
Suncor Energy (U.S.A.) Inc.

March 4, 2011

Regional Air Quality Council



Who is Suncor Energy?

- International integrated energy company
- Operating in Colorado since 2003
 - ~100,000 bpd refinery in Commerce City – the only refinery in Colorado
 - Crude oil pipeline from Guernsey, WY to Commerce City, CO
 - Supply/distribution and retail in Colorado
- A major fuel supplier to Colorado
- Conduit for renewable energy
 - *Buy, blend, and sell ethanol and biodiesel*

What is Suncor's impact?

- Suncor Energy is a major contributor to Colorado's economy
 - \$1.3 billion total capital investment since 2003
 - \$700 million total capital investment to improve environmental performance
 - Spend \$1.2 billion annually buying Colorado produced crude oil*
 - 5,000 jobs – direct and indirect Colorado jobs**
 - \$5 million in local community investment since 2003
 - Suncor's reliable refinery continues to benefit Colorado's citizens with stable gasoline supply
- Overall Suncor's direct and indirect economic impact is large – estimated at \$2.5 billion annually**

* 2010 Data; **Calculations confirmed by Colorado EDC 2010

Suncor's position on fuel strategy options

Recommend no change to motor vehicle fuel specifications

Rationale:

- EPA ozone standard still unknown
- Motor vehicle emissions declining w/ fleet turnover and will continue to do so
- Distribution infrastructure currently not in place to segregate an additional lower RVP gasoline grade
- Need to take incremental approach – time to see impacts of other measures like HB1365
- Full economic impact of fuel changes in Colorado needs to be understood before making any fuel change (cost/benefit)
- Under 2008 Ozone Action Plan, RAQC only to evaluate and do further analysis on all potential ozone reduction strategies; RAQC not mandated to choose a new fuel specification

Suncor's position on fuel strategy options (cont.)

- Fuel change will impact fuel supply picture
- Fuel change will impact consumers
- Fuel change will impact local Colorado company supplying the market
- Fuel change will disadvantage Colorado's local refinery vs. other suppliers to this market
- Fuel change will disadvantage Colorado's crude suppliers
- Financial impact to Suncor will be significant and could impact business viability
 - EAI's capital investment numbers based on their own estimates
 - Suncor's capital investment estimates are higher
- Colorado without a refinery would have far reaching impacts
- Negative impacts of a fuel change to Colorado's business climate, fuel supply and consumers are known; the real effect of a fuel change on reducing ozone is not known