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Sousa Prepared Statement for South Portland Planning Board:

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City of South Portland
Planning & Development

Good evening everyone. My name is Bill Sousa and I am the terminal manager at the terminal located at 102 Mechanic Street in South Portland. The terminal is jointly owned by CITGO Petroleum Corporation ("CITGO") and Irving Oil terminals Inc. (Irving). CITGO operates the terminal. The terminal provides refined products, gasoline, diesel and heating oil throughout the State of Maine, New Hampshire and Vermont.

The protection of the environment and safety of our employees, contractors and neighbors is our highest priority. The Terminal's safety and environmental record are excellent. We work with the USCG, DEP, EPA, MEMA and city officials in ensuring that the terminal works within all operating permit guidelines and city, state and federal regulations. The Terminal's construction and maintenance standards are equal to, or more stringent than, what is required by code and regulation. Our standards provide a safer operation while protecting the environment. The terminal has an excellent safety and environmental record and was recognized recently as part of two national awards presented to CITGO's Terminals Facilities and Pipeline group, including the 2013 Safety Excellence Award presented by the International Liquid Terminals Association (ILTA) and the API Occupational Safety Performance Award in 2013.

Together CITGO and Irving invest approximately one million dollars per year in capital improvements to the terminal infrastructure. These capital improvements provide a safer work place and add additional layers to the protection of our environment. In addition, both CITGO and Irving spend over \$2.5 million in operating the terminal annually. That is an annual investment of over \$3.5 million dollars. A large percentage of this money is spent on local contractors who provide jobs for local citizens who in turn invest their income into the local economy. The terminal also provides loading privileges to over 1,100 drivers. Approximately seventy-five percent of these privately employed drivers are residents of Maine, and each of these drivers contribute to the local economy. The operating and capital budgets are spent largely in the local economy with vendors and contractors.

In addition to property taxes the terminal also spent \$4.4 million dollars with the States' Coastal & Inland Surface Oil Clean-up Fund. This is the same fund that the State would use to respond to an environmental incident.

CITGO and Irving also give back to the communities in which we do business. In 2012, CITGO donated approximately \$11,867,000 in heating oil assistance to low income families throughout New England. \$5,288,000 of that went to low income families in the State of Maine. As a CITGO employee, I am proud of my company's understanding and willingness to help provide for the needs of people who are currently not in a position to financially provide for themselves.

In addition, Irving Oil contributes hundreds of thousands of dollars through various charitable programs throughout Maine including Fuel the Care, Maritime Day, Maine American Heart Association, Special Olympics and also provides funding to local Irving Oil dealers for charitable donations of their choosing.

The proposed Waterfront Protection Ordinance ("WPO") would prohibit many of the projects that we undertake annually to provide a safe work place and restrict us from making improvements that are designed to protect the environment and others that are mandated by state and federal regulations. Further, the WPO would restrict any future investments in new technologies or products. The WPO is

also in direct conflict with the City's Comprehensive Plan, and we believe the WPO contains language and provisions that will eventually close all terminals on the waterfront as non-conforming entities.

If enacted the WPO will stifle economic growth and have a profound and negative impact on the entire region currently supplied by the terminals in South Portland. Most of the products currently stored in the South Portland terminals would need to be trucked in from the Boston area. The additional transportation fees would raise the price of oil significantly for the states currently supplied by the South Portland terminals. In addition, the products that are currently available locally would be affected by natural disasters such as hurricanes or blizzards, further constraining supply. This is not just a South Portland issue or Maine issue. This is a regional issue that will have a negative impact on the local, state and regional economy.

The restrictions imposed by the WPO provide no benefit to anyone. The WPO puts at risk numerous jobs, tax dollars and supply of petroleum products.