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A first in almost 40 years

THE CITY OF LÉVIS AND ULTRAMAR LTD. SIGN TWO AGREEMENTS

Lévis, November 11th, 2008. – Today, the City of Lévis and Ultramar Ltd. signed two agreements concerning, in the first instance, the company's commitments regarding the construction of a pipeline between Lévis and Montreal (the Pipeline Saint-Laurent project) and, in the second, the financial provisions applying to the presence and operation of the Jean-Gaulin Refinery on the territory of Lévis.

The first agreement addresses aspects concerning the construction of the section of the pipeline to be located on the territory of Lévis, yet lying outside the boundaries of the Jean-Gaulin Refinery site itself. It includes among others, the following commitments:

- The development and approval by the City of Lévis of an emergency preparedness plan;
- The establishment of measures aimed at guaranteeing the protection of the drinking water intake of the Chaudière River;
- The setting of a minimum depth for the pipeline, requiring 1.6 m in farmland areas and 1.2 m in woodland areas;
- The completion of a landscape integration plan to ensure the pipeline's harmonious integration into its environment;
- The identification, in cooperation with the City of Lévis, of all compensation provisions arising from the loss of wetland areas;
- Ultramar's liability for the decontamination of the land or repair to damages to the environment resulting from the construction or operation of the pipeline.

The second agreement deals more specifically with Ultramar's financial commitments associated with the presence and operation of the Jean-Gaulin Refinery on the territory of Lévis. This 5-year agreement, covers, in particular:

- Financial support to organizations accredited by the City under its Support to Organizations Policy and its Accreditation and Support Policy to Revitalization organizations for an annual minimum amount of \$300,000;
- An annual contribution of \$80,000 to the Energy Efficiency Research Centre that will house the Chair in Industrial Research in Energy Efficiency, sponsored by the School of Higher Technology (ÉTS);

- An annual contribution of \$50,000 for the promotion and development of the City of Lévis Public Transportation Services;
- A minimum of \$50,000 per year for the design and completion of permanent landscaping projects on the Jean-Gaulin Refinery site.

The City of Lévis came out in support of the Pipeline Saint-Laurent project on its territory when it adopted, on June 27th of this year, an interim control regulation (RCI number RV-2008-07-44), whereby it agreed to modify, at the appropriate time, its revised development plan, and when it sent, on September 2nd, a favourable notice to the Quebec agricultural land protection commission (CPTAQ) concerning the use of lands, for purposes other than agricultural, in the construction of Pipeline Saint-Laurent.

At the time of signing the agreements, the Mayor of the City of Lévis, Ms. Danielle Roy Marinelli, stated that Ultramar “is a key player in the economy of Lévis and of the region. The agreements we are signing today will help solidify our relationship. The discussions surrounding the preparation of these two agreements allowed us, on both sides, to clarify our mutual expectations. We are convinced that our closer relationship will bring very positive spin-offs for the entire community.”

For his part, the Vice President and General Manager of the Jean-Gaulin Refinery, Mr. Richard Boucher, insisted on reaffirming Ultramar’s desire to be a fully-fledged corporate citizen within the Lévis community. “We have been in Lévis now for 40 years and we intend to remain here for a very long time to come. Our involvement, and that of our employees, in the local community has always been one of our top priorities. With the signing of these two agreements today, we are very pleased to be contributing, in an even more concrete way, to the development of our region.”

About the City of Lévis and the Jean-Gaulin Refinery

The present day City of Lévis ranks 8th in Quebec in terms of population, with nearly 133,000 people. It was founded upon the amalgamation of 10 former cities in January 2002. Its economy is heavily based in the manufacturing sector and its shift into the tertiary services sector was initiated in recent years.

The Jean-Gaulin Refinery in Lévis is one of the most important refineries in Canada. Thanks to recent investments, it can now process up to 265,000 barrels of crude oil per day. It employs over 500 persons and contributes to thousands of indirect jobs.

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