

The New Tail Gas Unit

Environmental Benefits and Facts About the New Tail Gas Unit

Reduced Sulphur Dioxide Emissions

The proposed New Tail Gas Unit will allow the refinery to reduce sulphur dioxide emissions by 25%. As of September 28, 2007 the New Tail Gas Unit is 60% complete. The New Tail Gas Unit will be operational by early 2008.

Consistent with Our Environmental Commitment

We recognize that the environment is a key concern for our community. Continually improving our environmental performance is a major focus for our company. Our environmental objectives are to:

- Minimize impacts on the environment
- Maintain our relationship as a good neighbour
- Maintain and improve our environmental performance

Improved Air Quality

The reduction in sulphur dioxide emissions from the Sulphur Block is expected to result in lower ground-level concentrations of sulphur dioxide emissions, thereby improving air quality in East Saint John.

Use of Best Available Control Technology

The New Tail Gas Unit is the best available technology for sulphur dioxide removal from the sulphur recovery units, and is used by 95% of all North American refineries that have tail gas units. The New Tail Gas Unit has a sulphur recovery efficiency of greater than 98%.

Enhanced Reliability, and Operational Flexibility

The New Tail Gas Unit is expected to have 98% availability, making it the most reliable technology on the market. The addition of the New Tail Gas Unit will allow for redundancy in emission control devices available for the Sulphur Recovery Units. This is important when the refinery needs to conduct periodic preventative maintenance on the New tail Gas Unit.

