



Leo W. Gerard
International President

January 11, 2012

The Honorable Linda L. Kelly
Attorney General of Pennsylvania
16th Floor, Strawberry Square
Harrisburg PA 17120

Dear Ms. Kelly:

As I am certain you are aware, ConocoPhillips idled its oil refinery in Trainer, Pa., at the end of September and stated it would shut this refinery down in six months if a buyer could not be found. This refinery has a crude capacity of 185,000 barrels per day (bpd) and produces a high percentage of transportation fuels including gasoline, diesel fuel and jet fuel, as well as home heating oil and residual fuel oil. Most of the customers of this refinery are in the tri-state area of Pennsylvania, New York and New Jersey.

Furthermore, earlier in September Sunoco announced it would close its two remaining refineries in Philadelphia and Marcus Hook, Pa., by July 2012 if a buyer could not be found. The Philadelphia refinery has a crude capacity of 330,000 bpd and is the largest refinery on the Atlantic Coast. Marcus Hook has a crude capacity of 175,000 bpd.

The USW has a stake in this matter because we are the largest union representing refinery workers in North America and because we represent 1,300 members at the refineries in question, as well as over 100,000 members and retirees throughout Pennsylvania.

In addition to our concern about the potential job loss among our members, the nearly 1,000 additional direct jobs and contract workers employed at the site and the up to 25,000 additional jobs in the area that depend on these refineries' continued operation, we are concerned that if the closures projected by these two companies are carried out, that the loss of refining capacity could lead to tighter supplies and increased prices. This could possibly also lead to increased price volatility for home heating oil and transportation fuels in the Northeast and cause substantial adverse impact to millions of consumers in the region.

We ask that the Antitrust Section of your office undertake a thorough audit of the three refineries to verify on an independent basis whether or not the companies' claims of unprofitability and economic unsustainability have any merit.

Your Antitrust Section is charged with protecting consumers and businesses by detecting anticompetitive practices and taking legal action to stop them. We believe the projected near-simultaneous closure of these three strategic oil refineries may be driven by such practices.

ConocoPhillips made its decision to idle the Trainer refinery in spite of the fact the company stated in 2011 that refining margins has significantly improved in the first and second quarters of this year. I am writing to request that the Antitrust Section of your office investigate the decisions by both Sunoco and ConocoPhillips to close the three refineries to see if these actions would have an anti-competitive effect or would adversely impact consumers in Pennsylvania.

Furthermore, we are concerned that Sunoco may structure a sale in such a way that would make a buyer's operation of the refineries infeasible and could structure changes from its retained transportation facilities in ways that could severely limit the refineries' profitability.

We believe, with the significant effect the possible closure of this refinery would have not only on the local community in Metropolitan Philadelphia, but also on fuel customers throughout Pennsylvania, and the possible effect of possible onerous sale conditions on the ability of a new operator to be successful at the location, that such sale conditions, if they exist might, constitute an illegal restraint of trade.

Because of this, we ask that the Antitrust Section of your office investigate Sunoco to determine whether or not there are sale conditions that might amount to an illegal restraint of trade. If your anti-trust investigators find affirmatively in the matter, we urge you to take prompt and decisive action to protect the citizens of Pennsylvania.

Thank you very much for your kind consideration of this matter.

Sincerely,

A handwritten signature in black ink that reads "Leo W. Gerard". The signature is written in a cursive, flowing style.

Leo W. Gerard
International President