Husky Superior Refinery

COMMUNITY UPDATE



MESSAGE FROM SUPERIOR REFINERY GENERAL MANAGER KOLLIN SCHADE



Dear community members,

For more than 60 years, we at the Superior Refinery have prided ourselves on being an important part of this community and as you can imagine, we are like family. We strive each and every day to perform to the highest standards, act as a responsible community member and be prepared for any event.

On April 26, 2018, our world was turned upside down and we know it greatly affected you as well. It was a distressing day for us, our community and our area. For this we are deeply sorry and we fully understand we have work to do in rebuilding your trust and confidence in us.

Today, I would like to report that we have made steady progress in many areas. The injured have been released from the hospital, we have made substantial progress in cleaning up the site, a solid plan is in place to further secure the site, and we continue to work closely with regulatory agencies to confirm all our activities are well-planned, understood and approved.

The investigation and eventual plans for the site will take much, much more time. But

make no mistake, we plan to rebuild and we plan to operate again. We are committed to keeping you informed about what we're doing. For now, our focus is still on securing the site and allowing the investigations to take their course.

In the meantime, we know there are questions. We have listened and we have heard. And we realize you expect answers.

With that in mind, I invite you to join me, members of the Husky team, regulators and others at a Community Open House, Tuesday June 5 from 4:30 – 8 p.m. at the Superior Middle School.

We don't have all the answers but will answer the questions we can, talk about what we do know and listen to your questions and concerns.

We remain committed to this refinery, our employees and this community. I have no doubt that we can move forward together in a positive and constructive direction well into the future.

Thank you for your patience and understanding. I look forward to better days ahead as we clean up and rebuild.

YOU'RE INVITED TO OUR SUPERIOR REFINERY COMMUNITY UPDATE AND OPEN HOUSE

Tuesday, June 5 4:30 - 8:00 p.m. Superior Middle School 3625 Hammond Ave. The Superior Refinery has made steady progress in securing the site and we invite you to learn more during our informal Community Update and Open House, where you'll be able to speak one-on-one with Superior Refinery representatives as well as experts from state and federal agencies who will answer your questions related to health, air, water, soil and more.

PROTECTING AND CARING FOR WILDLIFE

Protecting wildlife is a major focus for the Superior Refinery. Deterring animals from certain operational areas is a normal part of our daily routine but this becomes even more important after emergency incidents where wildlife could come into contact with machinery, petroleum or other materials.

Following the fire, the refinery implemented deterrent measures such as fencing, flagging and canine patrols to deter wildlife that frequent the area, especially deer and geese. An additional deterrent measure was implemented this week to further deter birds. A laser light system, which uses lasers mounted on tripods to produce a programmed pattern, has been deployed. The laser movements have proven successful in deterring birds, particularly at night.



Members of Focus Wildlife release birds after rehabilitation.

Nevertheless, if any wildlife are affected, the U.S. Fish and Wildlife Service and Wisconsin Department of Natural Resources have authorized a rehabilitation center at the refinery for treatment.

Wildlife fatalities to date include two common grackles, one fawn, one crow, one weasel and two frogs. Two mallards and one goose were successfully rehabilitated onsite and released at the Douglas County Wildlife Area. The three birds were observed calmly leaving their pens and entering the marsh. Two additional geese are now receiving treatment and will be released soon.

More information on wildlife impacts and the status of the birds can be found on our website at www.huskyenergy.com/superior.

REFINERY UPDATE – WHAT'S HAPPENING NOW AND LOOKING AT THE ROAD AHEAD



A crane secures a vessel that had been leaning due to the fire.

The Superior Refinery recovery process continues with substantial activity on site to stabilize refinery units damaged in the fire so regulatory and company investigators can access the site safely. We are performing a detailed investigation into what occurred to determine the root cause or causes.

Through the stabilization, recovery and re-building process, the company's primary focus is on the safety of employees, contractors and the community.

Many Superior residents have asked when the refinery will re-open. Operating the facility again will be a long process and require working through various phases leading to a restart. It also depends on a number of factors, including:

- The time required by investigating agencies, adjusters, and other independent entities before the site is cleared and operations are allowed to resume.
- The scope of work in rebuilding, which may involve potential requirements for modifications.
- Long lead times to deliver replacement units, or newly designed ones.
- Engagement with the community.

Husky remains committed to our employees and the community. While there is no specific timeline, here is a guide to the phases involved:

Stabilization

 Assure site safety and minimize risk to people both on property and within the community. This involves, for example, rendering vessels and piping free of hydrocarbons, and safely removing materials.

Site Assessment

 Inspect all units and assets to determine the need for repair and replacement.

Clean-Up and Re-Design

- Take down damaged units and dispose of non-usable items.
- Safely clean up and remove spilled asphalt, damaged equipment, and debris.
- Develop plans for site stabilization, recovery and reconstruction of the site.

Reconstruct & Restore

- Resume maintenance turnaround activities.
- Restore site and prepare re-start plan based on the outcomes of the site assessment.
- Units that can be re-started safely may become operational again when and if determined appropriate.

FOCUS ON FIRST RESPONDERS

First responders are known worldwide for their professionalism and bravery.

During the April 26 refinery fire, first responders conducted an initial assessment of the fire and overall situation. With the help of the Superior Police Department's drone and back-up from the Superior Fire Department, Husky emergency responders were able to set a well-defined perimeter from which to attack the fire

with a combination of water and foam. The combination proved successful to cool and smother the fire, which allowed firefighters to gain the upper hand and finally extinguish the blaze.

Husky thanks all first responders for their work, not just that day, but every day.



AIR MONITORING: WHAT YOU NEED TO KNOW

Air quality during any industrial incident is a serious concern. Smoke from the April 26 fire moved downwind from the refinery before it dissipated.

The Superior Refinery fire included the combustion of petroleum and asphalt, which led people to have air quality concerns, especially those near the fire and downwind of the refinery.

Husky and its third-party experts set up air monitoring units and currently has 26 stationed in and around the Superior Refinery site to continuously monitor air quality, with two additional mobile units in the community. This monitoring has resulted in more than 24 million air quality readings in the community and at the refinery. All of that monitoring has shown concentrations below health-based thresholds.

The U.S. Environmental Protection Agency has publicly confirmed these findings.

Air quality data collected is being provided

to the U.S. EPA, Wisconsin DNR, Wisconsin Department of Health Services, the Fond du Lac Band and Douglas County Department of Health & Human Services.

The Douglas County Department of Health & Human Services has been posting the daily air monitoring results to its website. See the Douglas County website for more information.

If you have health concerns as a result of air quality, please consult your healthcare provider and contact the Douglas County Department of Health & Human Services.



Sample of community monitoring from May 23, 2018 - 00:00 to 23:59. Summary of manually logged real-time results. All below action levels.

SOIL HEALTH AND GARDENING INFORMATION

From Douglas County Department of Health & Human Services



Smoke and ash from fires can travel some distance and be deposited on property including houses, vehicles, outdoor furniture, and garden areas.

Smoke and ash, from any source, contain

many different chemical compounds produced by combustion, and can be unhealthy to breathe. Although a petroleum or asphalt fire produces thick black smoke, the chemicals in that smoke are very similar to those found in wood smoke and vehicle exhaust. The precise mixture of chemicals depends upon the fuel source and how hot and fast the fuel burned.

Although it is unhealthy to breathe the compounds in smoke, the potential for harm is much less once these compounds are in soil. The compounds from smoke are commonly found on the ground, even in rural areas. These have been left over many decades from forest fires, vehicle exhaust, and industry.

Community inspections have not found soot deposits

The U.S. EPA and consultants for the refinery have been continuously performing

community field inspections, at many locations, along with air monitoring. To date, they have not found visual soot deposits to indicate any soil concerns.

Wash and care for garden vegetables

Sooty compounds in soil will not normally be taken up into plants, but can adhere to the outside of root crops. Follow good gardening practices to reduce your contact with these and other compounds from your yard:

- Wash your hands after working in the yard
- Wash fruits and vegetables to remove soil and dust
- Peel root crops such as potatoes, carrots, and radishes to remove garden soil before eating

¹ ATSDR. 1995. Toxicological Profile for Polycyclic Aromatic Hydrocarbons. U.S. Department of Health and Human Services. Public Health Service Agency for Toxic Substances and Disease Registry.

² UW-Extension. Soil Contaminants in Community Gardens. https://learningstore.uwex.edu/Assets/pdfs/A3905-03.pdf

BEING VIGILANT WITH WATER PROTECTION



Containment and absorbent booms continue to be deployed on Newton Creek as a precautionary measure. The proper handling of water and the protection of Newton Creek continue to be a primary focus. Water collected during firefighting is being contained within the refinery's storm water, fire water and wastewater treatment plant recirculation containment system. The water is being treated by the onsite wastewater treatment plant, which is now fully operational.

The company is regularly collecting surface water samples from the onsite containment system and at multiple locations offsite along the length of Newton Creek. Precautionary booms will continue to be used as a measure to help contain any unexpected discharge.

Water samples collected post-incident to date are comparable to baseline samples

collected before the incident under normal refinery operating conditions, with the exception of trace amounts of chemical components found in firefighting foam collectively known as per- and polyfluoroalkyl substances (PFAS).

A PFAS treatment plan has been developed through close consultation with WDNR. The water collected on-site is being run through the wastewater treatment plant and the recently installed onsite PFAS mitigation system consisting of granular activated carbon and/or polishing resin.

Optimization of this system, using best available control technology, will mitigate and potentially eliminate the PFAS compounds before discharging the water from site.

