



TIDINGS

A Community Newsletter from Shell Puget Sound Refinery

Inside This Issue:

- Shell PSR employees enjoy volunteering at Waterfront Festival pg. 2
- Environment-friendly flare gas recovery project breaks ground this summer pg. 3
- Emergency response teammates honored for saving accident victim's life pg. 3
- New Human Resources Manager extends greetings to community pg. 4
- Cleanup Day a resounding success pg. 4

Issue 1, June 2005
www.shellpugetsoundrefinery.com

Commitment to community



Dressed as Shell Puget Sound Plant Representative "Molly Cule," employee volunteer Liz Barge gives a coloring book to 8-year-old Aaron Wenker on his visit to the refinery booth. See more photos, page two.



Employee Jack Ayers answers questions about Shell Puget Sound Refinery on March's Point.



Among many Shell employees at the Waterfront Festival were (front, l. to r.) Sarah Christensen, Traci Olson and Pam Nelson and (back, l. to r.) Sandra Corrión, George Welch and Jason Moran.

Shell employees greet the public at Anacortes Waterfront Festival

Adults like American Cancer Society Relay for Life volunteer Jim Kight appreciate Shell's commitment to community, as evidenced by their annual participa-

tion at the Anacortes Waterfront Festival. And the kids? Well, the kids just love the little fuzzy "weebles," complete with tiny
(Continued on page two)

Safety achievements at Shell recognized by National Petrochemical and Refiners

The National Petrochemical & Refiners Association (NPRA) safety award program promotes accident prevention in the petroleum refining and petrochemical manufacturing industries as well as the contractors supporting them, and publicly recognizes those facilities that for the previous year have achieved a high safety standard in their daily operations.

The Safety Awards are based on records kept for employees in accordance with the Occupational Safety & Health Administration (OSHA) record keeping requirements as defined by law and entered on the OSHA 300A form.

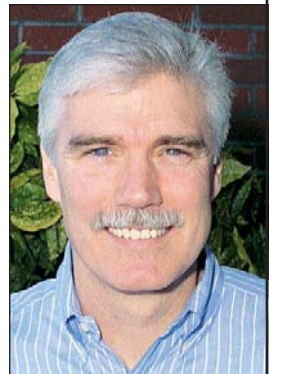
The awards were presented on May 12 at "The Foundry" in New Orleans. Several con-

tractors who work at PSR were also given awards. Shell Puget Sound Refinery received the following awards:

Award for Safety Achievement: 1,000,000+ Employee Hours - acknowledges facilities for operating one million or more employee hours without an employee lost workday case involving days away from work and without a workplace-related fatality of an employee or non-employee during the evaluation period.

Meritorious Safety Performance Award - recognizes facilities which have achieved a total recordable incidence rate of 1.2 or less with no workplace-related fatality of an employee or non-employee during the calendar year.

Message from Plant Manager Tom Smith



For years now we have heard comments that the flares on March's Point serve as "welcoming beacons" for those coming to Anacortes. Of course, not everyone has seen these sometimes bright lights in quite such a positive light. As the article in this issue of Tidings reveals, we are beginning work on a major project that will greatly reduce the use of the flare within our refinery. In other words, this "beacon" will largely be gone.

This is good news from an environmental and business standpoint. The flare gas recovery unit, as we call it, is one of several projects coming out the Consent Decree with the EPA, and it will result in fewer emissions of flare gas and help us recover that gas for use in the refining process.

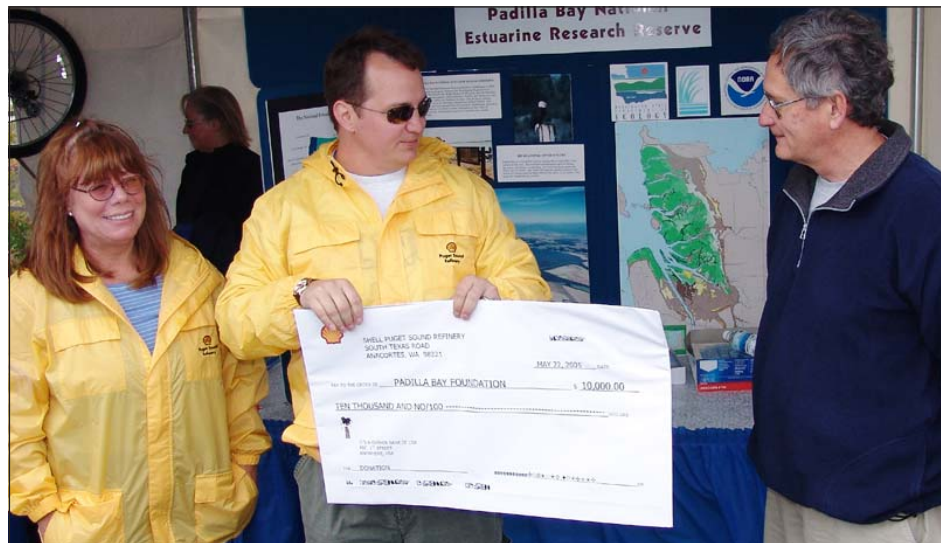
Environmental performance, as we have said here frequently, is one of our top priorities and one of my personal top priorities. I'm very pleased to be able to work in a leadership role with our employees in maintaining and even increasing the focus we have on this important issue.

Although the winds of May had a disastrous effect on the tents of the Waterfront Festival, they did little to dim the enthusiasm of the participants—and particularly of the many employees who once again represented Shell at our community's annual festival. It is a great opportunity for us to talk with many of you and we greatly enjoy showing you a little more of what we do and who we are. We're very pleased to continue as a poster sponsor for this important annual event.

Finally, I want to mention some important safety milestones. During May we completed two million work hours without a lost time injury at our facility. This is an important achievement and a testament to the commitment of everyone in the refinery to making this a safe place to work. There is simply no higher priority than making certain our employees and contractors return home to their families safe and healthy. We also were recognized for our safety performance in 2004 with two prestigious awards presented in May by the National Petrochemical and Refiners Association in New Orleans. My sincere thank you to everyone within the refinery family for this clear evidence of their commitment to safety.



Waterfront Festival offers opportunity to celebrate city's maritime heritage



Padilla Bay Foundation representative Paul Dinnel (right) accepts a donation of \$10,000 from Shell, represented by Nancy Branum and Thomas Wood.

(Continued from page one)

Shell hardhat. That, and the other giveaways, ranging from educational coloring books to pens and notepads. And don't forget the daily drawings for bicycle shop gift certificate and whale watching cruise tickets.

Once again this year, Shell Puget Sound Refinery sponsored the Anacortes Waterfront Festival promotional poster, a pre-event gesture that helps to draw thousands to the family-friendly maritime festival. Once the gates open for the two-day event, dozens of Shell employees volunteer for shifts in the festival's largest booth.

In addition to the "giveaways" table and an informational display, Shell offers part of its booth at no cost to non-profit organizations such as Padilla Bay Foundation, the Boy Scouts, WSU Beach Watchers and the American Cancer Society Relay for Life.

Kight, who is Survivor Chairperson for the Anacortes Relay for Life, said he and his organization are grateful for the contributions Shell makes to the community-at-large.

"Shell is an excellent community servant," said Kight. "They absolutely shine."

Shell volunteer coordinator for the festival is June Snelson of the Human Resources Department.

"This is a fun festival," said Snelson, "and I think our volunteers enjoy representing a company that cares about the community."

Winners, Shell PSR drawings

Bicycles: Erik Jackson, 12, Richmond, B.C.; Austin Lenhard, 9, Anacortes
Whale Watching Tours: Bradley Kertis, 15; Jamie Carroll, 9, both Anacortes

Festival Volunteers from Shell

- | | | | |
|-------------------|------------------|----------------|--------------|
| Alex Moody | Sandra Corrion | Rhoda Haussler | Traci Olson |
| Tom Wood | Audie Pickard | Pat Jansma | Denis Caron |
| Sid Johnston | Mishelle Pickard | Bill Jansma | George Welch |
| Kelly Aus | Jody Barnett | Jack Ayers | John Carney |
| Brent Welsh | Jason Moran | Rod Walsh | Randall Hill |
| Debbie Thompsen | Velit Seyfettin | Nancy Branum | Cynthia Hill |
| Sarah Christensen | Liz Barge | Teresa Mercer | June Snelson |
| Pam Nelson | Robin Yates | Bill Mercer | |



Shell Construction Assurance Manager Velit Seyfettin describes refinery products to booth guests Mike and Patricia Ellis.



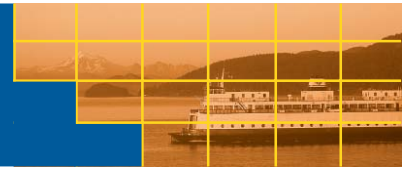
Hundreds of festival guests spent time leaning on the rail at Cap Sante Boat Basin. Among crowd favorites are remote-controlled toy boats and the U.S. Army Corps of Engineers vessel "Puget."



Cynthia Hill (right) helps a young visitor pick out a fuzzy little "weeble." In the background is Rhoda Haussler with a display of product samples.



Among volunteers at the Shell booth for the 2005 Waterfront Festival were (l. to r.) Randall Hill, Teresa Mercer, Cynthia Hill, Jody Barnett, Liz Barge and Bill Mercer.

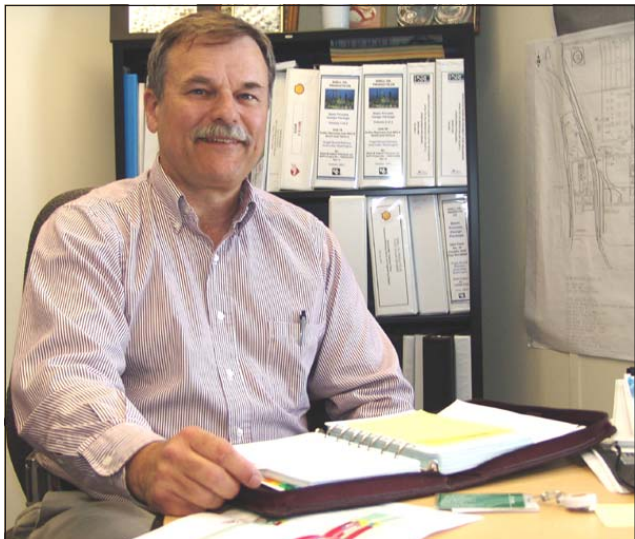


Environment-friendly gas recovery project latest of emission-related improvements

A major component of an ongoing series of environmental projects at Shell Puget Sound Refinery is the flare gas recovery project, with construction scheduled to begin this summer.

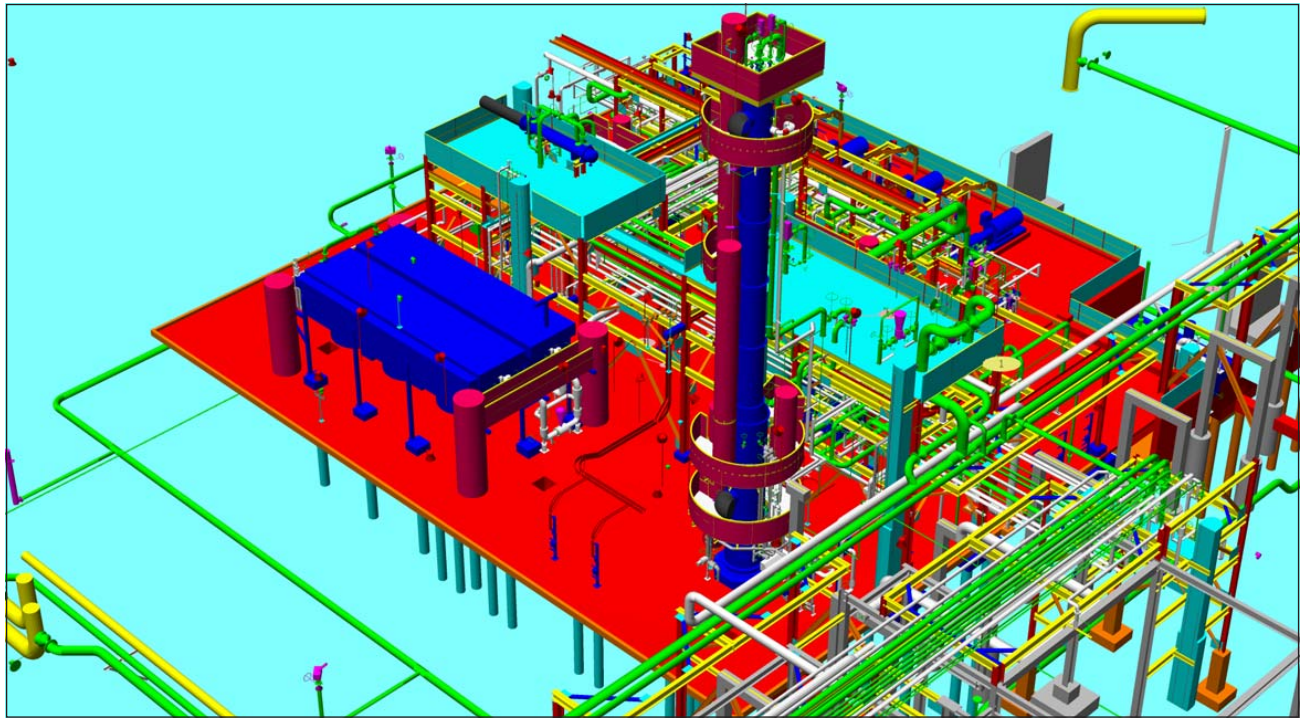
This project will reduce the amount of sulfur dioxide generated by the refinery's flare system, which is designed as an emergency high pressure release system for process units.

"The flare gas recovery compressor project will take flare gas and process it by compressing it and removing the sulfur so it can be used as fuel to be consumed in the refinery fuel system," said Tom Meyer, who serves as Manager-Operations/Technical, Major Projects. "The impact of this new unit will be positive both in terms of environmental and business benefits."



Tom Meyer, Shell Puget Sound Refinery Manager-Operations/Technical, Major Projects.

"From an environmental standpoint," he said, "there will be a significant reduction of flaring. From a business perspective, we will recover



A computer-generated drawing of the proposed flare gas recovery unit at Shell Puget Sound Refinery. Construction on the environment-friendly unit begins this summer.

gases that have been flared in the past, reducing the need to import natural gas for plant fuel needs. So you can see this project should pay out for the refinery within three to five years."

Meyer noted other sulfur reduction projects including a new sulfur plant which went on line in November 2004. A wet gas scrubber for the cat cracking unit is tentatively scheduled to go on line in the fall of 2006.

"These are important investments for the refinery, allowing us to maintain strong environmental capabilities for future operations," noted Meyer.

In regard to the flare gas recovery project, Meyer said Shell intends to utilize local contractors as possible to support construction. Startup

of the new unit is tentatively scheduled for the summer of 2006.

In March 2001, Equilon and Motiva entered into an agreement with the U.S. Environmental Protection Agency (EPA) regarding disputed plant emissions from the eight refineries owned by the two companies. In the settlement, the companies agreed to invest \$400 million over the next several years in emission-related plant improvements and also agreed to invest an additional \$500,000 in the local community in environment-related projects.

In March 2002, Shell purchased Texaco's interests in Equilon and became the sole owner of Equilon's four west coast refineries, including the Shell Puget Sound Refinery.

Employees recognized for measures taken to save life

On July 20, 2004 at approximately 5 p.m., there was a motorcycle accident on South Texas Road just south/ west of the Shell Puget Sound Refinery main gate. A motorcycle and its rider had gone off the road and into the ditch. The first individual on the scene was Shell employee Bruce Keckley, who checked on the injured rider (who was not responsive) and then called 911. The next person on the scene was Shell employee Bob Bravato, who saw Bruce was on the phone with 911. Bob called the main gate and asked them to send the refinery first responders to the scene. He then began directing traffic around the accident area.

Jason Moran, a "Shell First Responder," was the next to arrive on the scene. Jason grabbed his First Responder bag from his truck and proceeded to the ditch and started to assess the condition of the injured individual, who was determined to not be breathing. Jason opened the individual's airway. Once this was done

the injured individual started to breathe. Jason remained with the crash victim, maintaining the open airway.

Shell First Responders Jason Smolsnik and Steve Anderson arrived on the scene to assist. Smolsnik joined Moran and helped with assessing the patient. When the ambulance arrived on scene, Jason Smolsnik gave the paramedics a quick rundown of the patient's condition and then worked to package the patient to move him into the ambulance.

While being moved into the ambulance the patient's airway again became blocked. Moran and Smolsnik went into the ambulance to assist



Shell Executive Vice President of Manufacturing Lynn Elsenhans presents The Heroes Award to Shell Puget Sound Plant employees Jason Moran and Jason Smolsnik.

the paramedics in reopening the airway, and proceeded with the paramedics to Island Hospital, assisting them with patient care.

Many other people were involved in the incident, including other members of Shell's First Responder Team, but the care given by both Moran and Smolsnik was determined to be critical to saving the victim's life. Accordingly, their work was acknowledge recently when they received The Heroes Award from Lynn Elsenhans, Shell Executive Vice President of Manufacturing.





Army of volunteers dedicates a day to cleanup of plant and public roads

Shell Refinery 'spring cleaning' recently included public roads and a stretch of Highway 20. Among those who picked up litter from March Point Road (left) were Darryl Schmidt and Tony Barge. Planning their course of action before taking to the field (top left) were team members (l. to r.) Danny Sandoval, Boyd Wells, Blaine McCoy and Jay Bergstrom. Another team of volunteers spent the better part of a day on a 1-mile stretch of Highway 20 that is part of the state Adopt-a-Highway Program. Highway volunteers included Kelly Aus, Sheri Baker, Jody Barnett, Nancy Branum, Liz Barge, Carole Gillis and June Snelson.



Thomas Wood recently succeeded Gretchen Buchmeyer as Human Resources Manager at Shell Puget Sound Refinery. He and his family live in Anacortes.

Wood assumes role as manager, human resources

By Thomas Wood

My wife Rebecca, son Tommy and I are greatly enjoying our "new" home in Anacortes. Rebecca and I have been married for more than 12 years, and we are really looking forward to our time here.

Tommy is in first grade at Mt. Erie and turned 7 years old this May. He and I share the same name *and* the same birthday - and we had a great time celebrating here in Anacortes! We also have two golden retrievers, Lucky and Shadow, who have joined us in our appreciation for the many public trails and other outdoor activities in the area.

My history with Shell began at the Wood River Refinery (just outside of St. Louis, MO) in early 1996. The previous summer, I interned with the Exploration & Production (E&P) upstream business. I had just completed a joint-degree program at the University of Illinois (Go Illini!), and was *really* looking forward to joining Shell's team. During this time, my wife enrolled at Washington University to complete her MBA while I learned more about the downstream business.

In 1998 I transferred to Houston, TX, to help put together the alliance companies. Rebecca worked with Reliant Energy and Tommy joined us that first summer. After another couple of years, I returned closer to home and family in the Chicago area, helping to put together a consulting practice at PricewaterhouseCoopers (PwC). I rejoined Shell's Pipeline business in 2000, helping to manage the Midwest Operations Region.

My most recent assignment was at the Martinez Refinery, in California, as the Labor Relations Manager for that facility. I enjoyed my brief time there in the land of perpetual sun, enjoying success alongside a fantastic team of individuals - including folks from Human Resources, the Leadership Team, and the PACE Workers Committee. In late 2004, I was pleasantly surprised to be offered the opportunity to be a part of the Puget Sound Refinery.

I have enjoyed the chance to work here at a premier facility, and the best part of the country, in such a warm and welcoming community, with a superior group of individuals. I look forward to meeting others in the community, as events and opportunities arise, and just want to say "thank you" to everyone who has welcomed me into their homes.

Refinery conducts comprehensive Cleanup Day, inside and outside plant

It was a "spring cleanup" of mammoth proportions.

On Wednesday, May 11, Shell Puget Sound Refinery committed unprecedented manpower and resources to an environmental event encompassing more than 500 acres inside the refinery fence line. In addition, several crews were assigned to collect litter on neighboring stretches of Highway 20 and county byways including March Point road.

Cleanup Day coordinator Tracy Hascall reports that the "army" of cleanup crews numbered more than 250, including both Shell and contractor employees.



Dave Hanson, Joe Combel, John Carney, and Jay Bergstrom pause during collection of litter from in the refinery tank farm area.

Employees in operating units devoted time to cleaning up in and around their workplaces.

Before the day was over, tons of litter and garbage had been collected, including a few odd items such as an outmoded cell phone and a hand-held vacuum cleaner.

Members of the Cleanup Day Committee included Shell employees Hascall, Daren Reiter, Jim Caddell, Jerry Byfield, Nancy Thompson and Robert Johnston. Management commitment to the event was illustrated by the participation of managers as cleanup team leaders, including Refinery Manager Tom Smith.

The day began with an organizational session featuring coffee and pastries donated by Fidalgo Bay Roasting Company and Costco, respectively. Crews gathered again for a midday break - a catered lunch and prizes for those who discovered bright orange golf balls in the course of their cleanup activities.

"It went well," said Hascall. "We received nothing but compliments, and there's been a commitment to do it again next year."

Individual participation in the cleanup, said Hascall, "gave people a greater understanding of our goal of improving our environmental performance. I saw people take real ownership of their areas, and the plant at large."

Cleanup Day is only one part of PSR's ongoing commitment to improve environmental performance. The refinery is pursuing ISO 14001 certification, an international environmental management system certification process.

Safe work honors

On May 4 the Shell Refinery honored three contract companies and their employees for their safe work in the refinery during 2004. The companies: Matrix Service Inc., Anvil Corporation and Western Process Control Service, Inc., all received the Shell Manufacturing Contractor Safety Award for their detailed safety programs and excellent safety performance. All three of the companies had zero OSHA Recordable incidents during 2004, contributing to the refinery's best safety performance in the refinery's history. Employees of the contract companies were treated to a salmon lunch and words of thanks from Refinery Manager Tom Smith and HSSE Manager Mark Koslicki.

Tidings is published periodically for the friends and neighbors of Shell Puget Sound Refinery, Tom Smith, Plant Manager. Members of the plant's Community Relations Committee include: Tom Smith, Dean Overman, Sandra Corrión, Mark Larson, Denis Caron, Mike Lytton, Thomas Wood, Carolyn Whalen, Jeff Mussen, and June Snelson. Shell Puget Sound Refinery, PO Box 622, Anacortes, WA 98221; telephone:(360) 293-0800. www.shellpugetsoundrefinery.com. Tidings editor: Steve Berentson.



TIDINGS