

ConocoPhillips – 2010 Reduce Toxic Pollution

Whereas:

ConocoPhillips, the nation's second largest oil refiner, owns 12 refineries operating in 9 states. Despite its commitment to protecting the environment in order to "secure a stable and healthy environment for tomorrow," our company is responsible for emitting over 6.56 million pounds of toxic chemicals into the air. It ranks 13th on the 2008 Toxic 100 list of worst U.S. corporate air polluters.

(<http://www.peri.umass.edu/Toxic-100-Table.265.0.html>)

The 2008 Toxic 100 list is based on 2005 data on chemical releases reported by companies to the U.S. Environmental Protection Agency's Toxic Release Inventory (TRI), and weighted for toxicity and other factors according to EPA's Risk Screening Environmental Indicators. Valero, the largest U.S. oil refiner, ranks 16th among the Toxic 100, BP ranks 29th, and Chevron is not among the Toxic 100. Of all its U.S. refinery competitors, only ExxonMobil has a worse toxic score than ConocoPhillips, ranking 9th on the list.

Five ConocoPhillips refineries accounted for over 60% of our company's toxic air score: Roxana, IL (34.5%); West Lake, LA (14%); Trainer, PA (9.85%); Belle Chasse, LA (9.19%) and Linden, NJ (7.25%). (<http://data.rtknet.org/tox100/index.php?search=yes&database=t1&detail=1&datatype=T&reptype=a&company2=5754&company1=&parent=&chemfac=fac&advbasic=bas>)

Our company, however, has announced no goals or programs to reduce the toxic air emissions from these five facilities, or the short- and long-term risks they pose to community residents, workers and shareowners.

In January 2005, ConocoPhillips settled proceedings brought by EPA for violations of the Federal Clean Air Act (CAA) at its refineries. The 2005 settlement, the largest from the 13 refiners pursued by EPA, followed a 2001 settlement of CAA enforcement proceedings against our company. ConocoPhillips is now implementing two separate consent decrees, obligating it to spend over \$600 million on pollution control technologies.

Although, on its website, ConocoPhillips discloses company-wide emissions data for CAA pollutants, it does not publish data on releases of many other toxic chemicals that are not currently covered by the CAA but that are reportable to the TRI. Unfortunately, complete TRI data sets are made public two years after they are reported by companies, reducing their utility for investor risk analysis.

Since 2005, concerns persist about pollution control at ConocoPhillips' refineries. In 2008, five states sought over \$1.5 million in fines and penalties for air pollution violations at ConocoPhillips' refineries. Our company's plan to "increase its processing capabilities for handling lower quality crudes" from Canadian tar sands was dealt a blow last June when EPA refused permission to expand the Roxana, IL, refinery because air pollution from the refinery's flares was not sufficiently controlled. (<http://www.ens-newswire.com/ens/jun2008/2008-06-10-091.asp>)

Resolved:

The shareholders request the board to adopt stringent goals to reduce significantly the emission of TRI chemicals from our Company's refineries and to report annually by September 15th (i) its progress in implementing these goals as well as (ii) a comprehensive description of the quantities of toxic chemicals reportable under the TRI that were emitted at those facilities during the prior calendar year.