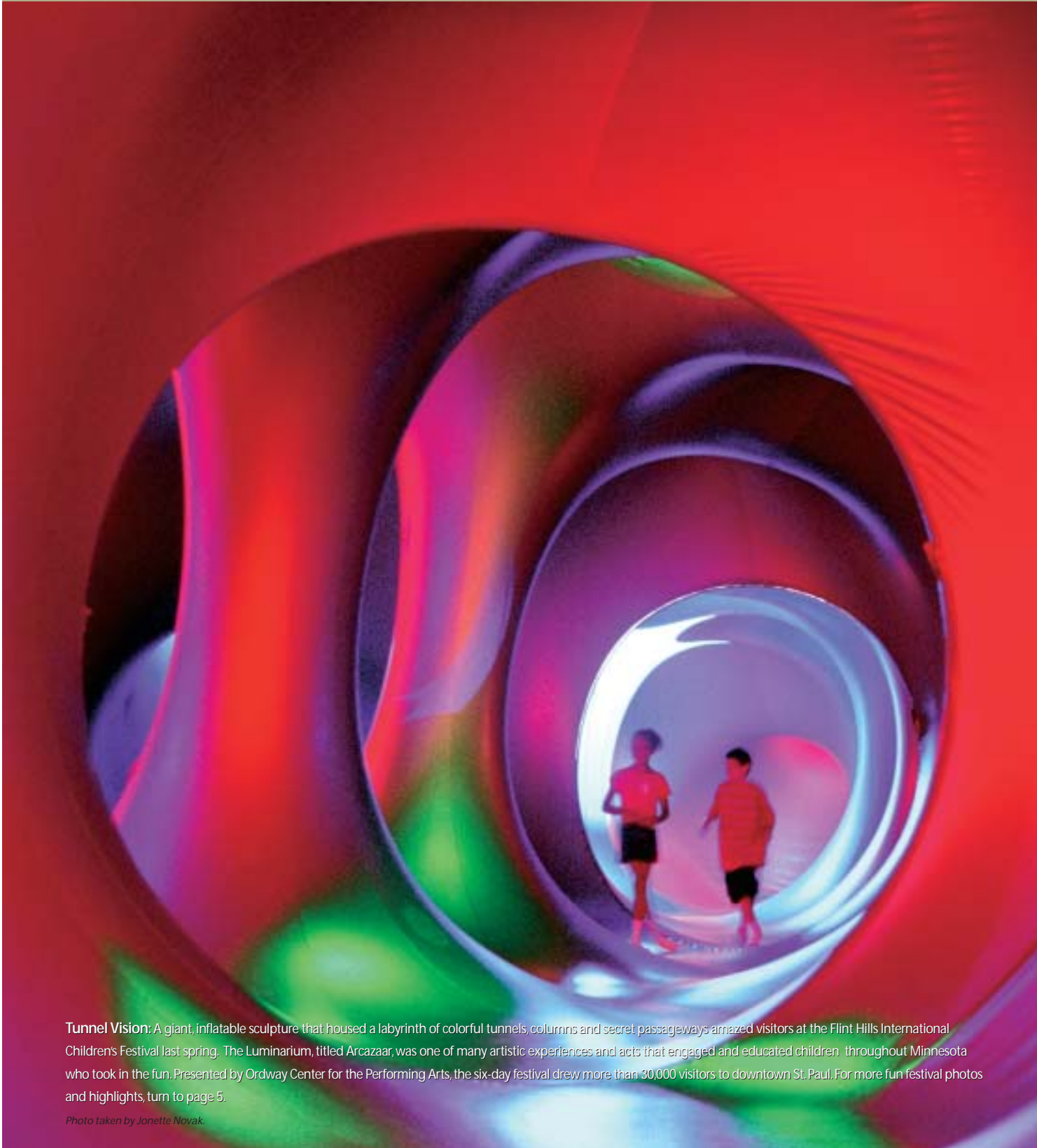


CommunityMatters

for friends and neighbors of the Pine Bend Refinery



Fall 2003 • Volume 5, Number 2



Tunnel Vision: A giant, inflatable sculpture that housed a labyrinth of colorful tunnels, columns and secret passageways amazed visitors at the Flint Hills International Children's Festival last spring. The Luminarium, titled Arcazaar, was one of many artistic experiences and acts that engaged and educated children throughout Minnesota who took in the fun. Presented by Ordway Center for the Performing Arts, the six-day festival drew more than 30,000 visitors to downtown St. Paul. For more fun festival photos and highlights, turn to page 5.

Photo taken by Jonette Novak.

Fall Maintenance Work At Pine Bend

Driving by the refinery on Highway 52 in recent weeks, you probably noticed numerous cranes and increased traffic in the mornings and evenings. It's been a busy time at Pine Bend because of a scheduled turnaround, which means we shut down a number of refinery units for periodic routine inspection, maintenance and repair.

Turnarounds are an intense period at a refinery. Many Flint Hills employees worked over 12 hours a day, seven days a week during this period. And, one thousand contractors were on site to help get the work done.

This fall's scheduled maintenance was one of the biggest we have conducted at Pine Bend and required several years of planning. Many aspects of it were big, most notably a 420-foot crane that performed several important lifts during turnaround (see more facts on the crane below).

During a turnaround, we replace equipment before it breaks down, which is critical in order to operate a reliable refinery. Unexpected equipment breakdowns can potentially create a threat to safety, an environmental incident or a large loss in production. It is much better to perform scheduled maintenance work to avoid those problems and plan accordingly for reduced production. Each area of the refinery is on a scheduled maintenance cycle.

In order to shutdown refinery units safely so that they can be worked on, it is sometimes necessary to use the flare. Flaring



Jeff Wilkes

prevents over-pressurizing equipment and also safely disposes of refinery process streams, like hydrocarbons. We did our best to control flaring, but during major maintenance work, such as our recent turnaround, we cannot eliminate all flaring.

The planning that goes into a turnaround focuses not only on the work to be done, but also how it is done. Excellent safety and environmental performance are two important criteria we use to measure whether or not a turnaround is successful. Significant planning and training for both Flint Hills and contract employees is done to make sure everyone has the tools they need to perform work safely and minimize environmental impacts.

This fall's turnaround was also an important part of our effort to reduce refinery emissions by 50 percent in 5 years. We installed new pollution control technology on some equipment, which will result in a significant reduction in the refinery's air emissions.

Jeff Wilkes,
Refinery Manager and
Vice President of Minnesota Operations

COMPANY NEWS

Crane Facts

Anyone passing by the Pine Bend Refinery in September couldn't miss a tall crane towering above the refinery stacks. The world's largest outrigger crane, owned by Deep South Crane & Rigging Company, was on site to help with maintenance work. The 2500-ton pedestal crane came to Minnesota by barge, and it took 130 truckloads to bring it up from the barge to the refinery.

About the Crane

Boom:	420 feet
Mast:	240 feet
Counterweight:	2.6 M lbs.
Rope Fall:	4 tons
Rigging:	8.89 tons
Blocks:	15.58 tons
Cable:	8 miles



Flint Hills Resources Focusing on Growth

Flint Hills Resources recently invested in a Louisiana base oil facility, making good on growth plans announced when the company was formed – and assumed its new name – in 2002. Base oil is a primary stock for lubricants such as motor oil.

In July, an investment in Excel Paralubes was completed, expanding Flint Hills' marketing expertise into a new area of the petroleum business. The base oil business is a natural extension of the company's refined products business. The facility is capable of producing about 21,000 barrels per day of Group II base oil.

"We emphasized that we wanted to position the company to take advantage of growth opportunities and be competitive with other independent refining and chemicals companies," said Dave Robertson, president and chief executive officer of Flint Hills Resources. "We're building on our entrepreneurial culture to anticipate market changes and cost-effectively meet our customers' needs."

Community News

Petroleum Loaders Earn Pinnacle Honors



Ten Flint Hills Resources employees with an eye for transportation safety received the 2002 Union Pacific Norfolk Southern Pinnacle Award. The team of PET (or petroleum) loaders includes: Bill Kuntz, Mario Verduzco, Bill Tavernier, Zane Langenfeld, Jeff Rink, Duane Lindquist, Jerry Hussman, Perry Lego,

Vance Ostby and Mark Walker. Union Pacific's award criteria requires customers to transport a minimum of 500 railcars in a calendar year without an incident, such as a non-accident spill or leak. Winners are graded on their equipment standards, inspection programs, safe loading techniques and proper procedure training. Flint Hills Resources successfully shipped 2,613 railcars last year. The company's PET loaders also earned the 2002 Norfolk Southern Thoroughbred Chemical Safety Award and the CSX Transportation Chemical Safety Excellence Award.

Science Booster

Flint Hills Resources recently announced it is elevating its involvement with the Science Museum of Minnesota. The company now serves as a premier sponsor, which means it will continue to participate in the Museum's popular School Outreach program by underwriting "family nights" in 20 Dakota County elementary schools. In addition, Science Museum visitors may recognize Flint Hills' corporate logo on the building and in the lobby. The new commitment builds on the organizations' six-year partnership and was jointly announced by former science museum president Jim Peterson and Jeff Wilkes at last spring's Community Partners Luncheon.



Honoring Heroes

An antique fire engine that represented Flint Hills Resources at numerous neighborhood parades and community events throughout the years now serves a greater role under ownership of the Minnesota Fallen Firefighters Memorial Association (MFFMA).

A 1955 Ford F-750 Fire Truck, which was

donated by Flint Hills last winter, will be used in full-honors funeral and memorial services for Minnesota firefighters killed in the line of duty. MFFMA provides planning and guidance support to families, fire department colleagues and friends of firefighters who experience a line-of-duty death. Visit www.mffma.org for information on their services.

Community Comments

On behalf of the Dakota County Explorer Post #523 thank you for your generous donation. The money raised will help to sustain and keep the program operating successfully...we appreciate and feel honored that you see what a worthwhile effort you are helping.

Thank you,
Explorer Post #523

As a member of the Minnesota Zoo Board, I want to thank Flint Hills Resources for the continuing support of the Zoo. Your most recent newsletter was another wonderful example of this support. I'd like to assure you that we, as a Board, appreciate this partnership.

Sincerely,
Ellie Crosby, Board member
Minnesota Zoo

Thank you for the Community Partner's distinction that Flint Hills Resources recently awarded to Inver Hills Community College...Your financial contribution to the college clearly proves the sincerity of your dedication to the community. As our system faces an uncertain financial future, I am deeply grateful for your generosity. I know that our students, many of them from Dakota County, will benefit directly as they pursue their science education... Thank you for being partners for progress for the Minnesota State Colleges and Universities and our state.

Sincerely,
James H. McCormick, Chancellor
Minnesota State Colleges and Universities

I am writing in appreciation for the Flint Hills Resources Discovery Scholarship I received and the wonderful scholarship banquet that accompanied it. I am currently enrolled at the University of Minnesota and plan to major in food science. After college, I hope to go on to medical school so I can pursue a career as a doctor... Your scholarship will help me in attaining a successful future. Thank you very much!

Sincerely,
Heidi Geisenhoff, Woodbury High School
Class of 2003

On behalf of the Goodhue County Habitat for Humanity, I wish to express our appreciation for the surplus trailer you made available to us...Having a trailer of our own will allow us to modify it to meet our specific needs for storage of equipment and supplies, which we have not been able to do with the trailers we have been renting... Goodhue Habitat for Humanity began in 1993, and is completing its 14th home for low-income families... Your gift will make a very positive difference in the efficiency of our operations and in turn multiply the efforts of our Habitat work force.

Sincerely,
Parker Quammen, executive director
Goodhue County Habitat for Humanity



A 1955 Ford firetruck was donated to the Minnesota Fallen Firefighters Memorial Association.

A Clean Sweep

Flint Hills Resources employees helped to clean up the Mississippi River last June during the second Mississippi River Relief – Big River Cleanup. On June 18, approximately 100 members of Pine Bend Refinery’s “cleanup crew” tackled a 10-mile stretch of shoreline and fished out tires, plastic bottles, cans and even abandon boats.

Their day’s work was part of a week-long cleanup effort that stretched 43 miles between Prescott, Wisconsin, and St. Anthony Falls in Minneapolis. A total of 70 tons of trash and debris were removed during the 8-day sweep.

The cleanup was led by Chad Pegracke, founder of Living Lands and Waters Foundation. Pegracke and his 6-person crew directed the operation, while 1,000 volunteers from around the Twin Cities area pitched in. By summer’s end, Pegracke’s boat and staff canvassed more than 400 miles along the Mississippi’s Upper Midwest corridor – from the Twin Cities south to Iowa’s Quad Cities.



Mississippi River Relief – Big River Cleanup brought more than 50 Minnesota businesses, environmental organizations and government agencies together to support this year’s cleanup. Flint Hills Resources sponsorship includes offering employees the opportunity to take a paid day off to help scour the river during the company’s assigned cleanup day, as well as in kind funding and donations.



Nearly 100 Pine Bend Refinery volunteers rolled up their sleeves and stepped into their waders to benefit Mother Nature during the Mississippi River Relief - Big River Cleanup.

- A. Paul Wright (facing camera) helped carry Styrofoam.
- B. Pat O’Conner and Mark Walker dragged abandon debris out of the river.
- C. Employee volunteers worked alongside cleanup organizer Chad Pegracke and his crew.
- D. Flint Hills employee Nate Kowalsky wheeled in a full load of trash.
- E. Refinery employees Kirk Walztoni and Mark Heuer fish a charcoal grill out of the water.
- F. Pegracke sits atop a pile of tires that volunteers pulled from the river.

Imagination Takes Flight at Children's Festival



Once upon a time performing artists from around the world journeyed to St. Paul to amaze children of all ages with mesmerizing acts and magical feats. From puppeteers and percussion ensembles to ballet and bead making, there was something every child could enjoy...

The 2003 Flint Hills International Children's Festival was a fairy tale in the making for the thousands of children – and children at heart – who took in the fun and festivities last spring. The third-annual festival presented by Ordway Center for the Performing Arts included eight original, kid-friendly performances that showcased some of the world's most talented dancers, actors, storytellers and musicians who specifically tailor their acts to children. Performing artists from France, Canada, England, Scotland, Africa and China engaged audiences with their amazing talents and energy.

Festival highlights included: Cinderella, a sold-out, magical puppet-show performed by Shona Reppe Puppets (Scotland); the Luminarium Arcazaar, a giant, inflatable sculpture created in England which featured a kaleidoscope of colors and interesting passageways; and Saint Paul's Rice Park was transformed into a World Party featuring food, music, arts and crafts with international flair.

"Once again, the Festival brought local families together to enjoy the best in international performing arts," said David Galligan, Ordway Center President and CEO. "It was such a pleasure to watch young children and their parents dancing to artists in the World Stage, smiling and laughing after watching a show indoors, and just spending precious time together in Rice Park. It's thrilling to know that through the festival we introduce families to the power of the arts."

"We are proud that the Children's Festival continues to be a creative kick-off to summertime fun for families in Minnesota," said Jeff Wilkes, Pine Bend refinery manager and vice president of Minnesota Operations. "The Ordway Center orchestrated another lineup of performances featuring shows and entertainment that engaged thousands of Minnesota children and families."

Fun With Numbers

Over 30,000 visitors – from Hinkley to Hawaii – took in the fun and entertainment

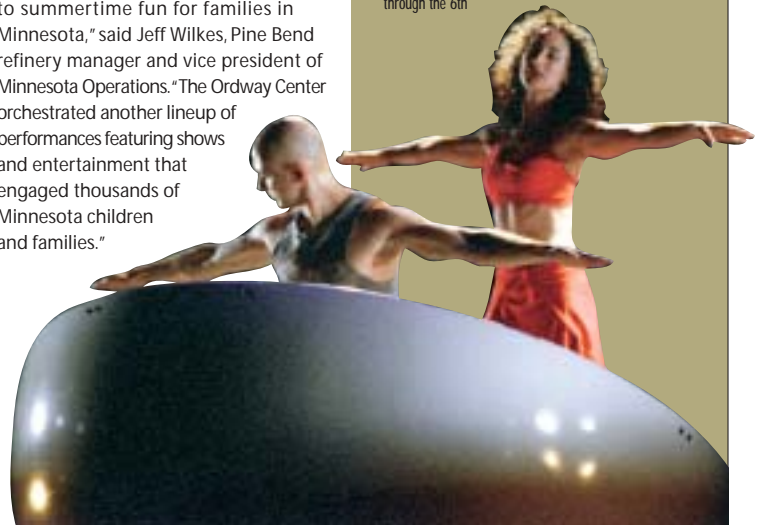
Approximately 200 buses representing 16 different schools transported 12,000 students to festival performances during the school day festivities

18,000 children and families attended the weekend activities which included 42 performances on six different stages and 21 arts activity tents

160 artists representing more than 20 different countries participated in the festival

More than 20 Flint Hills employees and family members volunteered at the festival

Mark your 2004 calendar: the next Flint Hills International Children's Festival takes place June 1st through the 6th



Gift Supports College Science Lab

Inver Hills Community College's new state-of-the-art science laboratory located in Heritage Hall will be well-stocked with essential equipment for student use during biology, chemistry, environmental science and health science courses.

In April, Flint Hills Resources announced at its Community Partners Luncheon that it will help fund the science equipment purchase as part of its tradition of supporting an annual Dakota County community initiative. And, Inver Hills Community College noted it will name one of the labs after the company in recognition of the gift.

"Flint Hills is one of our next door neighbors, and we are thrilled that they are willing to support one of our science labs," said Dr. Cheryl Frank, president, Inver Hills Community College. "We appreciate partnering with business in our community – external resources are especially important in these challenging economic times."

Over the past five years, Flint Hills' annual contributions have helped fund parks and trails in Rosemount, Hastings, Inver Grove Heights and Lebanon Hills Regional Park.

"This donation is especially important to us because we strongly support science education," said Flint Hills Resources

President Dave Robertson. "We're excited to assist the important work Inver Hills Community College is doing in science and technology education and training for people in the community."



Flint Hills Resources named Inver Hills Community College as the company's annual Community Partner at its Community Partners Luncheon last April. Flint Hills contributed funds to help supply science equipment for the college's laboratory facilities. Pictured (from left): Jeff Wilkes, refinery manager and vice president of Flint Hills Resources Minnesota operations; Dr. Cheryl Frank, president, Inver Hills Community College; and Dave Robertson, president, Flint Hills Resources.

IN GOOD COMPANY

Pine Bend Refinery friends, colleagues and neighbors gathered at the Science Museum of Minnesota for Flint Hills Resources fifth Community Partners

Luncheon in April. The photographs below (except for D, which is from the Flint Hills International Children's Festival) feature some of the partners who joined in the annual event.

A. Pictured left to right: Dr. Cheryl Frank, president, Inver Hills Community College; Jamie Verbrugge, city administrator, Rosemount; Nancy Schouweiler, Dakota County Commissioner; Bill Droste, Mayor of Rosemount.

B. Flint Hills Resources Community Advisory Council Members Julie Gabor, Bill Raker and Sharon St. Clair.

C. Flint Hills Resources President Dave Robertson (left) with U.S. Senator Norm Coleman.

D. Saint Paul Mayor Randy Kelly (left) and Allen Wright, vice president, Flint Hills Resources, at the Flint Hills International Children's Festival.

E. Pictured from left: Jim Peterson, former president of the Science Museum of Minnesota; David Galligan, president, Ordway Center for the Performing Arts; Gary O'Brien, Board Chair for the Science Museum; and Lee Ehmke, director and CEO, Minnesota Zoo.

F. Sheryl Corrigan, Commissioner, Minnesota Pollution Control Agency, and Jeff Wilkes, Pine Bend refinery manager and vice president of Flint Hills Minnesota operations.



Career Engineers



Mentor and Flint Hills Resources engineer Tom Church poses with the Simley High School student physics team that won "best design" for developing solutions to real life projects that Church and his colleagues work on at Pine Bend Refinery.



Laurie Vance, Flint Hills Resources engineer, volunteered her time to help students during the 2002-03 school year.



Flint Hills engineers Annie Forsberg (left) and Tom Church (right) pose with Simley physics teacher Steve Olson (center) at the close of last year's engineer mentoring program.

By the end of the school year, many Simley High School students in Steve Olson's advanced physics class have decided whether or not they plan to pursue an engineering career. A six-week mentoring program that involves engineers from Flint Hills Resources serves as a good litmus test to gauge their ability and interest level in the science related field.

Tom Church has worked alongside students since 1998 helping them gain a better understanding of the day-to-day, real-life challenges engineers face on the job. Flint Hills employees Annie Forsberg, Laurie Vance and Joe Spah joined Church most recently to help coach the students. Overall, Pine Bend Refinery has been involved with the science outreach effort for 10 years.

"It's important to know what engineers do – that it's a really cool occupation," said Tom Church, lead project manager for Flint Hills Resources. "Having a chance to get in front of kids and working with them is very rewarding, and it's the right thing for us to do as a good community neighbor."

The program challenges students to develop their own recommendations to the same projects that Church and fellow engineers work on at the refinery.

For example, one year students designed a replacement storm-water sewer for an area of the refinery. Another project involved developing a natural gas flow meter design for an environmental compliance system.

The Flint Hills team provides the technical data and background information, but it's up to the students to figure out an engineering solution to the problem. At the end of the course, student teams present their design and plans to Flint Hills engineers. In return, Church and his team offer their professional opinion and share the answers developed by the FHR project teams.

"The benefit is that kids get to apply the math and science principles they've learned in a real life setting," said Church. "It's amazing how close their solutions are to ours. Sometimes they come up with an idea we didn't consider and then we're the ones that go back to re-look at our own plans."

Students end the program with a visit to Pine Bend's control room and a pizza party. Church hopes to expand the program to one or more area high schools in the future.

CLEAN FUELS UPDATE

Blue Planet® "Best In Fuel Check"

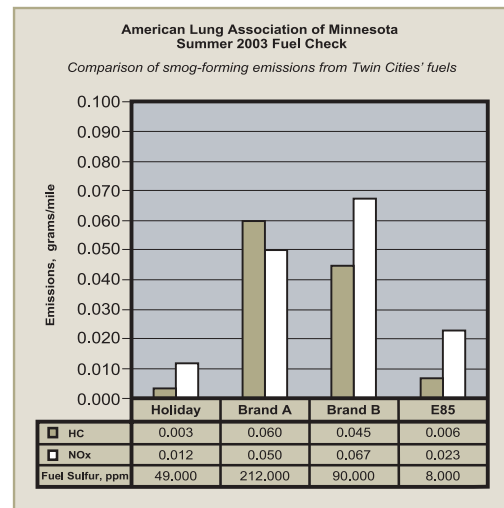
The American Lung Association of Minnesota's 2003 summer fuel check shows that once again the low sulfur levels in Blue Planet® gasoline provide significant emission reductions. Blue Planet gasoline reduces emissions of smog-forming pollutants better than two other top selling gasoline brands that were tested and the ethanol-based fuel E85. Two pollutants that were measured, hydrocarbons (HC) and nitrogen oxide (NOx), react in sunlight to form ground level ozone, commonly known as smog.

"We want people to know that a simple choice of which gasoline they buy makes a very big impact on what comes out their car's tailpipe and ultimately in protecting Minnesota air quality," said Tim Gerlach, outdoor air programs director, American Lung Association of Minnesota.

Blue Planet is a cleaner option that all drivers can use right now to help reduce smog-forming pollutants. It currently meets the Environmental Protection Agency's maximum sulfur standard for gasoline that will go into effect in 2006. Blue Planet is the only low sulfur gasoline available in all three octane grades in the Twin Cities and is comparably priced with other, higher sulfur gasoline brands.

Flint Hills Resources is a member of Clean Air Minnesota, which is a voluntary partnership of businesses, environmental groups, government agencies and citizens working to achieve measurable reductions of air pollution, primarily ground

level ozone, through voluntary actions. CAM recommends using a low sulfur gasoline as one of the ways drivers can help reduce the formation of smog. To learn more about CAM, visit www.cleanairminnesota.org. To see the results of the ALAMN fuel check, go to www.alamn.org.

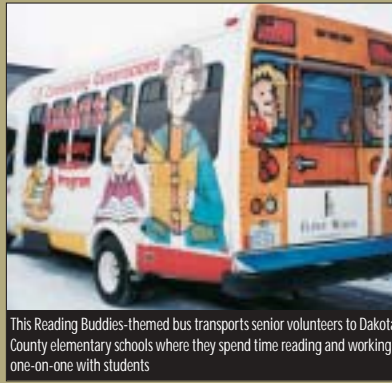


Refinery Earns DARTS' Annual "Friend" Award

DARTS and Flint Hills Resources celebrated a fruitful 13-year partnership in May when the Dakota County service organization awarded its "Friend of DARTS Award" to the company's Pine Bend Refinery. The award is given annually to recognize the work of an individual or organization that contributes significantly to DARTS' success.

"The quality services and programs we deliver to seniors in Dakota County come to life through generous volunteers, a dedicated staff, and our friends – like those at Pine Bend Refinery – who are committed to supporting our mission," said Dick Graham, DARTS president.

Over the years, Flint Hills Resources has supported DARTS



This Reading Buddies-themed bus transports senior volunteers to Dakota County elementary schools where they spend time reading and working one-on-one with students

services to Dakota County seniors and their families. In 2000, the company became a major sponsor of DARTS' Reading Buddies program, an intergenerational literacy effort which reaches 3,000 children in 22 elementary schools in the county. Flint Hills also sponsors a Reading Buddies-themed DARTS bus as well as an annual volunteer luncheon for Reading Buddies tutors.

"It's an honor to receive the Friend of DARTS award," said Jeff Wilkes, Pine Bend refinery manager and vice president of Minnesota operations for Flint Hills. "We're proud of our

longstanding partnership with an organization that responds to community needs and helps improve the quality of life for all generations in our neighborhoods."

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Extra Credit Given To Top Students

A local group of 22 graduating seniors were honored for their accomplishments – both in the classroom and in the community – at Flint Hills Resources Discovery Scholarship Awards in June. Scholarship winners and their parents gathered for a special banquet at the Science Museum in Saint Paul, which included a keynote address by State Representative Joe Atkins.

Atkins encouraged students to take detours in life and to enjoy the scenery along the way. But, he also challenged them to work toward a brighter future for their generation and those to follow.

"The best times I've had were off the beaten path, and often-times it's the road less traveled that results in the most valuable lessons," Atkins said. "Don't wait for the world to come to you. Go after your dreams, don't be afraid

to take a detour now and then, and you can help change the world for the better."

Flint Hills' \$2,500 scholarships are awarded based on students' commitment to entrepreneurship, community involvement and academic achievements. Class of 2003 recipients listed below represented 11 Dakota County and South Washington County high schools: Ashley Kampf and Kristen

Johnson (Apple Valley High School); Tom Finley and Tai-Jin Lee (Eagan High School); Jonathan Lloyd and Kristen Mundahl (Eastview High School); Brian Braun and Katelyn Walker (Hastings High School); Meg Dill and Ryan Titus (Henry Sibley High School); Jessica Tweet and Susan DeBlieck (Park High School); Emily Goedtel and Jessica Klassen (Rosemount High School); Kristen Hoeft and Mark

Zabel (School of Environmental Studies); Anna Madison and Alan Jon Van den Berghe (Simley High School); Lauren Myers and Samantha Willems (South St. Paul High School); and Helena Hoff and Heidi Geisenhoff (Woodbury High School).

In its 12th year, the Discovery Scholarship program has awarded approximately \$300,000 to nearly 200 high school graduates.



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