

USW BACKGROUNDER

February 2012

SAVE THE EAST COAST REFINERIES

Shortly after Labor Day 2011, Sunoco announced it was going to permanently shut down its Philadelphia and Marcus Hook, Pa., refineries in July 2012 if a buyer was not found. At the end of September ConocoPhillips idled its Trainer, Pa., refinery. Then on Dec. 1, Sunoco announced it was immediately idling the Marcus Hook plant.

- Sunoco Philadelphia Refinery, about 900 employees (600 hourly, and just under 300 salary) plus approximately 300 contractors on a daily basis, shutdown announced Sept. 6, 2011. The refinery is currently operating.
- Sunoco Marcus Hook, PA Refinery, 610 employees (370 hourly, 240 salaried) plus 150-200 contractors at the facility on a daily basis, shutdown announced Sept. 6, 2011, idle announcement made Dec. 1, 2011. The refinery is currently idled. Buyer deadline: March 1, 2012
- ConocoPhillips Trainer, PA Refinery: about 700 employees & contractors (234 hourly, 160 salaried, 300 contractors), shutdown announced Sept. 27, 2011, idled Sept. 30, 2011. The refinery is currently shut down. Buyer deadline: March 31, 2012.

Congressional and elected state legislators have joined the USW in expressing concern about the negative impact on the Northeast if the Philadelphia area refineries are permanently shuttered.

After the Sunoco shutdown announcement, congressional members wrote letters to the U.S. Department of Energy requesting data on how the refinery closures would impact the availability and price of oil products like gasoline, heating oil, and diesel. The U.S. Energy Information Administration (EIA) issued a report Dec. 23, 2011. In its analysis the EIA said the closures could negatively impact oil product supplies and cause price spikes.

The EIA report said the northeast refineries supplied about 40 percent of the region's gasoline sales and 60 percent of distillate (diesel fuel and heating oil) sales in 2010. About half of this supply came from the three refineries that could be shut down permanently.

USW members and their families have rallied, lobbied members of Congress and state legislators, transmitted letters to the affected Northeast region state governors, circulated petitions in their communities and held news conferences in the hometowns of the refineries.

The USW has requested that other agencies investigate the refinery shutdowns as well. USW International President Leo W. Gerard wrote a letter to the Federal Aviation Administration asking the agency to investigate how the refinery closures will impact the supply and quality of jet fuel to the Northeast airports.

He wrote a second letter to the Pennsylvania attorney general asking for an audit of the three refineries to verify whether or not the companies' claims of unprofitability and economic unsustainability have any merit. In addition, he requested that the antitrust section of the attorney general's office investigate Sunoco to determine whether or not there are sale conditions that might amount to an illegal restraint of trade.

U.S. Senator Robert Casey (D-PA) has taken an active role in trying to keep the Philadelphia area refineries from permanently shutting down. He sent a letter to the Sunoco and ConocoPhillips CEOs offering support and assistance to help find a buyer for the refineries. He also called Feb. 10 for Senate hearings to examine the impact of the refinery closures. He has sent a letter to U.S. Senator Jeff Bingaman (D-NM), chairman of the Senate Energy and Natural Resources Committee, requesting a hearing.

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Document Links & Contacts for More Information:

Letters transmitted in response to the EIA report by members of Congress to the U.S. Department of Energy and the Federal Trade Commission support the USW contention that American consumers, workers and U.S. energy needs are not being served by the petroleum industry's unilateral shutdown of refining capacity. The USW is calling for congressional and state hearings.

- Letter (Feb. 10, 2012) from U.S. Senator Robert Casey (D-PA) to U.S. Senator Jeff Bingaman (D-NM) can be found [HERE](#).
- Letter (Jan. 25, 2012) from U.S. Senator Robert Casey (D-PA) to the CEOs at Sunoco and ConocoPhillips can be found [HERE](#).
- Letter (Jan. 13, 2012) from USW International President Leo W. Gerard to Federal Aviation Administration can be found [HERE](#).
- Letter (Jan. 13, 2012) from USW International President Leo W. Gerard to Pennsylvania attorney general can be found [HERE](#).
- Report (Dec. 22, 2011) by the U.S. DOE/Energy Information Administration (EIA) on the East Coast refineries shutdown can be found [HERE](#).

USW News Releases & Refinery Jobs Contract Bargaining

- *Statement (Dec. 23, 2011) -- [USW Says Government Analysis Confirms Shutdown of Philadelphia-area Refineries Could Negatively Impact Oil Products for Northeast Region](#)*. The U.S. Energy Information Administration (EIA) released a report today that confirms what the USW has been saying about the impact of shutting down the ConocoPhillips and Sunoco Philadelphia-area refineries: supplies of oil products could be negatively impacted with accompanying price volatility and spikes. The statement can be found [HERE](#).
- *Mobilization Handbill (Feb. 8, 2011) – [Where is Gov. Tom Corbett?](#)* Pennsylvania's governor has failed to attend important meetings, neglected to make public comment and has refused to meet with workforce stakeholders. A candlelight vigil was held by the refinery workers on Feb. 8, 2012 at 6 pm at the Governor's Mansion: 2035 Front St., Harrisburg, PA.

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USW REFINERY LOCAL UNION CONTACTS:

- **Jim Savage, Sunoco-Philadelphia, Local 10-1 President;**
Phone: 215-510-2281 (mobile)
- **Dave Miller, Sunoco-Marcus Hook, Pa., Local 10-901 President;**
Phone: 610-485-3519 (union hall), 484-482-3386 (cell)
- **Denis Stephano, ConocoPhillips-Trainer, Pa., Local 10-234 President;**
Phone: 484-716-6242 (mobile)

USW CONTACTS:

- **Lynne Hancock, 615-831-6782, 615-828-6169, lhancock@usw.org**
- **Gary Hubbard, 202-778-4384, 202-256-8125, ghubbard@usw.org**

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