

VLO Central Texas Pipeline and Terminal Project



Valero's Central Texas Pipeline and Terminal Project:

Valero is planning to build a pipeline from near Hearne, Texas, to Williamson County, Texas, expanding fuel supply for the fast-growing Central Texas population. This new common carrier pipeline will carry fuel products to a newly constructed distribution terminal in Williamson County with approximately 500,000 barrels of storage capacity. This 70-mile pipeline will provide a new and reliable fuel supply alternative for the Central Texas marketplace.

Project Overview:

- The project includes the construction of 70 miles of 12-inch pipeline from Hearne, Texas, to Williamson County, Texas, transporting up to 60,000 barrels per day of refined products, including gasoline and diesel.
- The project also includes the construction of:
 - A terminal near the existing refined product terminals in Hearne.
 - A terminal on FM 1660 in Williamson County near the landfill that includes a 5-bay truck rack and refined product tank storage of about 500,000 barrels.
- Valero will serve as construction manager and operator of the pipeline and terminals.

Economic Impact:

- Estimated cost of the project is approximately \$200 million.
- The pipeline and terminals will generate approximately 350 development and construction jobs.
- Valero's significant investment will enhance the tax base of communities near the pipeline route and terminals.

Community Involvement:

- At Valero, we share our success with the communities where we live and work. As part of our commitment to the communities near the pipeline route and terminals, Valero will provide a First Responder Grant program to help emergency responders receive funding to support training and response equipment along the route.

Safety, Reliability & Environmental Responsibility:

- At Valero, safety is a foundation to our success.
- Valero is committed to working closely with stakeholders and landowners to design, construct, operate, and maintain the pipeline and terminals in a safe and reliable manner, and to meet or exceed regulatory standards.
- Valero will include important safety elements that will meet or exceed minimum safety, design, construction, and operating standards such as using thicker-wall pipe than required by regulations, 24/7 remote monitoring, and real-time leak detection technologies.

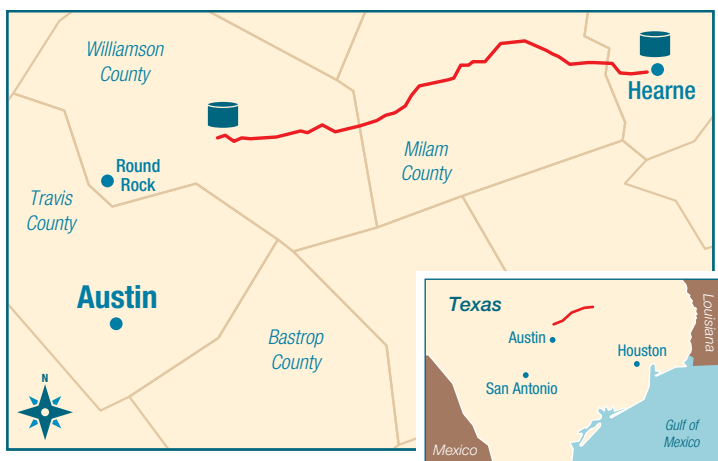
Federal, State & Local Oversight:

- A number of federal, state, and local agencies will be involved in the approval and oversight of the project.
- The project will seek permits and/or approvals from the agencies for construction and operation of the pipeline and terminals. These include, but are not limited to: air, water, cultural, and natural resources permits/approvals.

For more information contact:

Media/Stakeholder Relations – 210.345.5002





Proposed Route:

- The proposed 70-mile route will begin near Hearne located in Robertson County and will travel west through Milam County to a location near the landfill in Williamson County.
- The proposed pipeline route is being developed to minimize the collective impact to the environment, cultural concerns, and landowners during construction and reduce potential incidents during operation. We are identifying the route and installation methods in an effort to minimize the risk of impact on sensitive areas, preferentially following the route of existing pipelines or other utilities where possible.

About Valero

Valero Energy Corporation, through its subsidiaries, is an international manufacturer and marketer of transportation fuels and other petrochemical products.

Valero subsidiaries employ approximately 10,000 people, and assets include 15 petroleum refineries with a combined throughput capacity of approximately 3.1 million barrels per day, 11 ethanol plants with a combined production capacity of 1.4 billion gallons per year and renewable diesel production from a joint venture.

Through subsidiaries, Valero owns the general partner of Valero Energy Partners LP, a midstream master limited partnership that owns, operates, develops and acquires product pipelines, terminals, and other transportation logistic assets.

Approximately 7,400 outlets carry Valero's brand names in the United States, Canada, United Kingdom and Ireland.

Valero is a Fortune 50 company based in San Antonio, Texas and named top independent refiner on Fortune magazine's World's Most Admired Companies list. Valero was also named to the Civic 50, a listing of America's most community minded companies by Points of Light and the top company in the energy sector highlighting community giving and employee volunteerism.

Valero Logistics Assets Overview:

- Pipelines¹
 - Over 1,200 miles of active pipelines
- Racks, Terminals, and Storage¹
 - Over 70 million barrels of active shell capacity for crude oil and products
 - 139 truck rack bays
- Rail
 - 5,300 railcars, expected to serve long-term needs of ethanol, asphalt, aromatics, and other products
- Marine¹
 - 51 docks
 - Two Panamax class vessels

¹ Includes assets that have other joint venture or minority interests.