



Atlantica Centre for Energy responds to Irving Oil and BP partnership for proposed Eider Rock Refinery

March 17, 2008

Saint John – Earlier today Irving Oil Limited and BP jointly announced that the two companies have agreed to a formal *Memorandum of Understanding* to jointly work together on the next phase of the proposed new refinery (project Eider Rock). BP and Irving Oil have agreed to share the associated costs for the next phase in the project's development for design, engineering, and feasibility combined with ongoing permitting and community engagement. These costs are estimated by the two companies to be in the order of US\$100 million.

Tim Curry, President for the Atlantic Centre for Energy responded to today's announcement:

"This is an important next step that shows encouraging continued progress in the development of this business case for this important project. Today's announcement is particularly interesting as the partner piece has always been a critical component to reaching a final investment decision.

BP is a world class partner. It is without a doubt, one of the top energy companies in the world and it has a progressive view to the evolution of the energy business. It is particularly interesting that both BP and Irving Oil speak clearly to the importance of community engagement and that both companies understand that the "world has changed when it comes to matters that relate to environmental performance and security of supply." It is a tremendous opportunity for Saint John and for New Brunswick to have a company like BP with its international expertise and scale investing here with a local partner."

Curry also commented on the fact that the project proponents are suggesting that the size of the project is apt to be at least US\$ 7 billion, which is at the higher end of past estimates. This could translate to even further economic benefit to the region.

The partner piece is an important step forward. A partnership of this calibre further demonstrates a commitment to excellence to develop the proposed refinery with the best available proven technologies." Curry added.

The Atlantica Centre for Energy was created in June 2005 as an independent voice that supports and promotes opportunities in the energy sector. Acting as a bridge between corporations and communities the Centre provides a unified voice on energy issues within the four Atlantic Canadian provinces (New Brunswick, Newfoundland, Nova Scotia and Prince Edward Island), southeastern Quebec and northern New England- the region commonly referred to as Atlantica.

The goals of the Centre are to:

- drive energy-related economic development in the region;
- promote broad community understanding and engagement in energy-related issues and policy development;
- act as a community-based resource for expertise, knowledge and assistance to help make energy opportunities a reality;
- advance research and development of innovative energy solutions; and,
- promote efficient and responsible use of energy resources.

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The choice of partners is particularly significant as BP is not just a worldwide supplier of crude oil, not just one of the world's largest producers of refined petroleum, they are a progressive energy company.

Related links

Further information on Irving oil and the Eider Rock refinery project

Project Eider Rock: www.irvingoil.com/company/erock.asp
Irving Oil: www.irvingoil.ca
BP: www.BP.com

Map showing the location of the proposed Eider Rock.

http://www.bp.com/liveassets/bp_internet/globalbp/STAGING/global_assets/downloads/E/Eider_EastCoast_Map_3.pdf