

Media Contact: Andy Saenz

361-429-9012

andy.saenz@fhr.com

Flint Hills Resources Plans New Pipeline to Improve Reliability of Jet Fuel Supply to Austin-Bergstrom International Airport

Austin is the largest airport in the nation that relies on daily truck shipments for its fuel.

AUSTIN, TX - Flint Hills Resources, the main supplier of transportation fuel to Central Texas, today announced plans to build a dedicated pipeline to supply jet fuel to Austin Bergstrom International Airport. Austin is the largest airport in the country that relies on daily truck shipments for its jet fuel supply, instead of a pipeline.

Flint Hills Resources has supplied transportation fuel from its Corpus Christi refineries to the Austin area for more than three decades and is the primary source of jet fuel for the Austin airport. To supply the airport with the fuel it needs today, it requires 8,000-gallon tanker trucks to travel 40-miles round trip from Flint Hills Resources' fuel terminal in Bastrop to the airport every day more than 100 times.

The route for the proposed ten-inch diameter pipeline is still being finalized, but it is expected to originate at the Flint Hills Resources Bastrop Terminal. The company plans to use existing public right of way along Highway 71 for much of the project.

The Bastrop-Austin Texas Pipeline (BATX) will be owned by Flint Hills Resources affiliate BATX Pipeline, LLC. The pipeline will be privately funded, constructed and operated by Flint Hills Resources. Permitting authorities for the project include Travis and Bastrop Counties, the Federal Aviation Administration, the City of Austin, the Railroad Commission of Texas, and the Texas Department of Transportation. Once permitted, construction of the pipeline is expected to take approximately six months.

Austin is one of the fastest-growing airports in the nation. According to Austin Bergstrom International Airport officials, the airport is currently designed to accommodate approximately 15 million annual passengers. Last year the airport served more than 21 million passengers and is projected to serve 30 million annual passengers by 2027.

The current just-in-time, truck-dependent fuel delivery system has been prone to reliability issues, which affect airport operations. This can cause airlines to require additional onboard fuel when serving the Austin market and impact passenger service. Since 2019, there have been numerous fuel shortage alerts at the airport impacting operations.

Flint Hills Resources recently expanded its terminal at Bastrop to help meet demand and improve reliability of the trucking system. However, increasing demand, traffic congestion, and driver availability issues continue to push the current airport delivery system beyond its design capacity. Without a

dedicated pipeline, fuel truck deliveries will need to continue to increase to keep up with demand, based on the airport's growth projections.

The BATX Pipeline will be designed, built and operated according to the most advanced safety standards, including the use of cathodic protection, anti-corrosion coating, high-frequency welding, and advanced leak detection monitoring. The pipeline routing and construction process will also seek to minimize property disturbances by using as much existing public right of way as possible and minimally invasive construction techniques such as horizontal drilling. Once in service, the pipeline will be monitored continuously by Flint Hills Resources' Central Control Station. The pipeline will also be subject to standard pipeline integrity inspections and operated consistent with state and federal regulatory requirements.

According to the <u>U.S. Department of Transportation</u>, pipelines are the most commonly used and safest method of transporting energy resources.

Flint Hills Resources will conduct public meetings regarding the project as part of the permitting process.

For more information about the Flint Hills Resources BATX Pipeline project, please visit www.batxpipeline.com.

About Flint Hills Resources

Flint Hills Resources is a leading refining and pipeline company with operations primarily in the Midwest and Texas. Based in Wichita, Kansas, the company has approximately 3,000 employees and is a wholly owned subsidiary of Koch Industries, Inc. Flint Hills operates the Pine Bend refinery in Rosemount, Minnesota and two refineries in Corpus Christi, TX with a combined crude oil processing capacity of more than 700,000 barrels per day. The company produces, markets and transports refined products including gasoline, diesel, jet fuel, asphalt and heating oils. Flint Hills Resources also owns and/or operates more than 4,000 miles of pipelines that transport crude oil, refined petroleum products, natural gas liquids and chemicals that are delivered through a distribution system of more than 40 terminals throughout the Midwest and Texas.

More information at www.fhr.com.

About BATX Pipeline, LLC

BATX Pipeline, LLC is an affiliate of Flint Hills Resources, which will own the planned Bastrop-Austin Texas Pipeline (BATX).

More information at www.batxpipeline.com.