

**AMENDMENT TO H.R. 4471**  
**OFFERED BY MRS. CHRISTENSEN OF VIRGIN**  
**ISLANDS**

After section 1, insert the following section (and redesignate the subsequent sections, and conform internal cross-references, accordingly):

**1 SEC. 2. FINDINGS.**

2 The Congress finds the following:

3 (1) According to the Energy Information Ad-  
4 ministration, since September 2011, two refineries in  
5 the Philadelphia area (ConocoPhillips' Trainer refin-  
6 ery and Sunoco's Marcus Hook refinery) and one  
7 major Caribbean refinery supplying the East Coast  
8 (HOVENSA's U.S. Virgin Islands refinery) have  
9 closed. In addition, Sunoco announced plans to sell  
10 or idle its remaining Philadelphia-area refinery by  
11 July 2012.

12 (2) According to the Energy Information Ad-  
13 ministration, U.S. consumption of motor gasoline  
14 fell in 2011, particularly on the East Coast, and is  
15 projected to continue to decline.

16 (3) A spokesman for Valero Energy said that it  
17 is "very difficult to compete" in the East Coast mar-

1 ket but “if there was demand for product there,  
2 those refineries wouldn’t close down”.

3 (4) IHS Cambridge Energy Research Associ-  
4 ates stated that East Coast refineries have been  
5 most vulnerable to market conditions because “they  
6 are buying crude at very high prices, but they have  
7 to sell gasoline in a very competitive market, which  
8 is shrinking”.

9 (5) According to the Congressional Research  
10 Service, East Coast refineries have been particularly  
11 unprofitable due to reduced refinery capacity utiliza-  
12 tion.

13 (6) In February 2012, ConocoPhillips informed  
14 its shareholders of the “severe market pressure” fac-  
15 ing its Trainer, Pennsylvania refinery and other re-  
16 fineries on the East Coast.

17 (7) In an open letter to the Pennsylvania com-  
18 munity, Sunoco listed three market factors that  
19 forced the company to close or sell its Philadelphia  
20 and Marcus Hook refineries: expensive crude oil, de-  
21 clining demand for gasoline, and overcapacity in the  
22 refining sector. The company did not cite environ-  
23 mental regulations as a factor.

24 (8) HOVENSA stated that it decided to close  
25 its St. Croix, U.S. Virgin Islands refinery because of

1 economic losses caused by “weakness in demand for  
2 refined petroleum products due to the global eco-  
3 nomic slowdown and the addition of new refining ca-  
4 pacity in emerging markets”.

5 (9) According to the Energy Information Ad-  
6 ministration, in 2011, U.S. refining capacity reached  
7 17.7 million barrels per day, the highest level in at  
8 least 25 years. In particular, Gulf Coast refineries  
9 have increased their capacity by more than one mil-  
10 lion barrels per day since 2000.

11 (10) Therefore, in light of the findings in para-  
12 graphs (1) through (9), market forces, not environ-  
13 mental regulations, were the primary factors driving  
14 companies to close or sell refineries in Pennsylvania  
15 and the Virgin Islands.

