



Marathon Petroleum Company LP

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Chairs Pratt and Noor, and members of the Jobs and Labor Conference Committee,

Marathon Petroleum Corporation, through its subsidiaries, owns and operates the 104,000 barrel-per-calendar-day refinery located in St. Paul Park, Minnesota.

We appreciate the opportunity to provide comments on the omnibus bills before your committee, and we will focus our comments on the House version (HF 1342), specifically Article 8, section 12, which would require outside contractors working at oil refineries in Minnesota to have apprenticeship-level training. Marathon Petroleum opposes this provision and urges its removal from the final bill, as it mandates who private businesses can hire to work within their facilities and reduces the refineries' abilities to choose the safest, most technically-advanced contractor to meet the needs of the facilities, regardless of apprenticeship status.

The St. Paul Park refinery has 400 employees and at times employs hundreds of contractors, many of whom live and work in the community. The safety of our employees, contractors, business partners, customers and the community is, and always will be, our number one priority. It is of the utmost importance to Marathon that each of these individuals goes home safely to their families after every shift.

Previous testimony on this provision and recent media reports have made baseless claims that refinery safety, particularly at the St. Paul Park refinery, has declined in recent years, jeopardizing our employees and the surrounding community. A review of the data shows this to be false. The St. Paul Park refinery has an outstanding safety record for both process safety and personal safety, recording no PSE1 or PSE2 process safety incidents in 2019 or 2020, and a combined employee and contractor OSHA Recordable Incident Rate of less than 0.5 each of the last two years since acquiring the plant in late 2018. Our commitment to safety and continuous improvement is firm. Marathon Petroleum has invested nearly \$14 MM to improve the safety and process safety of our refinery, in addition to \$4.2 MM improving our fire protection systems since 2018.

Our strong commitment to safety is reflected in the rigorous process for how we select companies to provide contracted services at the St. Paul Park Refinery. We award our contracts based on a comprehensive evaluation process, selecting companies that have exemplary safety records; demonstrate a strong health and safety culture for their employees and concern for our community; practice sound environmental stewardship; and utilize innovative technology and tools to improve safety and performance. Contractors must also meet all federal and state regulations and are trained for their specific roles. To support this disciplined selection process, our contractors' health and safety programs and safety data (including total recordable incident rates and OSHA logs) are vetted by an independent auditor prior to awarding business. Our rigorous



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selection process has resulted in both qualified union-represented and non-represented contractors safely and successfully performing work at the refinery.

During periods of normal operations, the St. Paul Park refinery averages approximately 150 contractors per day. During labor-intensive maintenance periods, such as turnarounds, that number has peaked at more than 1,000 workers per day on site, depending on the size and scope of the turnaround. It can be challenging to fill more specialized positions currently, and by shrinking the available labor pool through the limitations put forth in this provision, planned critical, mechanical integrity-driven maintenance may be delayed due to lack of available workforce, and emergency maintenance may not be immediately available by a limited number of contract workers. This will not increase safety at refineries.

Another issue we have with this provision is that there are certain highly skilled crafts that do not have apprenticeship-level training available. In certain situations, the wide scope of this bill would require that refineries hire contractors with less specialized apprenticeship training over contractors that employ skilled craftsmen with decades of experience in a particular trade, but that do not meet the bill's apprenticeship requirements because no apprentice program exists for their craft. This trade-off could result in the loss of hundreds of current jobs held by Minnesotans in and around our community. Additionally, trading skilled and experienced workers for those with potentially less training simply because they attended an apprenticeship program creates an inherent safety risk. For example, simply completing an apprenticeship as a pipefitter does not make someone more safe or more qualified than a well-trained specialist that has been working in an industrial setting without incident for years.

St. Paul Park had two OSHA recordables in 2020. One of these OSHA recordables happened to a non-apprenticeship-trained contractor and one OSHA recordable happened to an apprenticeship-trained contractor. The bottom line is both injuries were preventable and non-life threatening. One embedded outside contractor was consistently receiving one to two OSHA recordables per year in our refinery since 2016. As a result of this unacceptable pattern, in 1Q 2021, that contractor was replaced with another contractor that would not meet this provision's 85% apprenticeship-level training threshold, although they have vast experience in industrial settings, a proven long-standing commitment to safety, and have been recognized with an OSHA VPP certification in one of Marathon's other refineries. We at Marathon Petroleum view the use of contractors at our facility as a true partnership, underscored by a strong commitment to safety from each party. The ability and availability to hire the safest and best contractors, regardless of apprenticeship status, moves safety forward for refineries, their employees, their contractors, and their communities.

Thank you for the opportunity to share our concerns, and we respectfully request that the committee not adopt Article 8, section 12 from the House version to the final bill.