



bp investing almost \$270 million to improve efficiency, reduce emissions and grow renewable diesel production at Cherry Point Refinery

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- Estimated to reduce refinery's operational carbon dioxide emissions by approximately 160,000 tons per year, or seven percent
- To double capability to produce renewable diesel¹
- Expected to create more than 300 jobs over the next three years

HOUSTON – bp today announced plans for a \$269 million investment in three projects at its Cherry Point Refinery in Washington state, aimed at improving the refinery's efficiency, reducing its carbon dioxide (CO₂) emissions and increasing its renewable diesel production capability.

These projects are expected to create more than 300 local jobs over the next three years. This includes more than 200 construction jobs, 25 engineering jobs and approximately 40 support roles. bp currently supports more than 36,600 jobs in Washington.

The investment is aligned with bp's aims to be net zero across its operations by 2050 or sooner and to reduce the carbon intensity of the products it sells by 50% by 2050 or sooner.

David Lawler, chairman and president, bp America: "bp's new investment in Cherry Point builds on a half century of innovation in Washington state. It will position us to provide lower carbon energy while creating jobs and reducing emissions in our operations."

The three projects are:

Hydrocracker Improvement Project

The \$169 million Hydrocracker Improvement Project (HIP) will improve efficiency and reduce periods of planned maintenance, resulting in fewer unit shutdowns and associated flaring events.

The hydrocracker is the "heart" of the refinery. In this unit, heavy oils are subjected to high temperatures and pressure – in the presence of hydrogen – to produce gasoline, diesel and jet fuel.

Upon project completion, the hydrocracker will consume less hydrogen, which is produced at the refinery by conversion of natural gas, producing CO₂ emissions. In addition, the hydrocracker will require less heat input from the consumption of gaseous fuel in refinery process heaters than it does today.

Work on the hydrocracker will begin later this year and is expected to finish in 2023.

Cooling Water Infrastructure Project

The \$55 million Cooling Water Infrastructure Project (CWI) will enhance cooling water infrastructure, allowing for increased utilization, better energy efficiency, and a related reduction in CO₂ emissions.

Just as a radiator in a car cools the engine, cooling towers in the refinery enable cooling for process units through circulation of water. Water is recycled in this system, and as much ambient heat as possible is recovered.

Cooling water is vital to safe operations. This project will improve reliability by enabling the refinery to maintain an optimum cooling water temperature year-round. Increasing efficiency in cooling produces fewer light hydrocarbons, such as methane and ethane, that are combusted in process heaters and utility boilers.

Work on the cooling water infrastructure will begin later this year and is expected to be completed in 2023.

The HIP and CWI projects are together estimated to reduce CO₂ emissions from operations at Cherry Point by approximately 160,000 tons per year, or seven percent – equivalent to taking more than 32,000 US cars² off the road.

Renewable Diesel Optimization

The Renewable Diesel Optimization (RDO) project is a \$45 million dollar investment that will more than double the refinery's renewable diesel production capability to an estimated 2.6 million barrels a year.

Renewable diesel is manufactured from biomass-based feedstocks, such as vegetable oils and rendered animal fats. The increased production capability from the RDO project is expected to reduce the CO₂ emissions resulting from the diesel produced by Cherry Point by approximately 400,000 - 600,000 tons per year³.

In 2018, Cherry Point became the first and only refinery in the Pacific Northwest capable of processing these feedstocks alongside conventional feedstocks like crude oils. This fuel produced through co-processing is chemically identical to petroleum diesel and can be distributed using the same systems.

Amber Russell, senior vice president, refining, terminals and pipelines: "Our team's success since we first began producing renewable diesel made these projects possible. We're excited that Cherry Point continues taking steps toward a lower carbon future.

This work shows the important role refining can play in helping both bp and the world reach net zero."

The additional renewable diesel production is expected to be available in 2022.

Notes to editor

¹ "Renewable diesel" refers to non-ester renewable diesel as defined at 40 CFR 80.1401.

² Estimated calculation made based on average annual CO₂ emissions of a typical passenger vehicle, according to March 2018 EPA report and federal highway statistics.

³ Estimated reduction calculated using the California Low Carbon Standard Provisional Pathway for Co Processed Renewable Diesel methodology approved in 2019.

About bp

bp's ambition is to become a net zero company by 2050 or sooner, and to help the world get to net zero. bp is America's largest energy investor since 2005, investing more than \$130 billion in the economy and supporting about 230,000 additional jobs through its business activities. For more information on bp in the US, visit www.bp.com/us.

Further information

bp press office, US, uspress@bp.com

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