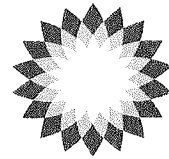




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AUG 06 2018



ALL COUNCIL MEMBERS  
WHATCOM COUNTY COUNCIL

Fuels, North America  
BP Products North America, Inc.  
4519 Grandview Road  
Blaine, WA 98230  
USA

**Robert K. Allendorfer**  
Refinery Manager  
Cherry Point

August 3, 2018

Councilmember Rud Browne  
Whatcom County Council  
311 Grand Avenue Suite 105  
Bellingham, WA 98225

Dear Councilmember Browne:

Starting 20 years ago, BP was one of the first major energy companies to make investments in renewables. Today, we are working to reduce emissions in our operations, improve our products and create new low-carbon businesses. We are a leader in meeting growing global energy demand while working on solutions to the world's carbon challenge.

We believe a well-designed carbon pricing framework is the most comprehensive and economically efficient policy that incentivizes both energy efficiency and new lower-carbon technologies and businesses. In fact, BP has a strong record of working to advance carbon pricing in tandem with policymakers, environmental groups and academics.

As you may know, the people of Washington will be voting on Initiative 1631 (I-1631) in November — a proposal to introduce a carbon fee (essentially a tax) in our state. Although BP attempted to work with the sponsors to create an effective plan, we cannot support I-1631 in its final form because it's a poorly designed policy that would disrupt Washington's economy without achieving significant reductions in carbon emissions.

The plan in I-1631 suffers from three major flaws:

- (1) It would exempt six of the ten largest carbon-emitting industries in the state, including a coal-fired power plant, an aluminum smelter and a number of pulp and paper plants. This would undermine the goal of reducing emissions, while effectively subsidizing certain companies at the expense of others.

*No candidate or committee authorized this letter. It is paid for by BP Corporation North America Inc. 501 Westlake Park Drive, Houston, Texas 77079.*

- (2) It would fail to preempt other state and local carbon regulations that could result in a double-tax on consumers and businesses, thereby jeopardizing thousands of Washington jobs.
- (3) If I-1631 were enacted, it would make creating a successful carbon pricing program much more difficult.

BP supports more than 125,000 American jobs — including more than 9,600 jobs in Washington state alone. We operate the largest refinery in the state and have invested \$1.5 billion for improvements over the past decade. We market gasoline under the ARCO brand and we're the largest supplier of jet fuel in the region — supplying Seattle, Portland and Vancouver (B.C.) international airports. Our employees, contractors and business partners feel privileged to live, work and raise their families here.

We will continue to work with Governor Inslee and legislative leaders in the 2019 legislative session to develop a carbon pricing program that most effectively lowers carbon emissions. BP looks forward to making our state a leader in effective carbon policy, and we hope you'll join us in opposing I-1631 and work with us in 2019 on a more comprehensive approach to the carbon challenge.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bob Allendorfer', with a long horizontal flourish extending to the right.

Bob Allendorfer  
Refinery Manager  
Cherry Point, Washington